



Annual Report | Jan 15 - Mar 16

BOARD OF DIRECTORS

MR. DEEPAK PURI

Chairman & Managing Director

MRS. NITA PURI

Whole Time Director

MR. VINEET SHARMA

Independent and Non-Executive Director

MR. SANJAY JAIN

Independent and Non-Executive Director

MR. SAMRISH BHANJA

Additional Director

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CHAIRMAN'S MESSAGE

Dear Shareholders,

The global economy is emerging from a turmoil- the Chinese economy slowdown and the European crisis post Brexit, amidst all this gloom, the Indian economy continues to be seen as the silver lining. However, this opportunity is yet to be realized, leaving many dreams to be fulfilled. The Government of India has taken multiple actions in the form of the 'Make in India' campaign and other programs designed to propel the economy towards a stronger GDP growth. The Indian juggernaut needs a steady hand with a long term vision (2030) as its focus rather than short term targets to realize the potential of the Indian market.

While the discussion is on the Indian economy, I must tell you about the wonderful feedback that was shared by global leaders in various forums about India. This is a remarkable change from the past when India was not in the radar for attracting investments. What has prompted this change of sentiment is less important; what is significant is how quickly can the Country utilize this opportunity to decide its fortunes. For me, the current environment is business conducive and will help entrepreneurs ride the storm into calmer seas.

According to the World Bank, the Indian economy is expected to grow at 7.5 per cent in 2015-16, followed by further acceleration to 7.8 per cent in 2016-17 and 7.9 per cent in 2017-18. It is not surprising that India is being perceived as a great investment destination across board, as it

- emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF).
- ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.
- Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of 'Make in India' campaign, compared to the 15-month period before the launch.
- The Nikkei/Markit Manufacturing Purchasing Managers' Index (PMI) for February 2016 was reported at 51.1, indicating expansion in Indian manufacturing activity for a second month in a row, as both domestic and foreign demand increased due to lower prices.

While the early indicators are in place for a robust growth but success will depend on how we are able to work as one team, more like a tree than multitude of small branches.

According to a Goldman Sachs report released in September 2015, India could grow at a potential 8 per cent on average from fiscal 2016 to 2020 powered by greater access to banking, technology adoption, urbanisation and other structural reforms.

Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the 'Make in India' initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP. Over the next decade, the performance of the manufacturing sector will be critical for achieving India's overall aspirations of growth and employment. Achieving these aspirations would not be easy and will require coordinated efforts to develop necessary enabling infrastructure, educate and skill the population, adapt to emerging technologies and improve labour and capital productivity. Holistic thinking and systemic view on how to bring in some fresh thinking and alignment between different stakeholders will hold the key to success.

As the Country emerges in the global forefront, Indian entrepreneurs have to support the vision of the Government by identifying new avenues for growth and help India leapfrog technology. A focus on R&D will be necessary for Indian businesses to build healthy and more sustainable opportunities.

For a Country with its focus on Make in India, Clean Energy and Energy Efficiency initiatives, your Company, which is a leading global Hi-Tech manufacturer, is well positioned to play a key role in the Indian growth story. The perfect overlay of the Country's growth trajectory with your Company's operations is not by chance but by design. And this opportunity is what makes the case for the banks and financial institutions to continue supporting the efforts of the Company.

Banks and financial institutions in this Country will have to measure up to the daunting task of ensuring financial discipline as well as supporting the industry. When it comes to technology and the ability to scale it to mass consumption, your Company is undoubtedly one of the select few in the country, with a track record of global leadership in the storage media industry, sustained over more than a decade.

Since our last conversation, your Company has taken some decisive steps in continuing with its journey. I believe "tough times do not last but tough people do". This reflects in every action we take – ensuring maximum returns in the tough economic conditions. We are able to do this as our key stakeholders continue to retain their faith in the management and its revival strategy. I am sure, with the support of its stakeholders including banks and financial institutions, your company will once experience an upswing in businesses. We have done it in the past and no reason why it cannot be repeated.

The Company has been increasing focus on businesses that are synergistic with our capabilities, less capital and labour intensive and more domestically oriented. It has been constantly working on the consolidation measures and restructuring of operations according to the business imperatives demanding different capabilities and resources to deliver continued results to the stakeholders. Some of them have been painful but not without appreciation!!! This has resulted in the Company making in-roads in the lucrative LED lighting business and remaining a key player in the Solar PV manufacturing sector.

During the period ended March 31, 2016, the ongoing re-alignment and transition in the global Optical Media industry continued to impact the demand for all the top tier players, notwithstanding the financial constraints, your Company's volumes and margins were on the path of restoration. Your Company continues to focus on product innovation, upholding of its high quality standards, increase in its cost competitiveness and widening of its distribution network to counter the constraints that continues to weigh down the operations.

It is indeed a matter of pride that over the last three decades we have bucked the trend and created a name for ourselves globally, we now need to exhibit the same grit and determination to overcome the challenging times that is faced by your Company.

The dream to empower the consumer in making the right choice of products also ensured developing of a mobile app for LED lighting. Our mobile app suggests the best lighting option a consumer should use given his requirement. It takes multiple factors in to account while suggesting the lighting options. No wonder, the app developed by your Company was awarded by 'CISCO-CNBC' as one of the most exciting developments in the sector.

Our tomorrow is in our hands, and believe me, we can succeed only if we trust and back ourselves to overcome the liquidity issues that continue to hurt our operations. We will always be known as a hi-tech manufacturing player with a compassion for the community that we inhabitate. Your company, even during tough times has worked to empower these communities and make them self-reliant. These non-monetary efforts, over the years are now paying rich dividends for the communities.

I am indeed proud and feel humbled to be able to garner the support and commitment of our associates. Together, we will continue to work on our revival for a better tomorrow.

Best Regards,



(Deepak Puri)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 33rd Annual Report on the business and operations of the Company together with the Audited Financial Statement for fifteen months period ended 31st March, 2016.

Financial Results (Standalone Operations)

	(Rupees in Million)	
	Period ended March 31, 2016 (Fifteen Months)	Year ended December 31, 2014 (Twelve months)
Gross Sales, Service Income and other Income	7,804	10,106
Profit /(Loss) before Depreciation, Interest and Tax but after Prior Period Items	(700)	(702)
Depreciation / Amortization	1,061	1,809
Interest and Finance Charges	2,744	2,123
Profit / (Loss) before Exceptional Items and Tax	(4,505)	(4,634)
Exceptional Gain / (Loss)	(2,532)	(2,449)
Profit / (Loss) before Tax	(7,037)	(7,083)
Tax Expenses	-	-
Profit / (Loss) after Tax	(7,037)	(7,083)
Profit / (Loss) Carried Forward from Last Year	(16,457)	(9,374)
Depreciation adjustment against reserves	(111)	-
Profit/(Loss) Carried forward to Balance Sheet	(23,605)	(16,457)

Operations

Gross Revenues for fifteen months period ended March 31, 2016 stood at INR 7,804 million, Loss before depreciation, interest, exceptional items and tax stood at INR (700) million.

Market Environment and Outlook

Storage Media Business

During the financial period ended March 31, 2016, despite liquidity challenges, volumes and margins were on the path of restoration. Company's subsidiary has entered into an exclusive distribution agreement with Verbatim (a long term customer of the Company) for sale of Verbatim branded Storage Media and LED products in India. While Average Selling Prices (ASPs) were impacted as compared to the previous year with changing product mix, inputs costs have remained stable. However the Company has been consistently working on improving cost efficiencies across the entire value chain.

Regulatory action by the Government of India against dumping of USB drives by players from select countries has allowed Moser Baer the opportunity to recover its market share in this segment through sale of the Moser Baer and other OEM branded products.

Moser Baer continues to remain one of the leading players in the global Storage Media industry both in terms of low cost mass manufacturing and in offering a wide range of high quality products. Our strong focus on quality and service has resulted in continued business alliances with leading OEMs across the world.

During the period, the Company undertook several steps aimed at lowering the overheads and aligning resources with current levels of operations. Further consolidation in Greater Noida facility is being executed which will result in lower power consumption and lower fixed overheads. The company continued to right size its employee base to current level of operations. These steps are expected to positively impact the company's operations in the near to medium term.

We are aggressively pursuing new geographies like Africa and several countries in Latin America for incremental markets and customer acquisition and expect our Non- OEM market share to increase in the coming quarters.

In the medium term, the Optical Media industry is expected to continue to witness overall volume decline globally. The trend is more accelerated in the developed economies. However, emerging markets such as Africa, Eastern Europe and parts of Asia would continue to remain stable with pockets of growth in DVD and Blu-ray formats.

In the near future, the Solid State Media segment will continue to show healthy growth, given the market demand, regulatory action against predatory imports, strong relationships with OEM customers and strong brand equity of Moser Baer in India and is limited only by liquidity constraints.

The Company continues to focus on product innovation, upholding of its high quality standards, increase in its cost competitiveness and on widening of its distribution network.

Solid State Lighting

The company had chosen the Solid State Lighting business some time ago as a strategic area to build a potential new growth business by leveraging its existing manufacturing facilities and capabilities. During the period, the Company moved towards establishing itself as a key player in the Indian LED market, with a large number of B2B clients and an initial foray into the B2C segment.

We have commenced production of LED lighting products in our manufacturing facility (with imported LED Chips and some other components), leveraging our existing asset and skill base. We will however continue to use outsourced contract manufacturers also to manufacture select LED products designed by Moser Baer as per our quality specifications.

The company is scaling up operations in LED lighting space by leveraging its brand strength and expanding its distribution network nationally

Photo Voltaic Business

In the Solar PV segment, the global solar industry witnessed installations of 50.6 GW during 2015 while the home market added more than 2 GW capacity in 2015 to reach a cumulative capacity of 5.6 GW by the end of the year.

To take advantage of opportunity due to the Domestic Content Regulations in the solar sector, Moser Baer's PV subsidiary had initially re-started its cell manufacturing operations in the early part of 2015 but was hampered by employee unrest and volatility of DCR demand thereafter.

During the period, liquidity pressures continued to persist and have been critically impacting our ability to enhance manufacturing operations and capacity utilization levels. However, the positive global macro sector environment along with a high potential domestic market provides opportunity to us to benefit from these segments, given that we are the largest integrated PV manufacturer in India, and we begin the FY 2016-17 period with a 45 MW order under implementation.

Dividend

Considering the operating performance for the financial period ended on March 31, 2016, your Directors do not recommend any dividend for the period.

Reserves

During the period, considering the operating performance of the Company, the Company has not transferred any amount in General Reserve.

Fixed deposits

During the period under review, your Company has not accepted any deposit under Section 73 of the Companies Act, 2013 and rules made there under.

Share Capital

The Company has allotted 9,879 Equity Shares of Rs. 10/- each pursuant to conversion request received from a Foreign Currency Convertible Bond holder during the period.

Further, pursuant to a scheme of Corporate Debt Restructuring, notified by Reserve Bank of India, the Company has issued and allotted 13,450,000 equity shares to Promoter Group, which was approved by a Special Resolution passed by the shareholders through Postal Ballot.

These shares have been listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

Financial Year

The Company closed its financial year on March 31, 2016 for a period of 15 months to align with the requirements of Companies Act, 2013. The next financial year i.e. 2016-17 shall be for a period of 12 months.

Consolidated Financial Statement

Your Company is also presenting the audited consolidated financial statements prepared in accordance with the Accounting Standard 21 issued by the Institute of Chartered Accountants of India. Further, pursuant to the provisions of Section 129(3)

read with Rule 5 of Companies (Accounts) Rules, 2014, statement containing salient features of the financial statements of subsidiary companies is disclosed separately and forms part of the annual report

Board of Directors and its meetings

During the period under review, Mr. Samrish Bhanja, has been appointed as Additional Director on the Board with effect from June 22, 2015. Further, M/s. Electra Parters Mauritius Limited withdrew its nominee Mr. John Levack from the Board of Directors with effect from November 09, 2015. He was associated with the Company since 2003. The Board places on record its appreciation for the contribution during his tenure as Director of the Company.

In terms of the provisions of Section 152 of the Companies Act, 2013, Mrs. Nita Puri, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

During the period under review, the Company conducted eight Board Meetings i.e. February 26, 2015, May 11, 2015, June 2, 2015, August 13, 2015, September 24, 2015, November 11, 2015, January 7, 2016 and February 11, 2016.

The details of Directors being recommended for appointment or re-appointment pursuant to Regulation 33(3) of the Listing Regulations are contained in the accompanying Notice of the ensuing Annual General Meeting.

All new independent directors inducted into the Board are provided with various materials on the Company and updated from time to time. They are also issued formal letter of appointment outlining his/her role, function, duties and responsibilities.

The Company has constituted various committees of the Board of Directors, details whereof are given in Corporate Governance Report.

Appointment and declaration of Independent Directors

The Company has received a declaration of independence from all Independent Directors under Section 149(6) of Companies Act, 2013 and rules made there under. This is also in compliance of regulation 25(2) of SEBI (LODR) Regulation, 2015.

Key Managerial Personnel

Mr. Yogesh Bahadur Mathur, Group President – Moser Baer & Group Chief Financial Officer of Moser Baer Group was nominated as Chief Financial Officer of the Company under the Companies Act, 2013 during the period under review.

Subsidiary and Associate Companies

As on March 31, 2016, the Company had 21 subsidiaries including indirect subsidiaries. All these companies are 100% beneficially owned by Moser Baer India Limited. The Company regularly monitors the performance of such companies. Details of subsidiaries including subsidiaries liquidated/closed is given in one of the Annexure to this report.

The Company shall make available the annual accounts of the subsidiary companies to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company and respective subsidiary companies. Further, the annual accounts of the subsidiaries are also available on the website of the Company viz. www.moserbaer.com. The consolidated financial statements presented by the Company include the financial results of its subsidiary companies.

Policy on director's appointment and remuneration

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its function of governance and management. As on March 31, 2016, the Board consist of five members, two of whom are executive/whole-time directors, remaining three are independent directors.

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as Annexure 1 to the Board's report. We affirm that the remuneration paid to the director is as per the terms laid out in the nomination and remuneration policy of the Company.

Circulation of Audited Financial Statements

In terms of the provisions of section 136 of the Companies Act, 2013, the Board of Directors have decided to circulate the abridged Annual Report containing salient features of the Balance Sheet and statement of Profit & Loss to the shareholders for the financial period ended on 31st March, 2016. Full version of the Annual Report will be available on Company's website www.moserbaer.com and will also be made available to shareholders upon request.

As in the previous year, this financial period too, the Company is publishing statutory information in the print version of the annual report. However, we shall be sending full Annual Report through email to those shareholders who have registered their email id with their Depository Participant/Company's Registrar & Share Transfer Agent. In case a shareholder wishes

to receive a printed copy, he/she may please send a request to the company, which will send the Annual Report to the shareholder. For members who have not provided their email ids, physical copy is being sent in permitted mode.

Auditors & Auditor's Report

At the Annual General Meeting of the Company held on 30th June, 2015, M/s. Walker, Chandiook & Co. LLP (Firm Regn. No. 001076N/N500013), chartered accountants, statutory auditors of the Company, were appointed to hold office until the conclusion of 37th Annual General Meeting. Further, as per Section 139 of the Companies Act, 2013, their appointment shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Walker, Chandiook & Co. LLP is placed for ratification by the shareholders.

The Audit Committee at its meeting held on August 11, 2016 has recommended to ratify the appointment of M/s. Walker, Chandiook & Co. LLP as statutory auditors of the Company.

Auditors' report is self-explanatory and therefore does not require further comments and explanation.

There was no matter to be reported by the Auditors/Board of Directors as per requirements of Section 143(12) or Section 134(3)(ca) of the Companies Act, 2013.

Directors' Responsibility Statement

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2016 and of the loss for the period ended on that date;
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- We have prepared the annual accounts on a going concern basis.
- We have laid down internal financial controls to be followed by the company and that such financial controls are adequate and were operating effectively.
- We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Stock Option Plan

Your Company was having Stock Option Plan(s) for its Non-Executive Directors i.e. Directors Stock Option Plan - 2005 ("DSOP-2005") and for its employees i.e. Employees Stock Option Plan-2004 and Stock options plan 2009 ("ESOP - 2009"). During the last annual general Meeting, the Shareholders approved termination of these plans. All the outstanding Stock Options vested and in force at the beginning of the Financial Period were cancelled or surrendered and no options were exercised during the period.

The Shareholders further approved in the last annual General Meeting of the Company – Stock Option Plan 2015 for employees of the Company and its subsidiaries.

During the period under review, the Nomination and Remuneration Committee of the Board of Directors has not granted any new options to employees of the Company under any of the above Schemes.

Restructuring of Outstanding Foreign Currency Convertible Bonds (FCCB)

Your Company had issued US\$ 75mn Zero Coupon Tranche A Convertible Bonds and US\$ 75mn Zero Coupon Tranche B Convertible Bonds (the "Bonds") in June 2007 with a tenure of 5 years. Since then, your Company bought back outstanding Bonds with a face value amounting to US\$ 61.5mn. The conversion price of these Bonds has been significantly higher than the market price of the Equity Shares of the Company at the relevant times and the Bonds were not converted into equity shares. The Company's foreign currency convertible bonds (FCCBs) were due for redemption on 21 June 2012. During the period Jan'15-Mar'16, FCCBs of the face value of \$0.1mn were converted into equity shares as per the terms of the FCCBs.

The financial statements for the period ending March 31, 2016 reflect outstanding FCCBs at their face value of \$ 88.4 mn (equivalent to Rs 5,857 million), along with premium on redemption. As at 31 March 2016, such accrual for premium on FCCB aggregates Rs 4,983.9 million. The company is in the process of negotiation with the bondholders to re-structure

the terms of these bonds; these negotiations have progressed and the Company has applied to the RBI, lender banks and CDR-EG for requisite approvals. Lender support continues to be crucial/ on critical path to successful completion of the restructuring and the Company is in active discussion with the lenders on this issue

Debt Restructuring

The Corporate Debt Restructuring (CDR) schemes of the Company, as well as of its subsidiary PV companies were earlier approved in FY 2012-13 and were under implementation. A debt of INR 23,700 million for the company, INR 8,650 million for Helios Photo Voltaic Ltd. and of INR 9,560 million for Moser Baer Solar Ltd. was conclusively restructured, additional funds provided and interest funded. After execution of the Master Restructuring Agreement and other key documentation, the respective schemes have been under implementation.

The Company however continued to face severe liquidity issues primarily resulting from non-release of sanctioned working capital limits and refunds due to the Company. As a result, the Company has been unable to comply with repayment terms of its borrowing arrangement with secured lenders as agreed in the CDR package approved in year ended March 31, 2013. Meanwhile, the Company had approached the lender consortium for a revised debt restructuring plan, which included deferment of debt and interest repayment, disposal of surplus assets and infusion of fresh capital by the promoters. The banks instituted a TEV study which was conducted by a reputed professional agency appointed by bank and which has since submitted its report to the lenders. During the period, some of the Banks have issued notices for Loan Recall and Wilful Default to which the Company has duly responded to under legal advice. None of these notices have impacted the operations of the Company.

In a recent meeting, the lenders have indicated their intention to exit from the CDR and initiate legal proceedings against the company subject to approval of their competent authorities. Some lender banks have submitted approval from their competent authorities to exit from CDR. However, in the absence of requisite mandate, no decision was taken and the matter of exit from CDR was deferred to a subsequent CDR EG meeting. Meanwhile, the lender banks have allowed the Company to continue to operate through TRA with 6% tagging progressively to be increased to 9% by September 2016. The Company continues to engage with management of banks towards resolution of the debt.

In March 2016, one of the lender banks assigned its outstanding dues in favour of an Asset Reconstruction Company.

The company has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations. With progressive restoration of OEM Optical Media business, expected generation of funds through sale of surplus assets and promoter contribution, accompanied by satisfactory resolution of debt from banks, the company expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations.

PV Subsidiaries

During FY 2012-13, Secured Lenders (Banks) had approved the Corporate Debt Restructuring of Helios Photovoltaic Limited ("HPVL"), one of the subsidiary companies. The CDR was not fully implemented and HPVL was unable to service the repayments/ payments of loan/ interest in accordance with CDR which resulted in HPVL's debt becoming a non-performing asset with all the banks.

Consequently, the Monitoring Institution made a recommendation to the CDR Empowered Group along with approval of majority secured lenders to seek exit of HPVL's account from CDR and the CDR EG approved this exit on 28th October 2015. The management continues to engage with lender banks for resolution of the debt and has further submitted a plan for revival of the company.

In respect of Moser Baer Solar Limited (MBSL), another subsidiary company, implementation of the CDR Scheme was impacted by factors such as delay in receipt of SIPS Capital Subsidy from the Govt and non release of working capital limits and refunds by lenders. This resulted in severe liquidity crunch due to which, it was unable to comply with repayment terms of its borrowing arrangements with secured lenders as agreed in the CDR package approved in FY 2012-13. MBSL accordingly approached these lenders for a revised debt restructuring plan. The Monitoring Institution of MBSL instituted a TEV study which was conducted by a reputed professional agency which has submitted its report to the lenders. The TEV report is under consideration of the lender Banks.

Some of the lender banks have also issued letters/ notices for Loan Recall, Wilful Default and under SARFAESI Act against the PV subsidiaries to which the subsidiaries have suitably responded to under legal advice. None of these notices however have impacted the operations of the PV Subsidiaries

Fortunately, the domestic industry environment in Solar has turned extremely positive in the recent past following the thrust on 'Make in India' and the announcement of a slew of initiatives supporting solar manufacturing. These companies have been operating at sub optimal levels despite the improved market environment, due to working capital constraints. Release of funds under the Special Incentive Package Scheme (SIPS), continuation of Govt measures supporting manufacturing,

additional promoters' contribution and reduction in redundant fixed costs are expected to provide improved liquidity, better utilisation of its manufacturing facilities and positive operating cash flows.

The Company continues to engage in constructive discussions with lenders for the satisfactory resolution of the debt of the company and its solar subsidiaries.

BIFR Registration

Pursuant to the erosion of its net worth, the company had filed a reference and was registered before The Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act (SICA) in September 2014. Further, HPVL and MBSL, the PV subsidiaries were also registered with BIFR in September 2014 and June 2015 respectively. The proceedings are currently under progress before BIFR in respect of the Company and the PV subsidiaries.

Particulars of Loans, guarantees or investments

Details of loans, guarantees or investments have been disclosed in the financial statements. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loan, investments and guarantees given by the Company. The loans and guarantees etc. were utilised by the recipients for the business purposes.

Human Resources and Industrial Relations

As Moser Baer continued to witness financial constraints and internal challenges that impacted its performance, HR is being stretched to every possible way to make difficult decisions to remain viable and competitive within resource constraints.

In an era where business must do more with less, it is critical that our workforce is performing at its highest level, now more than ever. HR has been constantly working on consolidation measures, cost containment, restructuring of operations, aligning priorities and at the same time maintaining stellar performance level.

With effective and transparent communication with employees and well-structured HR strategies, the organization peacefully managed to consolidate Manpower in terms of business requirement. Moser Baer group closed the period ending March 31, 2016 with 3,021 employees as compared to 3,441 employees at the end of last financial year.

On part of Industrial Relations at the manufacturing locations, we have been largely peaceful since the day we had reached three years wage settlement with workers in April 2015. Although, there have been some IR disturbances in vicinity industrial area, the HR is expectedly playing vital role in maintaining harmonious relations with employees and is watchful for possible preventive measures.

Pursuant to the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, it is reported that your Company has not received any complaint of sexual harassment during the period under review.

Particulars of employees

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are set out in the Annexure 2 to this report.

Further any member interested in information as per Rule 5.2 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, may write to the Company Secretary at the Registered Office. The said information is also available for inspection at the Registered Office during working hours up to the date of the Annual General Meeting. Annual Report excluding the aforesaid information is being sent to all shareholders of the Company.

Risk Management

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Board formed Risk Management Committee which establishes the guiding principles by which key risks are managed across the organization.

Vigil Mechanism

The Company has in place a Vigil Mechanism Policy, to support the Code of Business Ethics in compliance with the requirements of the Companies Act, 2013 and Listing Regulations. This policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual or suspected fraud or any violation of Company's Code of Business Ethics at a significantly senior level without fear of intimidation or retaliation.

The Vigil Mechanism structure involves the Company Secretary, Head of SPAD and Chairman of Audit Committee. They are authorized by the Board of Directors of the Company for the purpose of receiving all complaints under the policy and in ensuring appropriate action. The concern can be reported by sending an e-mail message at the dedicated address viz. firstinfor@moserbaer.in.

Individuals can raise their concerns directly to the Company Secretary and for any serious matters to the chairman of the Audit Committee of the Company. There is proper framework to investigate allegations and to deal effectively. All the Company personnel have access to the Audit Committee in consultation with the Company Secretary.

The details of establishment of vigil mechanism for Directors & employees to report genuine concerns are available at the website of the Company.

Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134 of the Companies Act, 2013 and the rules made there under is given as per Annexure 3 and forms part of this Report.

Reconciliation of Share Capital Audit

As directed by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is being carried out at the specified periodicity by M/s. SGS Associates, Company Secretaries, Secretarial Auditors of the Company.

Secretarial Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. SGS Associates, Company Secretaries in practice, to undertake the Secretarial Audit of the Company for the Financial Period 2015-16. The report of the Secretarial Audit is annexed to this report as Annexure 4. Secretarial Auditors' report is self-explanatory and therefore does not require further comments and explanation.

Formal Annual Evaluation

The company has devised a framework for performance evaluation of independent Directors, Board, Committees and other Directors. The framework includes various parameters of evaluation such as information flows, decision making, Board dynamics, Company performance etc. SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 requires that the Board shall monitor and review the Board evaluation framework. As per the requirements of the Companies Act, 2013 and Schedule IV thereof a formal annual evaluation was made by the Board of its own performance and that of its committees and individual directors.

Corporate governance

Your Company strives to ensure that best corporate governance practices are identified, adopted and consistently followed. Your Company believes that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder value.

A separate section on Corporate Governance forming a part of the Directors' Report and the certificate from M/s. SGS Associates, Company Secretaries, Secretarial Auditors of the Company confirming compliance of conditions on Corporate Governance as stipulated in Schedule II of SEBI (LODR) Regulations, 2015 is included in this Report. The Managing Director and Group Chief Financial Officer of the Company have issued necessary certificate to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 with Stock Exchanges for the financial period ended on March 31, 2016. However, in terms of the provision of Section 136 (1) of the Companies Act, 2013, the abridged Annual Report will be sent to the members of the Company excluding this report.

Related Party Transactions

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is appended as Annexure 5 to the Board's Report

Significant and Material Orders and Material changes

No such significant and material orders passed by the regulators or courts or tribunal impacting the going concern status and company's operations in future.

There are no material changes and commitments which affect the financial position of the company, which occurred between the end of the financial period and the date of this report.

Internal Financial Controls

The Company maintains adequate systems of internal control commensurate with its size, nature of business and complexity of operations. Over the years, formal and independent exercises for evaluation of internal controls and initiatives for further strengthening them have resulted in a robust framework for Internal Controls. These systems provide a reasonable assurance in respect of maintaining financial and operational information, monitoring of operations, compliance with applicable statutes and corporate policies and safeguarding of the assets of the company from unauthorized use or losses.

Further details are given in Management's Discussion and Analysis Report.

Management Discussion and Analysis Report

Management's Discussion and Analysis Report (MD&A) for the period under review, as stipulated under Regulation 34(3) and Schedule V of the Listing Regulations, is presented in a separate section forming part of this Report.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT – 9 is appended as Annexure 6 and is a part of the Board's Report.

Listing at Stock Exchanges

The Shares of the Company continue to be listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The annual listing fees for the year 2016-17 have been paid to the Stock Exchanges.

Conclusion

Your Company continues to maintain its leadership position in its various businesses by providing innovative differentiated products and services in high growth technology manufacturing markets to its customers globally.

Your Company has always focused on creating new values to increase customer and stakeholder delight. We continue to meet leading international quality benchmarks through our strong focus on Internal Quality Management processes. This, indeed, is how your Directors propose to drive the business endeavors, as we face the future with optimism and confidence.

Your Directors place on record their appreciation for the continued co-operation and assistance received from investors, customers, employees, business associates, bankers, vendors as well as regulatory and government authorities.

For and on behalf of the Board of Directors
Moser Baer India Limited

Place: New Delhi
Date: August 11, 2016

Mr. Sanjay Jain
Director

Mr. Vineet Sharma
Director

NOMINATION AND REMUNERATION POLICY

1. Introduction

The Board of Directors of Moser Baer India Limited ("the Company") renamed and reconstituted the 'Compensation committee' to "Nomination and Remuneration Committee" w.e.f May 14, 2014. The main purpose of the Nomination and Remuneration Committee is to evaluate and approve the Remuneration plans, policies and programmes of the executive directors and senior management and to administer various stock option plans of our Company.

This policy is applicable to the Company effective October 1, 2014.

2. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement. The key objectives of the Committee would be:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- iii. To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and create competitive advantage.
- vi. To devise a policy on Board diversity
- vii. To administer the Employees Stock Option (ESOP) and the Directors' Stock Option Plan (DSOP) of the Company.

3. Definitions

"Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" means Directors of the Company.

"Key Managerial Personnel" means

- i. Managing Director or Chief Executive Officer or Manager and in their absence Whole-time director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and

"Senior Management" means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

4. Role of Committee

4.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, Key Managerial Personnel (KMP) and Senior Management Personnel.

4.2 Policy for appointment and removal of Director, KMP and Senior Management

I Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

II Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such person serves is restricted to seven listed companies as an Independent Director; and in case such person is serving as a Whole-time Director in any listed company the number of boards on which such person serves as Independent Director is restricted to three listed companies.

III Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

IV Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

V Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4.3 Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

I General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the

percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

- c) Increments to the existing remuneration/ compensation structure may be recommended by the Nomination and Remuneration Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

II Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

- a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

- c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

III Remuneration to Non- Executive / Independent Director:

- a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

- b) Sitting Fees:

The Non - Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

- c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

- d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

Notes:

The total managerial remuneration payable by a public company to its directors, including managing director and whole time director in respect of any financial year shall not exceed 11% of the net profits of the company. Any payment exceeding 11% would require Central Government approval.

The remuneration payable to any one managing director; or whole time director shall not exceed 5% of the net profits of the company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors taken together. Any payment exceeding the said 5% or 10% limits would require the approval of the shareholders.

The remuneration payable to all the non-executive directors shall not exceed 1% of the net profits of the Company, if there is a managing or whole time Director. As there is a Managing Director and an Executive Chairman in the Company, the applicable limit is 1% of the net profit. Any payment exceeding 1%, would require the approval of the shareholders subject to the overall limit of 11%.

However, the Company in general meeting may, with the approval of the Central Government, authorise the payment of remuneration exceeding 11% of the net profits of the company, subject to the provisions of Schedule V.

5. Charter of the Nomination and Remuneration Committee:

5.1 Composition:

Three or more non-executive directors out of which not less than one-half shall be independent directors.

Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair the Committee.

5.2 Meetings:

The Committee will meet periodically as necessary to act upon any matter within its jurisdiction. All Committee members are expected to attend each meeting, in person or via tele or video-conference. A majority of the Committee will comprise a quorum when all Committee members are unable to attend a meeting. The Committee may request that other Board members, or officers, or other employees of the company, or any other persons whose advice and counsel are sought by the Committee, to attend any meeting of the Committee to provide pertinent information. Periodically, the Committee may meet in executive session separately without management and with its chosen independent consultants. Minutes will be kept of each meeting of the Committee.

5.3 Authority:

The Committee will have the authority:

1. To retain search firms to be used to identify appropriate director candidates or to retain other advisers, as deemed necessary and appropriate, to discharge the Committees duties and obligations.
2. To approve appropriate compensation at the company's expense for any search firms or other advisors engaged by the Committee for the purpose of carrying out its duties, and ordinary administrative expense of the Committee.

5.4 Terms of Reference:

1. Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. The Committee will make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board the Criteria (such as independence, experience relevant to the needs of the company, leadership qualities, diversity and ability to represent the shareholders) for the selection of the individuals to be considered as candidates for election to the Board.
3. The Committee will establish, monitor and recommend the purpose, structure and operations of the various Committees of the Board, and qualifications and criteria on membership on each Committee of the Board, and, as circumstances dictate, make any recommendations regarding periodic rotation of directors among the Committees.
4. Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees (referred as 'Nomination and Remuneration Policy').
5. Committee shall, while formulating the 'Nomination and Remuneration Policy, ensure that—
 - a) Formulation of criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy, relating to the remuneration of a director, key managerial personnel and other employees
 - b) Formulation of criteria for evaluation of Independent Directors and the Board
 - c) Devising a policy on Board Diversity
 - d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

- e) To administer the Employees Stock Option (ESOP) and the Directors' Stock Option Plan (DSOP) of the Company
 - f) Nomination and remuneration policy shall be disclosed in the Board's report.
6. Annual review of the salary, bonus and other compensation plans of the CEO, CFO and Senior Management team of the Company.
 7. Review and approve the salary, bonus and compensation plans for all the executive directors of the Company.
 8. Framing suitable policies and systems to ensure that there is no violation, by an employee or Company of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.
 9. Administer the implementation and award of stock options under the stock option plans of the Company.
 10. Perform such functions as are required to be performed by the Nomination & Remuneration Committee under Clause 5 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
 11. Recommend to the Board of Directors of the Company on any other employment incentives as the committee deems it appropriate in the best interests of the Company.
 12. Chairperson of the Committee or, in his/her absence, any other member of the committee authorized by him/her in this behalf shall attend the general meetings of the Company.
 13. The Committee will also undertake such additional activities as the Committee may from time to time determine or as may otherwise be required by law, the company's articles of association, or directive of the Board.
 14. The Committee will make regular reports to the Board and will recommend any proposed actions to the Board for approval as necessary. The Committee will review and reassess the adequacy of these terms of reference at least annually and recommend any proposed changes to the Board for approval.
 15. The Committee will at least annually evaluate its own performance to determine whether it is functioning effectively.

This Policy will be communicated to all concerned persons of the Company and shall be placed on the website of the Company.

Annexure -2

Disclosure pursuant to Section 197(12) of Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

- (i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the period Jan'15 - Mar'16:

Directors	Nature of Directorship	Ratio
Mr. Deepak Puri	Chairman and Managing Director	40:1
Mrs. Nita Puri	Whole Time Director	12:1

No remuneration was paid to Independent Directors.

- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial period:

There was no increase in the remuneration of Executive Directors.

The remuneration of non-executive Directors by way of sitting fee for attending Board/ Committee meetings remain same viz. INR 20,000 per Board meeting and INR 10,000 per committee meeting during financial period 2015-16.

There is no increase in the remuneration of Key Managerial Personnel.

- (iii) The percentage increase in the median remuneration of employees in the financial period: 7.01%
- (iv) The number of permanent employees on the rolls of the Company: 2567 as on 31st March, 2016.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was no increase in the managerial remuneration and the average increase in the remuneration for other than managerial personnel was 5.16%.

- (vi) The key parameters for any variable component of remuneration availed by the Directors: NIL

- (vii) The remuneration is as per the Remuneration Policy of the Company

Information as per Section 134 (1)(m) of the Companies Act, 2013 and the rule made thereunder, and forming part of the Directors' Report for the period ended 31st March, 2016

A. Conservation of energy

In order to promote conservation of energy, conventional lighting in the plant was replaced with LED lighting, and use of solar power was promoted. In order to reduce plant lighting load, plant has replaced 3500 tube lights & 100 street lights with LED. Presently total 495 KW of Solar power is operating inside the factory premises. We further plan to reduce direct power consumption by 350 KW in the year 2016-17.

Major power savings done by consolidating BOM operations in two plants. All hydraulic molding machines have been replaced with hybrid / electric, which consume lesser power. Printing & Packaging operations have been consolidated into one plant to save on energy consumption.

Plant implemented measures to achieve the lowest unit power cost by switching to 100% use of HFO & not using Grid / Gas. Implementation of small power cost reduction projects are ongoing, across all types of shop floor operations.

B. Technology absorption, adaptation and innovation, research & development

Due to continuous decline in global market demand of Optical media, the new development has been considerably slowed down. After introduction of multilayer high definition format in year 2009 -10, there is no new product developed for retail customers.

Therefore, the company is mainly focusing on the innovation related to the cost optimization activities on optical media to make this business sustainable. Besides optical media MBIL is also focusing on Flash Memory business as well as LED lighting products. During the period, a number of new products developed through design and process innovation using existing assets of the company. These innovations have been successfully incorporated into some of the company's products and an ongoing effort is being made to improve the utilization of this innovation and produce newer innovative products with enhanced features.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation

During this year MBIL expanded its product range in Flash memory. Following products developed and commercialized-
15mm COB,
15mm OTG,
256GB USB flash,

Besides flash memory, LED Lighting Business has made rapid strides in introducing various new products with top of the line performance characteristics in response to the market demands. While in-house LED Panel Light was introduced & Street Light range was expanded to introduce lower & higher wattages to the current range, Flood Lights & COB lights were added to the existing range of product offerings. With the Government of India introducing the Compulsory Registration Scheme (CRS) for select LED products, Moser Baer LED Team successfully registered the relevant products with the BIS. The LED Driver (considered the heart of a LED Lighting Product) was upgraded to higher Reliability standards in order to differentiate Moser Baer LED Lighting Products with the catch-phrase – Protection Plus Driver. Moreover, effort was made to do backward integration through development of various plastic components like high efficient extruded diffuser for tube light using in-house Extrusion process expertise.

2. Benefits derived as a result of the above efforts:

MBIL has expanded its market reach due to its cost competitiveness and enhanced features of flash memory and LED products.

3. Technology imported during last 5 years:

Technology imported	Year of import	Has Technology been fully absorbed?	If not fully absorbed, area where this has not taken place, reasons there for and future plans of actions
Technology for BDRE (ODM Process) from Panasonic	2010	Yes	NA
Technology for BDR (ODM Process) from Panasonic	2011	Yes	NA

C. Research & Development

The specific areas in which Research & Development was carried out by your Company and the benefits derived as a result thereof are as follows:

1. Specific areas in which R&D carried out by the company
 - 1.1. Develop 15nm COB based Flash memory
 - 1.2. Develop 15nm OTG product
 - 1.3. Develop of USB3.0 compatible, High speed, flash memory and security token with added features
 - 1.4. Develop efficient diffuser for tube light as well as for down light.
 - 1.5. Develop reliable Protection Plus drivers for LED which can withstand high surge current and voltage
 - 1.6. Develop dimmable LED products through in-house design optimization.
 - 1.7. Development of efficient heat sink for LED lighting through in-house thermal simulation.
2. New Initiatives
 - 2.1 Develop high capacity and USB 3 based Flash Memory
 - 2.2 Develop of LED products with multiple features and variants
3. New Equipment added in R & D Lab
No major equipment in R&D acquired during 2015-16
4. Benefits derived as a result of the above R & D
 - 4.1 MBIL has gained significant market share in Flash memory with introduction of new variants & high capacity flash product to meet market requirement.
 - 4.2 MBIL significantly improved its cost competitiveness on LED products through backward integration and manufacturing of components using existing assets.
5. Future plan of action
 1. Enhance focus on development of value added features in LED
 2. Continue to work on Flash memory with enhanced features and compatibility
 3. Alternate thermoplastic for Optical media

Expenditure on R & D

Expenditure of Rs.2.2 million was incurred during the period towards R&D.

Foreign exchange earnings and outgo

Total foreign exchange earned comprising of FOB value of exports, interest, and insurance claims received was Rs 3,127 million, whereas total foreign exchange used (comprising of CIF value of imports, Royalty and other outgoings) was Rs. 1,446 million.

For and on behalf of the Board of Directors
Moser Baer India Limited

Place: New Delhi
Date: August 11, 2016

Mr. Sanjay Jain
Director

Mr. Vineet Sharma
Director

Secretarial Audit 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]

To
The Members
Moser Baer India Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MOSER BAER INDIA LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;
- (v) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992.
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015 from the relevant date applicable.
 - (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 (Buy back 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) The secretarial standards viz. SS-1 and SS-2 regarding Board and General Meetings issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and the SEBI (Listing Obligations and Disclosure) Regulations 2015.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. The Water (Prevention and Control of Pollution) Act, 1974
2. The Special Economic Zone Act, 2005
3. Policy relating to Software Technology Parks of India and its regulations
4. The Indian Copyright Act, 1957
5. The Patents Act, 1970
6. The Trade Marks Act, 1999
7. The Air (Prevention and Control of Pollution) Act, 1981
8. Explosives Act, 1884

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

For **SGS ASSOCIATES**
Company Secretaries

D.P. Gupta

Date: 11th August 2016

Place: - New Delhi

M.No. FCS 2411

COP No. 1509

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
Moser Baer India Limited

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

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

For **SGS Associates**
Company Secretaries

D.P. Gupta
Practicing Company Secretary

M.No. FCS 2411

COP No. 1509

Date: New Delhi

Place: 11th August 2016

Particulars of contracts / arrangements made with related parties

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

The form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

A. Details of contracts or arrangements or transactions not at arm's length basis

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

B. Details of material contracts or arrangements or transactions at arm's length basis

Details of material contracts or arrangement or transactions at arm's length basis for the period ended 31st March, 2016 are as follows:

Name of related party and nature of relationship	Nature of contract / arrangement or transaction	Duration of contract / arrangement or transaction	Salient terms	Value (INR)	Date of approval by the Board, if any	Amount paid as advances, if any
Moser Baer Entertainment Limited (wholly owned subsidiary)	Distribution agreement sale of products	On-going	Sale of products based on arm's length price	1,108,624,308	26th February, 2015 & 11th February, 2016	Nil
Moser Baer Entertainment Limited (wholly owned subsidiary)	Purchase of products	On-going	Purchase of products based on arm's length price	241,624,198	26th February, 2015 & 11th February, 2016	Nil
Moser Baer Solar Limited (wholly owned subsidiary)	Assets taken on Operating Lease	Till 31-Mar-2020	Operating lease based on arm's length price	524,010,072	26th February, 2015 & 11th February, 2016	Nil
Moser Baer Solar Limited (wholly owned subsidiary)	Assets taken on Finance Lease	Building lease till 31-Mar-2030 Utilities lease till 31-Mar-2020	Finance lease based on arm's length price	628,914,308	26th February, 2015 & 11th February, 2016	Nil
Helios Photo Voltaic Limited (wholly owned subsidiary)	Corporate Guarantee given	Till the time loans are settled	Guarantee to lenders towards borrowings	10,018,400,000	11th August, 2011	Nil
Moser Baer Solar Limited (wholly owned subsidiary)	Corporate Guarantee given	Till the time loans are settled	Guarantee to lenders towards borrowings	10,500,300,000	11th August, 2011	Nil

No Guarantee commission has been charged in the case of :

1. Helios Photo Voltaic Limited, a wholly owned subsidiary and public limited company, as the guarantee has been given for the purpose of its availing financial assistance from banks. The guarantee(ies) are valid till the date of repayment of loan.
2. Moser Baer Solar Limited, a wholly owned subsidiary and public limited company, as the guarantee has been given for the purpose of its availing financial assistance from banks. The guarantee(ies) are valid till the date of repayment of loan.

For and on behalf of the Board of Directors
Moser Baer India Limited

Place: New Delhi
Date: August 11, 2016

Mr. Sanjay Jain
Director

Mr. Vineet Sharma
Director

FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN****AS ON THE FINANCIAL PERIOD ENDED ON 31ST MARCH, 2016**

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L51909DL1983PLC015418
2.	Registration Date	21/03/1983
3.	Name of the Company	Moser Baer India Limited
4.	Category/Sub-category of the Company	Indian Non Government Company/Limited by shares
5.	Address of the Registered office & contact details	43B, Okhla Industrial Estate, Phase-III, New Delhi-110020
6.	Whether listed company	Yes, At National Stock Exchange Limited and BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited, Registered Office: 12/1/5 Manoharpukur Road, Kolkata-700026 Office: F-65, 1st Floor, Ma Anandmayee Marg, Okhla Industrial Area, Phase-1, New Delhi-110020 Contact Person: Mr. S. Biswas Phone Numbers: (011) 41406149/41406151/ 41406152/ 41709885/ 41609386 Fax No. (011)41709881, E-mail: admin@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Optical Media Product	26800,18200	84.54
2	Pen Drive and Cards	26202	12.04

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of The Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Moser Baer Entertainment Limited	U22229DL2006PLC153759	Subsidiary	100	2(87)
2	Moser Baer Distribution Limited	U51900DL2006PLC146525	Subsidiary	100	2(87)
3	Solar Research Limited	U80103DL2006PLC154426	Subsidiary	100	2(87)
4	Moser Baer Laboratories Limited	U29268DL2006PLC154358	Subsidiary	100	2(87)
5	Moser Baer Investments Limited	U65993DL2007PLC158125	Subsidiary	100	2(87)
6	Helios Photo Voltaic Limited	U40106DL2005PLC143431	Subsidiary	100	2(87)
7	Moser Baer Solar Limited	U74999DL2007PLC160162	Subsidiary	100	2(87)
8	Competent Solar Energy Private Limited	U74900DL2008PTC177408	Subsidiary	100	2(87)
9	Value Solar Energy Private Limited	U74900DL2008PTC177409	Subsidiary	100	2(87)
10	Admire Energy Solution Private Limited	U40100DL2008PTC175762	Subsidiary	100	2(87)
11	Pride Solar Systems Private Limited	U40106DL2008PTC175725	Subsidiary	100	2(87)
12	Moser Baer Solar Systems Private Limited	U40106DL2008PTC175987	Subsidiary	100	2(87)
13	Moser Baer Infrastructure and Developers Limited	U45400DL2007PLC168594	Subsidiary	100	2(87)
14	European Optic Media Technology Gmbh		Subsidiary	100	2(87)
15	Perafly Limited		Subsidiary	100	2(87)
16	Nicofly Limited		Subsidiary	100	2(87)
17	Peraround Limited		Subsidiary	100	2(87)
18	Advofern Limited		Subsidiary	100	2(87)
19	Tifton Limited		Subsidiary	100	2(87)
20	Photovoltaic Holding Limited		Subsidiary	100	2(87)
21	MB Solar Holdings Limited		Subsidiary	100	2(87)
22	Global Data Media FZ LLC		Associate	49	2(6)
23	Solar Value Proizvodjna D.D		Associate	40	2(6)
24	Moser Baer Infrastructure Limited		Associate	26	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-December-2014]				No. of Shares held at the end of the year[As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
1. Indian									
a) Individual / HUF	67,420,141	0	67,420,141	32.37	67,420,141	0	67,420,141	30.4	(1.97)
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	13,450,000	0	13,450,000	6.06	6.06
e) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	67,420,141	0	67420141	32.37	80870141	0	80,870,141	36.47	4.1
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,250	0	1,250	0.0006	193204	0	193204	0.087	0.081
b) Banks / FI	537	7400	7,937	0.01	285,917	7,400	293,317	0.13	0.12
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	5	300	305	0	5	300	305	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	1792	7700	9492	0.01	479126	7,700	486,826	0.022	0.021
2. Non-Institutions									
a) Bodies Corporates									
i) Indian	17298588	29950	17328538	8.31	14108867	29950	14138817	6.38	(1.93)
ii) Overseas	9960345	0	9960345	4.49	9960345	0	9960345	4.49	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	63771435	775019	64546454	30.98	78,870,467	791,275	79661742	35.92	4.94
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	46010162	41225	46051387	22.11	33,551,564	0	33,551,564	15.13	(6.98)
c) Others (specify)									
Non Resident Indians	2942783	43853	2986636	1.43	3050284	43853	3094137	1.4	(0.03)
Trusts	2611	0	2611	0	1911	0	1911	0	0
Corporate Societies	500	0	500	0	500	0	500	0	0
Sub-total (B)(2):-	139986424	890047	140876471	67.62	139543938	865078	140409016	63.31	(4.1)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	139988216	897747	140885963	67.63	140023064	872778	140895842	63.53	(4.1)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	207408357	897747	208306104	100	220893205	872778	221765983	100	0

B. Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the Beginning of the year			Shareholding at the End of the Year			% Change in Shareholding During the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged Encumbered to Total Shares	
	Promoter							
1	Deepak Puri	63013857	30.25	30.25	63013857	28.41	28.41	1.84
2	Deepak Puri HUF	4406284	2.16	2.11	4406284	1.99	1.99	0.12
	Part of Promoter Group							
3	Microgreen Electronics Private Limited	0	0	0	13450000	6.06	0	6.06
	Total (Promoter and Promoter Group)	67420141	32.41	100	80870141	36.46	30.4	8.02

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

SN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.01.2015		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company			No. of Shares	% of total shares of the company	No. of shares	% of total shares of the Company
	Part of Promoter Group								
1	Microgreen Electronics Private Limited	0	0	31.03.2015	Allotment	13450000	6.06	13450000	6.06
				31.03.2016	At the year end	0	0	13450000	6.06

Note:

Except for the above there is no change in the holding of the promoter/promoter group during the financial period ended 31st March, 2016

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Shareholder's Name	Shareholding at the Beginning of the Financial Year		Date	Increase / Decrease in Share-holding	Reason	Cumulative Shareholding during the year (01-01-15 to 31-03-16)	
		No of Shares at the Beginning (01-01-15) / end of the Year (31-03-16)	% of total shares of the Company				Shares	% of total shares of the Company
1	ELECTRA PARTNERS MAURITIUS LIMITED	9960345 9960345	4.49 4.49	01.01.2015 31.03.2015	NIL	NIL		
2	ASHOK KUMAR BHARGAVA #	0	0	01.01.2015 26.06.2015 17.07.2015 04.09.2015 09.10.2015 04.12.2015 31.03.2016	- 100 199,000 1,000 800,000	Purchase Purchase Purchase Purchase Purchase	299900 300000 499000 500000 1300000	0.14 0.14 0.23 0.23 0.59
3	REENA DEEPAK PARTANI	1110000	0.5	01.01.2015 31.03.2015 05.08.2015 07.10.2015	15,000 25,000 10,000	Purchase Purchase Purchase	1125000 1150000 1160000	0.51 0.52 0.52

				21.08.2015	15,000	Purchase	1175000	0.53
				28.08.2015	(30,000)	Sale	1145000	0.52
				25.09.2015	(10,000)	Sale	1135000	0.51
				30.09.2015	(2,000)	Sale	1133000	0.51
				13.11.2015	(33,000)	Sale	1100000	0.5
				15.01.2016	(15,006)	Sale	1084994	0.49
				05.02.2016	(9,000)	Sale	1075994	0.49
				12.02.2016	(994)	Sale	1075000	0.48
		1075000	0.48	31.03.2016				
4	VANDANA BHARGAWA	800000	0.36	01.01.2015				
		800000	0.36	31.03.2016	NIL	NIL		
5	SHRI PARASRAM HOLDINGS PVT. LTD. #	300193	0.13	01.01.2015				
				31.03.2015	118,251	Purchase	418444	0.19
				10.04.2015	99	Purchase	418543	0.19
				17.04.2015	67,096	Purchase	485639	0.22
				24.04.2015	43,696	Purchase	529335	0.24
				01.05.2015	25,940	Purchase	555275	0.25
				08.05.2015	22,600	Purchase	577875	0.26
				15.05.2015	(5,784)	Sale	572091	0.26
				22.05.2015	950	Purchase	573041	0.26
				29.05.2015	43,360	Purchase	616401	0.28
				05.06.2015	(3,139)	Sale	613262	0.28
				12.06.2015	2,400	Purchase	615662	0.28
				19.06.2015	229	Purchase	615891	0.28
				26.06.2015	11,898	Purchase	627789	0.28
				30.06.2015	98,000	Purchase	725789	0.33
				03.07.2015	1,901	Purchase	727690	0.33
				10.07.2015	(5,400)	Sale	722290	0.33
				17.07.2015	(25,205)	Sale	697085	0.31
				24.07.2015	(1,952)	Sale	695133	0.31
				31.07.2015	30,621	Purchase	725754	0.33
				07.08.2015	8,913	Purchase	734667	0.33
				14.08.2015	(5,810)	Sale	728857	0.33
				21.08.2015	(6,045)	Sale	722812	0.33
				28.08.2015	(18,793)	Sale	704019	0.32
				04.09.2015	28,047	Purchase	732066	0.33
				11.09.2015	(871)	Sale	731195	0.33
				18.09.2015	(3,968)	Sale	727227	0.33
				25.09.2015	976	Purchase	728203	0.33
				30.09.2015	(1,525)	Sale	726678	0.33
				02.10.2015	451	Purchase	727129	0.33
				09.10.2015	(8,315)	Sale	718814	0.32
				16.10.2015	(2,551)	Sale	716263	0.32
				23.10.2015	2,035	Purchase	718298	0.32
				30.10.2015	(275)	Sale	718023	0.32
				06.11.2015	(3,698)	Sale	714325	0.32
				13.11.2015	(853)	Sale	713472	0.32
				20.11.2015	11,685	Purchase	725157	0.33
				27.11.2015	35	Purchase	725192	0.33
				04.12.2015	(5,004)	Sale	720188	0.32
				12.11.2015	(2,875)	Sale	717313	0.32
				18.12.2015	(7,790)	Sale	709523	0.32
				25.12.2015	350	Purchase	709873	0.32
				31.12.2015	(110)	Sale	709763	0.32
				08.01.2016	(76,117)	Sale	633646	0.29
				15.01.2016	(21,020)	Sale	612626	0.28
				22.01.2016	2,532	Purchase	615158	0.28
				29.01.2016	2,082	Purchase	617240	0.28
				05.02.2016	14,349	Purchase	631589	0.28
				12.02.2016	(705)	Sale	630884	0.28
				19.02.2016	(1,300)	Sale	629584	0.28

				26.02.2016	4,425	Purchase	634009	0.29
				04.03.2016	(24,005)	Sale	610004	0.28
				11.03.2016	(1,655)	Sale	608349	0.27
				18.03.2016	(5,553)	Sale	602796	0.27
				25.03.2016	(2,275)	Sale	600521	0.27
		598071	0.27	31.03.2016	(2,450)	Sale		
6	KARVY STOCK BROKING LTD(BSE)	500000	0.23	01.01.2015				
				15.01.2016	250,000	Purchase	750000	0.34
				22.01.2016	(250,000)	Sale	500000	0.23
		500000	0.23	31.03.2016				
7	DIPESH OMPRAKASH SARAF #	357860	0.16	01.01.2015				
				31.03.2015	78,587	Purchase	436447	0.2
				22.01.2016	51,265	Purchase	487712	0.22
				29.02.2016	12,288	Purchase	500000	0.23
		500000	0.23	31.03.2016				
8	MARIO OSCAR FRANCIS LOBO*	2525999	1.13	01.01.2015				
				31.03.2015	(156,746)	Sale	2369253	1.07
				27.11.2015	(315,893)	Sale	2053360	0.93
				04.12.2015	(939,320)	Sale	1114040	0.5
				31.12.2015	(209,404)	Sale	904636	0.41
				08.01.2016	(430,000)	Sale	474636	0.21
		474636	0.21	31.03.2016				
9	STEEL CITY SECURITIES LIMITED	365259	0.16	01.01.2015				
				31.03.2015	(72,820)	Sale	292439	0.13
				10.04.2015	1,423	Purchase	293862	0.13
				17.04.2015	2,595	Purchase	296457	0.13
				24.04.2015	25,727	Purchase	322184	0.15
				01.05.2015	5,378	Purchase	327562	0.15
				08.05.2015	10,661	Purchase	338223	0.15
				15.05.2015	636	Purchase	338859	0.15
				22.05.2015	(28,375)	Sale	310484	0.14
				29.05.2015	370	Purchase	310854	0.14
				05.06.2015	(9,201)	Sale	301653	0.14
				12.06.2015	(32,853)	Sale	268800	0.12
				19.06.2015	(3,941)	Sale	264859	0.12
				26.06.2015	15,395	Purchase	280254	0.13
				30.06.2015	3,650	Purchase	283904	0.13
				03.07.2015	265	Purchase	284169	0.13
				10.07.2015	35,170	Purchase	319339	0.14
				17.07.2015	1,493	Purchase	320832	0.14
				24.07.2015	12,758	Purchase	333590	0.15
				31.07.2015	10,026	Purchase	343616	0.15
				07.08.2015	57,950	Purchase	401566	0.18
				14.08.2015	(11,808)	Sale	389758	0.18
				21.08.2015	(8,750)	Sale	381008	0.17
				28.08.2015	(34,409)	Sale	346599	0.16
				04.09.2015	(21,633)	Sale	324966	0.15
				11.09.2015	2,000	Purchase	326966	0.15
				18.09.2015	21,600	Purchase	348566	0.16
				25.09.2015	22,282	Purchase	370848	0.17
				30.09.2015	43,846	Purchase	414694	0.19
				02.10.2015	(600)	Sale	414094	0.19
				09.10.2015	(8,902)	Sale	405192	0.18
				16.10.2015	(236)	Sale	404956	0.18
				23.10.2015	10,650	Purchase	415606	0.19
				30.10.2015	(9,341)	Sale	406265	0.18
				06.11.2015	(18,469)	Sale	387796	0.17
				13.11.2015	12,900	Purchase	400696	0.18
				20.11.2015	40,540	Purchase	441236	0.2
				27.11.2015	(47,062)	Sale	394174	0.18
				04.12.2015	6,532	Purchase	400706	0.18

				11.12.2015	9,850	Purchase	410556	0.19
				18.12.2015	23,460	Purchase	434016	0.2
				25.12.2015	320	Purchase	434336	0.2
				31.12.2015	29,624	Purchase	463960	0.21
				08.01.2016	27,978	Purchase	491938	0.22
				15.01.2016	23,440	Purchase	515378	0.23
				22.01.2016	(52,340)	Sale	463038	0.21
				29.01.2016	2,975	Purchase	466013	0.21
				05.02.2016	(61,145)	Sale	404868	0.18
				12.02.2016	15,650	Purchase	420518	0.19
				19.02.2016	(11,515)	Sale	409003	0.18
				26.02.2016	7,025	Purchase	416028	0.19
				04.03.2016	7,057	Purchase	423085	0.19
				11.03.2016	1,500	Purchase	424585	0.19
				18.03.2016	(300)	Sale	424285	0.19
				25.03.2016	22,400	Purchase	446685	0.2
		445785	0.2	31.03.2016	(900)	Sale		
10	BONANZA PORTFOLIO LTD	431232	0.19	01.01.2015				
				31.03.2015	57,764	Purchase	488996	0.22
				10.04.2015	5,990	Purchase	494986	0.22
				17.04.2015	25,737	Purchase	520723	0.23
				24.04.2015	(3,484)	Sale	517239	0.23
				01.05.2015	751	Purchase	517990	0.23
				08.05.2015	2,723	Purchase	520713	0.23
				15.05.2015	(7,847)	Sale	512866	0.23
				22.05.2015	28,919	Purchase	541785	0.24
				29.05.2015	(4,298)	Sale	537487	0.24
				05.06.2015	(7,987)	Sale	529500	0.24
				12.06.2015	4,045	Purchase	533545	0.24
				19.06.2015	(25,295)	Sale	508250	0.23
				26.06.2015	3,259	Purchase	511509	0.23
				30.06.2015	(5,230)	Sale	506279	0.23
				03.07.2015	34,810	Purchase	541089	0.24
				10.07.2015	44,936	Purchase	586025	0.26
				17.07.2015	7,650	Purchase	593675	0.27
				24.07.2015	33,176	Purchase	626851	0.28
				31.07.2015	(96,135)	Sale	530716	0.24
				07.08.2015	83,822	Purchase	614538	0.28
				14.08.2015	(104,895)	Sale	509643	0.23
				21.08.2015	3,767	Purchase	513410	0.23
				28.08.2015	(14,411)	Sale	498999	0.23
				04.09.2015	(74,714)	Sale	424285	0.19
				11.09.2015	(20,949)	Sale	403336	0.18
				18.09.2015	(17,500)	Sale	385836	0.17
				25.09.2015	(16,187)	Sale	369649	0.17
				30.09.2015	(6,199)	Sale	363450	0.16
				02.10.2015	(1,050)	Sale	362400	0.16
				09.10.2015	2,366	Purchase	364766	0.16
				16.10.2015	(3,280)	Sale	361486	0.16
				23.10.2015	29,613	Purchase	391099	0.18
				30.10.2015	(12,424)	Sale	378675	0.17
				06.11.2015	(2,025)	Sale	376650	0.17
				13.11.2015	3,500	Purchase	380150	0.17
				20.11.2015	26,250	Purchase	406400	0.18
				27.11.2015	4,253	Purchase	410653	0.19
				04.12.2015	62,009	Purchase	472662	0.21
				11.12.2015	69,100	Purchase	541762	0.24
				18.12.2015	6,309	Purchase	548071	0.25
				25.12.2015	(58,820)	Sale	489251	0.22
				31.12.2015	(94,460)	Sale	394791	0.18
				08.01.2016	(54,990)	Sale	339801	0.15
				15.01.2016	21,098	Purchase	360899	0.16

				22.01.2016	6,900	Purchase	367799	0.17
				29.01.2016	(2,075)	Sale	365724	0.16
				05.02.2016	15,590	Purchase	381314	0.17
				12.02.2016	3,398	Purchase	384712	0.17
				19.02.2016	(1,868)	Sale	382844	0.17
				26.02.2016	957	Purchase	383801	0.17
				04.03.2016	(3,685)	Sale	380116	0.17
				11.03.2016	16,650	Purchase	396766	0.18
				18.03.2016	(7,315)	Sale	389451	0.18
				25.03.2016	(35,977)	Sale	353474	0.16
		357734	0.16	31.03.2016	4,260	Purchase		
11	ABHINAV BHARGAVA *	800000	0.36	01.01.2015				
				31.03.2015	(400,000)	Sale	400000	0.18
				30.06.2015	400,000	Purchase	800000	0.36
				04.12.2015	(800,000)	Sale		
		0	0	31.03.2016				
12	SUNFLOWER BROKING PRIVATE LIMITED *	754844	0.34	01.01.2015				
				31.03.2015	(735,439)	Sale	19405	0.08
				10.04.2015	(3,800)	Sale	15605	7
				04.05.2015	1,795	Purchase	17400	7
				30.06.2015	(25)	Sale	17375	7
				31.07.2015	1,500	Purchase	18875	0.08
				25.09.2015	(6,725)	Sale	12150	0.054
				03.10.2015	(6,500)	Sale	5650	0
				31.12.2015	(650)	Sale	5000	0
				29.01.2016	7,197	Purchase	12197	0
				26.02.2016	(1,825)	Sale	10372	0
		9365	0	31.03.2016	(1,007)	Sale		
13	TALMA CHEMICAL INDUSTRIES PVT LTD*	498931	0.23	01.01.2015				
				17.04.2015	(498,931)	Sale	0	0
		0	0	31.03.2016				
14	SRI SHIRDI CAPITAL SERVICES PVT LTD	399529	0.18	01.01.2015				
				31.03.2015	(15,450)	Sale	384079	0.17
				29.05.2015	(31,585)	Sale	352494	0.15
				30.06.2015	86,985	Purchase	439479	0.19
				17.10.2015	(35,300)	Sale	404179	0.18
				28.08.2015	(22,035)	Sale	382144	0.17
				30.09.2015	(1,950)	Sale	380194	0.17
				16.10.2015	(214,250)	Sale	165944	0.07
				30.10.2015	(3,000)	Sale	162944	0.07
				27.11.2015	(115)	Sale	162829	0.07
				18.12.2015	(2,000)	Sale	160829	0.07
				31.12.2015	5,000	Purchase	165829	0.07
				15.01.2016	5,775	Purchase	171604	0.07
				26.02.2016	14,200	Purchase	185804	0.07
				25.03.2016	2,200	Purchase	188004	0.07
		91271	0.07	31.03.2016	(96,733)	Sale		

Note

*Ceased to be in the list of top 10 as on 31.03.2016. The same is reflected above since the shareholder was one of the top 10 shareholders as on 01.01.2015

Not in the list of Top 10 shareholders as on 01.01.2015. The same has been reflected above since the shareholder was one of the Top 10 Shareholders as on 31.03.2016

E. Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	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				
	Deepak Puri	63013857	30.25	63013857	28.41
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-		
	At the end of the year	63013857	30.25	63013857	28.41

V. INDEBTEDNESS:

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	19,076,320,566	127,000,000	1,715,200,000	20,918,520,566
ii) Interest due but not paid	686,433,577	-	-	686,433,577
iii) Interest accrued but not due	31,557	-	-	31,557
Total (i+ii+iii)	19,762,785,700	127,000,000	1,715,200,000	21,604,985,700
Change in Indebtedness during the financial year				
* Addition	2,636,884,252	72,000,000	-	2,708,884,252
* Reduction	-590,609,070	(134,500,000)	-	(725,109,070)
Net Change	2,046,275,182	(62,500,000)	-	1,983,775,182
Indebtedness at the end of the financial year				
i) Principal Amount	18,485,743,053	64,500,000	1,715,200,000	20,265,443,053
ii) Interest due but not paid	3,323,317,829	-	-	3,323,317,829
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	21,809,060,881	64,500,000	1,715,200,000	23,588,760,881

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Deepak Puri	Mrs. Nita Puri	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14818755	4581480	19400235
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	115000	115000	230000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil

5	Others, please specify	30000	30000	60000
	Medicclaim and Group Accident Insurance Premium			
	Total (A)	14963755	4726480	19690235
	Ceiling as per the Act	11% of the net Profit		

B. Remuneration to other directors

(Amount in Rs.)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr.Sanjay Jain	Mr.Samrish Bhanja	Mr.Vineet Sharma	John Levack*	
1	Independent Directors					
	Fee for attending board / committee meetings	270000	160000	250000	150000	830000
	Commission	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total (1)	270000	160000	250000	150000	830000
2	Other Non-Executive Directors	NA				NA
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration	270000	160000	250000	150000	830000
	Overall Ceiling as per the Act	100000 per meeting fee				

*Electra Partners Mauritius Limited withdrew its Nominee Director, Mr. John Levack from the Board w.e.f. November 09, 2015.

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

(Amount in Rs.)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	4825447	15871484	20696931
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	4825447	15871484	20696931

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

The period ending March 31, 2016 continued to be a challenging period for Moser Baer. The Company continued on its path to recovery, building upon key initiatives of the Government of India, including the "Make In India" initiative, the Energy Efficiency drive and the National Solar Mission. The overall regulatory and business environment for the industry segments Moser Baer is in showed a marked improvement over the period.

As per IMF's World Economic Outlook (April 2016) report, global recovery continues but at an ever slowing and increasingly fragile pace.

Global growth in 2015 was a modest 3.1%, with activity softening towards the end of 2015 in advanced economies, and stresses in several large emerging market economies showing no signs of abating. In 2015, emerging markets and developing economies grew at 4.0%, at a rate lower than the previous year, however still forming a significant contributor to the global growth.

The baseline projection for global growth in 2016 is a modest 3.2%, broadly in line with last year. The recovery is projected to strengthen in 2017 and beyond, driven primarily by emerging market and developing economies, as conditions in stressed economies start gradually to normalize. But uncertainty has increased, and risks of weaker growth scenarios are becoming more tangible.

Company overview

For the period ended March 31, 2016, Moser Baer continued to witness financial constraints and internal challenges that impacted its operating performance. The Company has been constantly working on consolidation measures and restructuring of operations with the objective of re-aligning priorities, resources and capabilities to succeed in the identified areas of growth.

For the period ended March 31, 2016:

- **Total Income:** The total income from operations for the fifteen months period ended March 31, 2016 was INR 7,596 million on a standalone basis;
- **Cash and Liquidity:** Net cash flows from operating activities stood at INR 488 million;
- **Net Loss:** The Company made a net loss of INR 7,036 million, inclusive of exceptional items amounting to INR 2,532 million

In the Storage Media business, despite liquidity challenges, volumes and margins were on the path of restoration during the financial period under consideration. Company's subsidiary has entered into an exclusive distribution agreement with Verbatim (a long term customer of the Company) for sale of Verbatim branded Storage Media and LED products in India. While Average

Selling Prices (ASPs) were impacted as compared to the previous period with changing product mix, inputs costs have remained stable. However the Company has been consistently working on improving cost efficiencies across the entire value chain. Moser Baer's Storage Media business undertook several steps that were aimed at lowering the operating costs and aligning manpower, cash flows and other resources to the current levels of operations.

Moser Baer continues to focus on its key strengths - wide geographic presence across the world, broad product portfolio across all formats, strong focus on quality and a strong distributor network, and thereby remains a global leader in the optical media space. In a period spanning three decades, the Company has globally developed itself as a preferred OEM partner through its high quality and credible products supplied across the globe, and is thus well placed to target the market opportunities even in the mature phase of the industry.

Regulatory action by the Government of India against dumping of USB drives by players from select industry has allowed Moser Baer the opportunity to recover its market share in the Solid State Media segment through sale of the Moser Baer and other OEM branded products.

The Company is also moving towards establishing itself in the Indian LED lighting market, with a large number of B2B clients and an initial foray into the B2C segment leveraging existing capabilities, brand recognition and distribution network.

In the Solar PV segment, the global solar industry witnessed installations of 50.6 GW during 2015 while the home market added more than 2 GW capacity in 2015 to reach a cumulative capacity of 5.6 GW by the end of the year. To take advantage of opportunity due to the Domestic Content Regulations in the solar sector, Moser Baer's PV subsidiary had initially re-started its cell manufacturing operations in the early part of 2015 but was hampered by employee unrest and volatility of DCR demand thereafter.

During the period, liquidity pressures continued to persist and have been critically impacting our ability to enhance manufacturing operations and capacity utilization levels. However, the positive global macro sector environment along with a high potential domestic market provides opportunity to us to benefit from these segments, given that we are the largest integrated PV manufacturer in India, and we begin the FY 2016-17 period with a 45 MW DCR order under implementation.

STORAGE MEDIA

STORAGE MEDIA INDUSTRY

During the period ended March 31, 2016, the ongoing re-alignment and transition in the global Optical Media industry still impacted the demand for all the top tier players. A key player in the Optical Media industry, Imation, which had a brand portfolio comprising of Memorex,

imation and TDK, decided to exit from this segment. While the brand rights have transitioned to other players, the impact on industry dynamics will be seen in the coming year. The Storage Media business includes the Solid State Media segment (Flash Drives, SD and Micro SD cards), which however continued to witness healthy growth in India, though demand was seen stabilizing globally.

The developed world has continued to witness a downtrend in traditional formats like DVDs and CDs. Emerging Markets (including the home market), on the other hand, remained stable for DVDs and Blu Ray products, while Latin America continued to show overall growth. Japan continued to provide strong leadership in the Blu-ray formats, and is still the world's largest blu-ray consumer.

MOSER BAER'S STORAGE MEDIA BUSINESS

The company continues to supply its products across all regions and maintains its position as one of the leading players in the global Storage Media industry with its wide range of high quality products.

Over the past year, the Optical Media business has gradually recovered volumes in the international market due to enhanced customer engagement and restoration of OEM customer volumes which was impacted by the unjustified stoppage of work by workers last year. Though liquidity issues continue to hurt operations, the Company has regained its market share and materially improved its overall margins through its concerted efforts in improving efficiencies and reducing costs.

Company's subsidiary has entered into an exclusive distribution agreement with Verbatim (a long term customer of the Company) for sale of Verbatim branded Storage Media and LED products in India.

In the non OEM segment, the thrust to pursue new geographies in order to capture incremental markets and acquire new customers to increase our market share in the medium term has found signs of acceptance. Going forward, this is expected to ensure better capacity utilization and growth while demanding near term liquidity support.

In the home market, we have been maintaining our leadership position in the CD segment and have increased our market share in DVD segment.

In the SSM segment, the Company has registered an annualised growth of 23% on the back of increased market share

Given the liquidity constrained manufacturing environment and the need to become more working capital efficient, we further optimized raw material as well as finished goods inventory levels and set new reference levels in this important area.

However, the Company continues to be constrained by its liquidity challenges, and seeks the support of its secured

lenders to help revive the Company. The Company's discussions and negotiations with lenders however, given the multiplicity of banks and complexities, are time consuming and protracted.

As part of integration of sales and distribution network, the company continued with the integration of its 'Pre-recorded' based content sales with the existing domestic distribution organisation to optimise costs. The disc replication business for third parties continued to show steady growth and profitability.

OUTLOOK

In the medium term, the Optical Media industry is expected to continue to witness overall volume decline globally. The trend is more accelerated in the developed economies. However, emerging markets such as Africa, Eastern Europe and parts of Asia would remain stable with pockets of growth in DVD and Blu-ray formats. Select markets like Latin America are expected to see overall albeit marginal growth in this sector. It may however be noted that while CD as a format has declined over time, the existing demand supply balance and economies of scale ensure that it remains cash accretive for Moser Baer.

Furthermore, with potential improvement in liquidity as well as cost rationalization, we plan to target a higher market share in select markets, both through OEM and non-OEM channels.

In the near future, the Solid State Media segment will continue to show healthy growth, given the market demand, regulatory action against predatory imports, strong relationships with OEM customers and strong brand equity of Moser Baer in India and is limited mainly by liquidity constraints.

The Company continues to focus on product innovation, upholding of its high quality standards, increase in its cost competitiveness and widening of its distribution network.

Within the storage media business, both content replication as well as Solid State Media product lines continue to represent opportunities for profitable growth. However, blank optical media will continue to dominate volumes and turnover in the near term

SOLID STATE LIGHTING

LED LIGHTING INDUSTRY

According to Digitimes Research, the global LED (Light Emitting Diode) lighting market for 2015 is estimated at US\$ 30 billion accounting for 27% of the global market for all lighting products. The market comprises of a broad range of lighting products that use LED (packaged silicon chip diodes with high energy efficiency) as light source. Using imported LED source, the domestic LED market has emerged as one of the fastest growing industries in India.

According to a white paper released by the PHD Chamber of Commerce for the "Make in India" initiative, the LED Lighting market in India is estimated at Rs 9.12 billion in 2015.

LEDs' outstanding energy efficiency (40-60% more than conventional lighting technologies), longer lifespan, and eco friendliness have popularized them among both outdoor and indoor lighting applications. LEDs also produce less heat compared to conventional counter parts and dissipate it more efficiently, making them one of the greenest and coolest light sources available.

Key growth drivers for LED lighting in India include Government initiatives to promote LED light adoption, increasing efficiencies and declining prices, all of which have reduced pay back periods and improved overall economics considerably.

Strong Government Focus

Taking into account the energy efficiency and other benefits of LED products, the Government of India has taken several steps to promote and build awareness of the same among consumers.

In 2015, Prime Minister Mr. Narendra Modi launched the National Programme for LED-based Home and Street Lighting. The project involves installing LED streetlights in 100 cities by March 2019. Under this Programme, a total of 770 million ordinary bulbs and 35 million conventional street lights are to be replaced by energy efficient LED lamps by March 2019. LED bulb distribution scheme entails distribution of LED bulbs at an initial payment of Rs 10, with Rs 10 being added to the electricity bill over the next 8 to 12 months. As per Press Information Bureau, 80 million LED bulbs have already been distributed across 125 cities in the country under this scheme, by March 2016.

Such initiatives have emphasized the Government's intention to provide strong support to this technology and to phase out incandescent bulbs, which are a burden not only on the consumers but also to the entire Indian economy due to high power consumption.

The Make in India Program launched by the Hon'ble Prime Minister has highlighted Electronics Systems as a focus sector, and the LED Lighting industry falls under its ambit. Further, the Government is supporting local manufacturing by imposing lower custom duties and Special Additional duties on the import of components used in the manufacturing of LED lights.

To ensure that quality products are available in the market to the consumers, The Indian Department of Electronics and Information Technology (DEITY) made it compulsory in 2015, to register self-ballasted LED lamps with the Bureau of Indian Standards (ISI). Currently LED bulbs, LED tube lights with deccobaten, certain fixed general purpose luminaires are covered by the standards. The standards have hence forced low quality LED product

manufacturers which do not meet the criteria to exit the market and have helped quality manufacturers gain further market share.

Factors leading to an increase in demand

Factors which have led to an increase in demand of the LED products are:

- Improved efficiency and reducing prices have improved the value proposition significantly,
- Mandatory Energy Efficiency regulations for new buildings and facilities,
- Government focus on LED adoption to save energy,
- More Investments in Green Buildings,
- Large size of Real Estate Market in India,
- Growing interest among Healthcare, Hospitality, Retail and IT sectors, and
- Demand from Institutions, Industries and Corporate houses

Increasing efficiency

According to the U.S. Energy Information Administration (EIA), LED efficiency jumped from just over 60 lumens per watt to nearly 100 lumens per watt between 2012 and 2014. In February 2016, Cree reported that efficiency of up to 134 lumens per watt has been achieved, while the target is to hit 150 lumens per watt by 2020. In comparison, efficiency of compact fluorescent lights (CFLs) is at around 55-70 lumens per watt and of traditional incandescent bulbs at around 13-18 lumens per watt.

Declining Prices

The increasing penetration of LEDs in the lighting market is driven significantly by the decline in the price of LEDs in recent years. According to IHS technology's white paper, due to intensifying competition, the average selling price for certain products was cut to half in 2015. Since most of the LED components are primarily imported into India, the component prices and hence the market prices in India are also following the global trend.

Chinese Imports

China, Taiwan and Korea have emerged as the dominant LED chip manufacturing base for the world. The Chinese Government has been incentivizing the growth of the LED Chip industry through various initiatives including capital subsidy, tax breaks, land subsidies, etc. In addition to the local companies, all major lighting companies in the world also own or outsource to LED manufacturing facilities in China. As a consequence of the economies of scale and access to the complete LED supply chain, Chinese manufacturers have managed to reduce product pricing quite significantly. Chinese Companies are exporting LED lighting products and components to all major countries in the world including India.

Some of the low quality and low priced imports into India had failed to deliver and consequently hurt the perception of LED products in the Indian market. However, this issue has been addressed to an extent with the introduction of BIS certification (ISI marking) for selling select LED products in India.

MOSER BAER'S LED LIGHTING BUSINESS

During the year, the Company moved towards establishing itself as a key player in the Indian LED market, with a large number of B2B clients and an initial foray into the B2C segment. Moser Baer is well positioned to tap this opportunity in India on account of the strong Brand recall and key capabilities including:

- Precision Moldings Assets and capabilities (from its Optical Media Business)
- Surface Mount Technology (SMT) Assets and capabilities (from its Solid State Media Business)
- Relevant experience and knowhow relating to Product Quality and Reliability, Design, Product Development, Testing and Optics
- Global Sourcing strengths and
- Strengths in Indian Sales, Marketing and Distribution which can be synergistically exploited

Moser Baer's LED business model does not require any immediate capital expenditure since the company utilizes its existing assets and manufacturing knowhow.

The company is manufacturing LED lighting products in its Noida and Greater Noida manufacturing facilities. We have commenced production of certain LED lighting products such as Street lights, High bay lights, Panel lights, Tube lights, etc. (with imported LED package and some other components), leveraging our existing asset and skill base. The Product design and development team is focused on designing products with higher reliability and efficacy. Besides the in-house manufacturing capabilities, the company also outsources manufacturing of basic, high volume products like bulbs to contract manufacturers based in tax efficient locations. Stringent quality control processes have been established and being followed to ensure that our quality standards are met by outsourced products as well. The company has set up an in-house state-of-the-art Research & Development laboratory with testing capabilities to ensure supply of high quality LED lighting products in the market.

The Company is also using the Selling and Distribution capability and skill set available with its subsidiary, Moser Baer Entertainment Limited, to address the B2C opportunity in India. The existing distribution allows the Company to address the entire market in India.

The Company has positioned its product as a Higher Performance product of superior quality, and is able to

easily and successfully demonstrate this advantage to the B2B segment. The company has successfully entered the professional segment of the LED lighting industry with a marquee list of customers/ installation across segments and established Moser Baer as a competitive player in this product category. In addition to the direct sales and supply to large institutions / corporates by the in-house sales team, the Company is also appointing specialized B2B distributors who supply and service industrial sectors like textile, automobiles, pharmaceuticals, etc.

OUTLOOK

McKinsey in a 2012 LED lighting report had projected the global LED lighting market to reach US\$ 74 billion by 2020, with a 62% share of the overall lighting market

According to a white paper released by the PHD Chamber of Commerce for the "Make in India" initiative, the LED Lighting market in India is expected to grow at a CAGR of 47.3 % till 2018 and expected to touch Rs. 82.98 billion.

The company is scaling up operations in the consumer LED lighting space by leveraging its brand strength and expanding its distribution network nationally. The company has appointed exclusive and non-exclusive Super stockists (large distributors) across the country to distribute LED lighting products in the electrical markets for consumer segment. The company continues to appoint new Super stockists across the country.

SOLAR PHOTOVOLTAIC

PHOTOVOLTAIC (PV) INDUSTRY

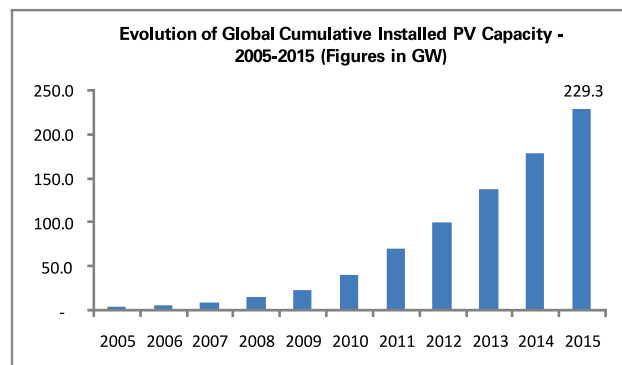
The global solar PV market increased by over 25% to 50.6 GW in 2015 as per 'Solar Power Europe'. As in 2014, the top 3 global markets in 2015 were China, Japan and the US. China and Japan alone were responsible for over 50% of global PV capacity additions in 2015. China even took over the title from Germany as the country with the largest total installed solar power capacity.

The Paris Climate Summit (COP21) in December 2015 was a landmark agreement in the fight against climate change and it clearly recognized the crucial role solar would play in order to be able to transform the world's energy system and keep global warming below 2 °C, (and if possible even below 1.5 °C). It saw the launch of the International Solar Alliance (ISA) under the leadership of India, where more than 120 countries signed up to make solar a core energy source. ISA will be headquartered at Delhi.

The cumulative installed solar PV power capacity till date has increased 29% year-on-year to 229 GW by the end of 2015.

The calendar year 2016 has had a positive start for the global solar power sector. In the first quarter, China alone installed over 7 GW and Europe passed the 100 GW mark of installed PV capacity.

Evolution of Global Cumulative Installed PV Capacity - 2000-2015 (Figures in GW)



Source: Solar Power Europe

Key Solar Markets that continue to dominate include China, Japan and USA

The strong solar commitment of the Chinese government pushed the country's PV market up by 46% to 15.15 GW in 2015, from 10.6 GW the prior year, contributing 30% of total global demand alone. While the government's target originally was nearly 18 GW, the final results can be partially explained by slower than expected development of the distributed market and transmission grid constraints.

Japan ranked second in 2015 again supported through the most attractive incentives. The Japanese market grew 13%, to an all-time high of 11 GW. Driven by feed-in tariffs and utility-scale power plants, both China and Japan together were responsible for more than half of all new solar grid-connections in 2015.

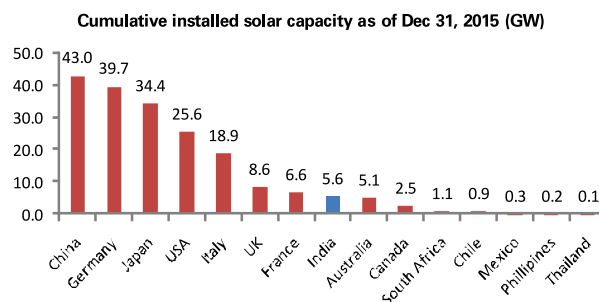
The US market maintained its third rank, and grew its grid-connected capacity by 18% to 7.3 GW, from 6.2 GW in 2014. The main drivers in the US are state renewable portfolio standards and a 30% Investment Tax Credit (ITC), which have incentivised half of the new installations being utility-scale power plants. While the other incentive tool, net-metering, is increasingly being challenged by utilities and regulators, demand for residential solar jumped by nearly 70% to over 2 GW.

Three European countries still belong to the global top 10 in 2015 - the United Kingdom (4th), Germany (6th), and France (9th).

Indian Solar Market

For the first time, India ranked amongst the top 5 solar markets in the world in the year 2015. India added more than 2 GW capacity in 2015 to reach a cumulative capacity of 5.6 GW by the end of the year. The country is now strongly placed with key policy changes being introduced and 25 GW of projects under different stages of development. There is burgeoning investment interest both from Indian and international developers in the sector.

Cumulative installed solar capacity as of Dec 31, 2015 (GW)



Source: Bridge to India

A total of 8,000 MW of DCR (Domestic Content Requirement) projects have been identified by the government to be implemented during 2014-18, 625 MW stand implemented in 2014-15, 675 MW of projects awarded and under implementation and another 1,842 MW of projects under various stages for award in 2016-17. According to Press Reports, MNRE is in the final stages of a policy change to directly incentivize DCR cell and module manufacturers based on MW produced.

In the two years of the new government, substantial progress has been made on improving overall sector investment outlook and policy environment and setting up a supportive broad policy framework. The Government has already revised the National Solar Mission target of Grid Connected Solar Power projects from 20GW to 100GW by 2022

The 100 GW target is split between 60 GW of utility scale projects and 40 GW of rooftop and other small grid-connected projects

Year-wise details (MW)

In MW	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Rooftop	200	4,800	5,000	6,000	7,000	8,000	9,000	40,000
Ground Mounted	1,800	7,200	10,000	10,000	10,000	9,500	8,500	57,000
Total	2,000	12,000	15,000	16,000	17,000	17,500	17,500	97,000
Cumulative Total*	5,000	17,000	32,000	48,000	65,000	82,500	100,000	

Source: MNRE

*Including Previous Years

The Central Government has announced several initiatives including the Solar Park Scheme, the Central Public Sector Undertaking (CPSU) Scheme, the Defence Scheme, the VGF Scheme and the Canal Banks and Canal Tops Scheme, through which it is wanting to make strong progress on implementation of the NSM target. The Solar Parks Policy (facilitating land acquisition and power evacuation) and UDAY scheme (improving DISCOM finances) have been hailed largely as successes but the broader sector policy reform through amendments in the Electricity Act 2003 (increase in renewable purchase obligations, separation

of content and carriage for DISCOMs) is still awaiting parliamentary approval.

Going forward, ensuring grid robustness and investment/lending appetite at aggressive tariff levels will be the two main challenges. In addition, financing and cost of financing is a key challenge in achieving the targets set. Policy interventions to address these challenges together with demand growth measures will be key to sustainable growth of the sector.

As per the tariff order notified by the Central Electricity Regulatory Commission (CERC) for the year 2015-16, the cost of solar power generated from solar power production units, which is the levelled tariff for 25 years, is Rs. 7.04 per unit for solar power plants based on solar photovoltaic technology and Rs. 12.05 per unit for solar power plants based on solar thermal technology.

MOSER BAER'S PV BUSINESS

Though the Company began the period with an order under the DCR scheme, it was unable to exploit available opportunities in the market on account of its liquidity constraints. Our annual cell and module manufacturing capacity currently stands at approximately 200 MW. However, during the period, the liquidity pressures continued to persist and critically impacted our ability to enhance manufacturing operations and capacity utilization levels of our 200MW crystalline silicon cell capacity and 150MW crystalline silicon module capacity. Volatility in DCR orders and delay in disbursement of approved government subsidy also continues to impact the manufacturing operations. For solar PV manufacturing to be cost effective, plants need to operate 24x7, which has been a serious concern due to lack of continuous demand. The Government is attempting to address this issue with release of large sized tenders.

During Jan-Mar'15 quarter, the operations were disrupted for a period of 34 days due to an unjustified stoppage of work precipitated by a small group of workers at the manufacturing locations. During the stoppage period, Company's management took suitable action to mitigate the impact of disruption. In April 2015, the management, with the proactive support of concerned government and administrative authorities, reached an amicable settlement with the workers adding back stability to the operations.

However, despite various constraints, our manufacturing unit continued to service select customers in the highly quality conscious Japanese Market and the India Market during the period. The Japanese Market had been moving slowly post election of new PM and re-assessment of their overall energy / solar Policy. However, it has picked up steam at the end of the period.

The operating parameters of our upgraded solar PV crystalline silicon cell line continue to show steady improvement through the concerted efforts of the manufacturing team and improvements in supply chain

in terms of superior quality inputs at competitive prices. The solar business is in the process of entering into an agreement with a leading EPC Company for supply of 45 MW of DCR cells within FY 2016-17.

Moser Baer's PV Business has completed over 340 MW of projects till date in the EPC segment. The business has been able to establish new benchmarks in project execution timelines and significant reduction in project costs on the back of its' strong expertise in the EPC business. The Company is however currently constrained, on account of its financial position, to aggressively target this segment.

Our focus on cost reduction continues, with particular emphasis on rightsizing of the organization, power costs and other operating costs, duly aligned to its current / anticipated level of operations.

Moser Baer's solar subsidiaries also qualified under the Special Incentive Package Scheme notified by the Government in 2007 to boost the semiconductor manufacturing sector. The Government's detailed diligence process for technical and financial validation has been completed and definitive feedback from the Government has been received by the applicant entity regarding approval and the Government conditions for its utilisation. The receipt of the funding is taking time. Post receipt of funding, Company will have the requisite working capital to scale up operations.

The Solar Subsidiaries continue to engage with their secured lenders to seek support for their revival. Despite the lender consortium (under CDR) withdrawing support to one solar subsidiary, the subsidiary continues operations based on customer support and Company's efforts at optimizing cash flows. Lender actions and resolution of liquidity issues will continue to play a key role in the revival of the Company

OUTLOOK

Solar Power Europe has projected the cumulative solar market at 613 GW by 2020, with China and Japan expected to continue to dominate in the medium term. India and America are expected to emerge as the new growth markets during this period.

While solar energy is now competitive with conventional electricity generation in many global markets, and dependence on subsidies has decreased significantly, there is still an element of policy uncertainty that impedes its unfettered growth. However, it is expected that economic rationale shall prevail and the policy outlook will become even more favourable over the coming years. The growth to date in the solar PV sector reflects only a very small part of the enormous market potential.

With declining prices in the last few years, policy makers in several countries from high solar radiation regions such as Africa, the Middle East, Southeast Asia and Latin America, have increased their plans for PV deployment in these geographies.

Indian market is expected to emerge as the fourth largest market in 2016. The union ministry of new and renewable energy (MNRE) is targeting 12GW of utility-scale solar projects for 2016-17.

However, in order for the sector revival to be sustainable, we believe that it would be critical for emerging policy to address the following issues:

- Ease of implementation, particularly addressing concerns relating to land, connectivity, enforceability of solar purchase obligations and bankability of Power Purchase Agreements from distribution utilities;
- Stable long term perspective including long term demand visibility which will allow for appropriate investment decisions;
- Financing and high cost of financing, and risk of currency fluctuations need to be addressed from the perspective of attracting international capital as well as reducing the overall cost of solar energy; and
- Visibility for support to Domestic Manufacturing over a period of time in the context of anti dumping duties which were not imposed
- Availability of cost effective and reliable power

Subject to addressing the liquidity issues, the Company plans to ramp up operations in line with the emerging opportunities in the Indian market and announcement of key Government policy initiatives, and increase the utilization of our existing infrastructure. Our strong presence in the Indian solar PV market, integrated operations, high quality profile and strong brand value position us to benefit from the high potential Indian market in both the off-grid and utility scale markets in the years to come. Timely receipt of the SIPS subsidy from Government of India is critical for the Company to ramp up its operations in a time bound manner.

FINANCIAL RESTRUCTURING

Please refer to the section **Debt Restructuring** in the Director's Report for further details.

OPPORTUNITIES AND THREATS

STORAGE MEDIA

OPPORTUNITIES

- Ongoing consolidation in the industry is throwing open newer customer opportunities for remaining players
- Growing Solid State Media market in India
- Scope for increasing non-OEM business in geographies where Moser Baer presence was earlier limited

- Stable margins due to reduced competition/consolidation in the industry leading to stable, industry pricing and cost

THREATS

- Gradual decline in the optical media industry globally
- Competition from Taiwanese Players in Optical Media and Global Leaders in Solid State Media products and possible circumvention of the anti dumping measures implemented by Government of India
- Progressive growth in alternative data storage technologies including online and digital storage
- Regulatory developments in debt/capital markets that could adversely effect the company's interest costs and debt restructuring
- Withdrawal of continued support from the company's secured lenders

LED LIGHTING

OPPORTUNITIES

- Improving economics of LED Lighting given improvements in efficiency, reduction in costs and overall environment friendliness
- Strong Growth potential in Global and Local Market including government sourcing
- Government regulatory support to LED given the role of energy efficiency in India's Energy Scenario
- Preferential Purchases by Government Organizations for Products Made in India
- Availability of large and competitive supply chain from China

THREATS

- Strong established players in the Lighting Industry who have a strong presence in India also Imports from China
- Competition from small Indian players importing poor quality products from China
- Technology obsolescence and emergence of disruptive technologies
- Sudden increase in input costs of key components, in particular, LED Chips
- Strong IP position of key players in LED Chips and Products
- Withdrawal of continued support from the company's secured lenders

SOLAR PHOTOVOLTAIC

OPPORTUNITIES

- Global acceptance of solar power along with strong focus on sustainable clean energy sources worldwide provides strong growth opportunity for solar power
- Strong growth potential in key markets such as US, China and Japan that have taken centre stage as the next growth drivers in the global solar industry
- Strong thrust on solar power in the domestic market and preference/incentive for domestically manufactured cells and modules
- Advancement of grid parity globally and in India on account of improvement in cost competitiveness of solar energy vis-à-vis conventional energy;

THREATS

- Withdrawal or reduction of State support in key markets through reduction of subsidies and other incentives or change in government policies,
- Continuation of challenged economic environment in Europe, a key market for solar-PV products is likely to affect demand for solar power in the region
- Slowdown in demand from the current growth drivers such as China, Japan and the US
- Lack of enforcement of the Solar Purchase Obligations in the Indian Solar market
- Delay in JNNSM /State Solar project tendering process/ DCR projects
- Sudden increase in capacity in the global PV market amid an improving industry environment
- Increase in pricing of key raw materials
- Technology obsolescence & emergence of disruptive technologies
- Continuation or prolonging of the high interest rate scenario in the domestic market
- Steep fall in the module prices in the uncertain market conditions.
- Withdrawal of continued support from the company's secured lenders

HUMAN RESOURCES & INDUSTRIAL RELATIONS

In the era when industries are facing multifold challenges and competition internally as well as externally, maintaining synergies of Human Capital for rising up to the Business challenges takes prime importance and is inevitable. Despite liquidity constraints & operational bottlenecks, the company is maintaining a cordial working environment

During the recent times industries in the region and especially our vicinity are making efforts to maintain the Industrial harmony.

After the unjustified stoppage of work by the workers in the quarter Jan-Mar'15, the management played a significant role in reaching an amicable settlement with the workers and resuming operations. At this stage the role of HR became even more important and in order to sustain business survival, several cost cutting initiatives were launched which helped in considerable savings for the company. The wage settlement with workers followed by the introduction of various cost saving schemes initiated by the management helped in neutralizing the impact of the increased wage bill.

While the Industrial Relations environment at the manufacturing locations remained largely peaceful and cordial during the period, we kept the Moser Baer philosophy of investing in our people as a priority and continued with our efforts to provide an enabling environment to our people and focus on their development. Efficient communication measures and well-constructed HR strategy for driving employee commitment when anxiety is high have helped us in sustaining challenges from time-to-time.

Our continued focus on proactive involvement, employee-friendly practices and policies, two way communications and grievance redressal mechanism, and interface with families of employees have helped us to enhance engagement level of our employees and build strong bonding with the organization. Voluntary participation of employees in activities like family visits, sports & recreation, health related initiatives, CSR activities etc. have enabled us to make maximum use for fun aspect of work-life, which in turn, is very important for efficient and productive working.

We continued to encourage Associates Involvement in decision making process through various committees' like the Cafeteria Committee, Transport Committee, and Sports Committee etc. At the same time, Employee Communication Forums like Open Houses, Communication Meetings, Town-Halls, HR Help Desk, provide all possible opportunities for employees to express and exchange views on the various issues that impact them.

Through all these activities & interventions, the Human Resource function continues to play a pivotal role in improving the competitive edge of the business.

Moser Baer ended the financial period with 3,021 employees as compared to 3,441 employees at the end of last financial period.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate internal financial control systems commensurate with its size, nature and

complexity of operations. These controls are adequate for ensuring the orderly and efficient conduct of the business and are working effectively. These controls have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, adherence to the Company's policies, safeguarding of assets from unauthorized use and prevention and detection of frauds and errors.

The internal audit function reviews the adequacy of internal control systems and covers significant areas of the Company's operations. Risk based audits are performed, based on an annual internal audit plan, which is developed in consultation with the Statutory auditors and Audit Committee. Internal Audit reports are regularly reviewed by the Top Management. The Internal Audit process also monitors the progress in implementation of suggestions for improvements.

The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests ways of further strengthening them. During the period, the Audit Committee met regularly to review the reports submitted by the Internal Auditors. All significant audit observations and improvement actions thereon were reported to the Audit Committee.

RISK MANAGEMENT

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. Many risks exist in Company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focus on ensuring that these risks are identified on a timely basis and duly addressed. The risk management process typically involves identifying particular risk events or circumstances relevant to the organisation's objectives, assessing them in terms of likelihood and magnitude of impact, determining a response strategy and monitoring them on a regular basis.

The Board monitors and reviews the implementation of various aspects of the Risk management through a duly constituted Risk Management Committee (RMC). The RMC assists the Board in its oversight of the Company's management of key risks, including financial, operational, market and technology risks, as well as in guiding the processes for monitoring and mitigating such risks.

Key business risks and mitigations are:

- **Technology risk:** A key challenge of your Company is to ensure that it is equipped with updated technologies in order to serve market and customers, secure cost competitiveness and maintain R&D leadership. Optical Media and to some extent Solid State Media have reached a product maturity phase and are not likely to undergo significant changes in technology. In respect of Solid State Lighting products, Product development and R&D efforts are carried out continuously to enhance Lumens / watt;

development of reliable drivers, products with multiple features and efficient heat sink for LED lighting through in-house thermal simulations. Strategic alliances with key vendors also enable the Company to keep abreast of the latest technology developments. The Company continues to seek out for potential JV partners to enrich its technology base. Company's R&D efforts have continued to be geared at improving existing processes to advance the Company's cost competitive position.

- **Business concentration risk:** We strive to diversify our customer and geographic base to avoid dependence on particular business / geography / set of customers. The de-growth in Optical Media business has been sought to be offset with corresponding growth in Solid State Media and Solid State Lighting segments which will ensure a wider business portfolio along with customer and geographical dispersion. Over the past year, the Optical Media business has gradually recovered volumes in the international market due to enhanced customer engagement and restoration of OEM customer volumes. Solid State Media business continues to grow on the back of enhanced market share through key customers in India and partnering with new OEMs. In Solid State Lighting segment, initiatives taken include extension of distribution network and enhanced sales promotion activities along with targeted product positioning and brand building.
- **Input cost and falling sale price risk:** Though liquidity issues continue to hurt operations, the Company continues to work on enhancing its overall margins through concerted efforts in improving efficiencies and reducing costs. Softening of key input costs in Optical Media, declining fuel prices accompanied by sustained cost reduction initiatives continued to support the business and offset softening of selling prices. Consolidation of manufacturing operations, as well as internal restructuring including in the area of manpower cost rationalization has resulted in overall reduced costs. Your Company will continue to focus on cost re-engineering, alternate sourcing, alternate material usage initiatives, to minimize the impact of input cost increase. Higher share of value added products should lower the impact of price fluctuation in finished goods.
- **Exchange fluctuation risk:** Our operations are subject to risk arising from fluctuations in exchange rates with reference to countries in which we operate. We import raw materials and components and sell our finished goods across various countries. Moreover, we have outstanding

foreign currency denominated debt and hence we are sensitive to fluctuations in foreign currency exchange rates. These transactions are denominated in foreign currencies, primarily the U.S. Dollar and Euro. The Treasury department of the Company continually tracks the foreign exchange movements and underlying currency exposures and takes advice from financial experts as and when required to decide its hedging strategy in accordance with approved foreign exchange risk management policy. The hedging of foreign exchange exposures is however, currently restricted by the availability of renewed hedging limits.

- **Liquidity risk:** The Company has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations. Due to continued liquidity issues, primarily arising from non-release of sanctioned working capital limits and refunds due to the Company, the Company has been unable to comply with repayment terms of its borrowing arrangement with secured lenders as agreed in the Corporate Debt Restructuring package approved earlier. Meanwhile, the Company approached the lender consortium for a revised debt restructuring plan, which included deferment of interest and debt repayment, disposal of surplus non-core assets and infusion of fresh capital by the promoters. The banks instituted a TEV study which was conducted by a reputed professional agency appointed by bank and which has since submitted its report to the lenders. In a recent meeting, the lenders have indicated their intention to exit from the CDR and initiate legal proceedings against the company subject to approval of their competent authorities. Some lender banks have submitted approval from their competent authorities to exit from CDR. However, in the absence of requisite mandate, no decision was taken and the matter of exit from CDR was deferred to a subsequent CDR EG meeting. Meanwhile, the lender banks have allowed the Company to continue to operate through TRA with 6% tagging progressively to be increased to 9% by September 2016. The Company continues to engage with management of banks towards resolution of the debt.

Moreover, the Company has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 88.4mn equivalent to Rs 5,857 million which were due for redemption along with premium on 21 June 2012.

- **Employee Related Risks:** We strive to align our business interests with the interests of

our workforce and focus on various employee engagement and development initiatives to retain and motivate our workforce. The organizational structure is periodically reviewed and aligned with the changes in business scenario and strategy. Accordingly, we continue to look at measures for manpower optimization, with the aim of creating a leaner and frugal organization. On account of the prolonged financial and liquidity stress, the company faces a risk of higher levels of attrition particularly in relation to critical resources, which it endeavors to address through constant dialogue / communication with associates to understand their issues and work out solutions, while keeping them updated with the changes in business scenario.

- **Performance of the subsidiaries:** The Company has made investments in its subsidiaries and provided corporate guarantees on behalf of subsidiaries. If the business or operations of any of these subsidiaries deteriorates, the value of the Company's investments may decline substantially which may in turn have a material adverse effect on the Company's business, financial position or results of operations.

In the opinion of the Board no risks have been identified that may threaten the existence of the Company.

OPERATING PERFORMANCE REVIEW

Financial Analysis

Revenue & Profits

The total income from operations for the fifteen months period ended March 31, 2016 was INR 7,596 million compared to INR 9,846 million during the year ended December 31, 2014. Loss after tax for the period is INR 7,036 million as against INR 7,083 million in the year ended December 31, 2014.

Fully diluted earnings per share for fifteen months period ended March 31, 2016 was INR (32.11) against INR (34.26) in the previous year ending December 31, 2014. The company generated INR 488 million cash from operations during the period.

Capital Structure

The paid up equity capital was INR 2,083 million as on December 31, 2014. During the period under review, equity capital of INR 135 million was allotted to promoters on preferential allotment basis as per CDR restructuring and approval of shareholders and it increased to INR 2,218 million as on March 31, 2016.

Reserves

The Company's reserves stood at INR (19,471) million at the end of March 31, 2016 against INR (11,222) million at the end of December 31, 2014. There are no re-valuation reserves as of March 31, 2016.

Loans

The Company's total net debt increased by 2.6% over the previous year.

Financial objectives, initiatives and achievements

Your company is taking proactive measures to ensure all financial costs are effectively reduced to positively impact the bottom line. The Company continued to focus on more efficient working capital management to release cash in to the system, generating INR 488 million of cash from operations.

Interest

The amount on account of interest and finance charges for fifteen months period ended March 2016 increased to INR 2,744 million as against INR 2,123 million in the year ended December 31, 2014 .

Capital Expenditure

Gross block of the Company stood at INR 45,038 million as on March 31, 2016 as against INR 45,514 million in the previous fiscal year.

Depreciation

Depreciation for fifteen months period ended March 31, 2016 was INR 1,061 million compared to INR 1,809 million for the year ended December 31, 2014. Due to the flexible nature of the asset base and the relatively long life-cycle of the products in the industry, we believe that the risk of the asset base becoming obsolete is mitigated.

Loans and advances

As on March 31, 2016, both long term and short term loans and advances put together, decreased by INR 9 million against INR 877 million as on December 31, 2014.

Capital employed

The capital employed stood at INR (9,128) million as on March 31, 2016 as compared to INR 1,260 million as on December 31, 2014

CORPORATE SOCIAL RESPONSIBILITY

Moser Baer India Limited, through its community development Moser Baer Trust (MBT) has been continuously working towards making some positive changes in the lives of the people around through its various thematic interventions. The trust's thematic interventions have shown extremely encouraging results in the period under consideration.

The trust continues to adhere to integrate its cross-cutting themes of affirmative action and gender mainstreaming. To endorse this, the trust's current period's beneficiary profile includes only 6% of the total beneficiaries from general category and the remaining are from the various marginalised communities including SCs, STs, OBCs and Minorities. Needless to mention, there is a large number of minority population that the trust has been catering through the education and youth development programmes since 2006. This also indicates its deliberate strategy towards inclusion of marginalised groups in its interventions.

Despite various business constraints and financial stress, the trust has been able to mobilise resources and initiatives through various partnerships.

Education

Taleem

MBT believes that the schooling years are the formative years of each child, and it is important to familiarize them with the increasing demands of the outside world and keep their motivation intact towards education. It is in such a scenario that Moser Baer Trust (MBT) has taken up education as one of its thematic interventions. To realise the goal of "Education for All" the following strategies were adopted:

Support Class

- A total of 468 students were covered under this initiative from 10 villages.
- Collaborated with government and negotiated with them to conduct the support class in government school premises to maximise the outreach
- Designed curriculum in line with the school curriculum, was administered in the centers.
- Advocacy events on education in the community.

Non Formal Education

- Adult literacy classes for 82 women in 2 villages
- Mainstreaming of 692 children in the formal education through enrolment drive in the villages.

- The retention rate in support classes was **70.8%**. In Adult literacy classes it was a whopping **95.12%**.

Digital Literacy Programme

Computers applications have opened new vistas for employment and offer a wide knowledge base that ensures brighter career prospects. For the rural youth, especially those living in urban peripheries, a knowledge deficit in computers is the biggest challenge in achieving gainful employment. It is this disadvantage, which Moser Baer Trust aims at addressing by providing essential computer training to students in their formative years and also the youth. Advanced computer programming and personality grooming sessions for the children are some of the major value additions which we have added to this program. The trust has covered 1228 beneficiaries through its digital programme in the period under consideration. Another feather which has been added in cap of MBT due to this initiative is that it has got a mandate to train 5000 beneficiaries in digital literacy from Gautambudh Nagar District under the government initiative “National Digital Literacy Mission”. It is the only organisation in this region for implementing this course.

yUDAI- Youth Development

Youth development is one of the oldest initiatives (earlier called Nayee Roshni), and with the revised strategies during last year, it has now graduated to the next year. The youth who were engaged in 18 months module of leadership development have completed their training phase and are now ready to take hands on experience. They were exposed to various team building exercises, mass mobilisation activities such as street theatre, comics training and session on issues like gender, substance abuse, child sexual abuse and so on. Since they were equipped with required skills, they got into organising small drives on the issues that were wreaking their communities. In addition to this, a centre called “SAMARTH” was also set up as a resource centre which would be an information hub and a nodal place for their regular engagement.

Livelihood

From its urban based livelihood intervention like Aakar, MBT has entered in rural areas as well. It has proactively been ensuring sustainable development of societies through its various livelihood interventions and SAFAL is one of those. It has covered approximately more than 6000 families through its livelihood interventions. This huge outreach in a short span of time is itself an indicator of MBT’s community development program acceptance. The major on-farm and off-farm activities include promotion of Paddy, Maize, vegetable cultivation during kharif season and in Rabi season wheat and chickpea were covered. On the other hand, off-farm activities includes lac promotion, backyard poultry, breed enhancement of goats and so on.

Another notable intervention under livelihood was land development and water conservation. The land development was undertaken with a view to develop the land of small holding farmers which is barren and unused. By doing so, the trust’s aim has been to increase their income and thereby securing food sufficiency. The main aim of water conservation through lift irrigation and fallow land into arable land is to deal with water scarcity during periods of low rain fall. MBT installed 6 micro lift irrigation systems having command area of about 300 acres land benefitting around 240 families in 5 villages.

Health

MBT believes that Health is one of the core areas of family well-being which needs immediate attention especially in remote areas which are marred by low quality and erratic health services delivery. Therefore, MBT has been providing basic health care services as well as emergency assistance for remote villages through its mobile health care unit, under the banner of Arogya. It has catered to approximately **28,000 patients** during past period through various interventions.

Partnership Initiatives

MBT strongly believes in constructive partnerships that facilitates the attainment of ultimate objective of each other. Almost, every intervention of MBT is supported by one or the other partner which is a sign of recognising the credibility of MBT and has established MBT as a growing organisation. During the period in discussion, MBT has transcended beyond the purview of being connected to old partnerships only and has decided to sensitise the nearby industries about their responsibilities towards society and at the same time generating resources for MBT. With this in view, MBT organised a collaboration hub wherein the nearby industries were invited. The leading industries of the area like LG, Waves, Spice and so on participated in this collaboration hub. MBT had also shared its low cost but impact driven intervention with participating industries and expressed its intention to share its expertise with them for a larger outreach.

CSR Week and Sangam

As in preceding years, this period too the trust celebrated the first week of December (29th November to 5th December) as the CSR week. This whole week was aimed at enhancing employee voluntarism by organizing various drives and campaigns as well as interactive and creative sessions. One of the successful initiatives with the employees was the “Solidarity Walk” wherein the employees and the children from the community came together and spread the message on save the girl child. The CSR week is a major event and is organized at our business locations. The whole CSR week culminates into the annual stakeholder meet called SANGAM. SANGAM is the annual event of MBT which celebrates the spirit of partnership every year. SANGAM observed the presence of all significant stakeholders and partners of MBT.

EHS Performance

At Moser Baer, our objective is to achieve Zero accidents and Environment sustainability. In order to achieve this objective, we have a fully integrated EHS Management system as one of our core values. We are fully committed to this value and are striving to enhance leadership in EHS within the Organization by creating a culture of work safety in order to achieve the target of Zero accidents. Our "Journey to Zero" begins with the development of leadership actions that will deliver safety performance excellence, while leveraging learning from shared best practices across the entire organization.

Moser Baer as an organization has achieved many milestones in regard to EHS (Environment, Health & Safety); a few of them are listed below:

1. Recycling of materials, energy efficiency and renewable energy are said to be the pillars of sustainable policy. Recycling turns materials that would otherwise become waste into valuable resources. Initiatives taken for conservation of resources during the period included the following :
 - Saved 5662 Keekar trees through in-house recycling / reusing 36299 wooden pallets for product packing.
 - Recycled 2368 Tons of polycarbonate during this period.
 - Recycled 162 Tons of solvent.
 - Reduced HFO consumption with clean fuel CNG & Grid power from NPCL to reduce CO2 emission.
 - Reduced kitchen waste by installing Biogas plant & producing biogas equivalent to half cylinder of LPG from kitchen waste on a daily basis through our Biogas Plant.
2. Accident rate for the 15 month period was 1.36 as against 1.21 the previous year.
3. Covered more than 71% of associates in EHS Training. Achieved Training rate (Training / man / year) more than 3.4 hrs / employee against 3.00 hrs / employee in the Annual Performance Plan.
4. Designed and developed in-house Practical Fire Fighting Training and covered more than 660 associates in these workshops.
5. Successful re-certification under the Integrated Management System of ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, Disney ILS Audit and SA 8000:2008 Standards for Environment, Health & Safety Management and Social Accountability respectively, audited by various certifying agencies like DNV & CT PAT.
6. Designed, developed and implemented over 18 EHS Training modules like Lock out Tag out, defensive driving for drivers, Industrial Hygiene and personal grooming for cafeteria employees, Electrical Safety, Hazards communications, Effective use of Personal Protective Equipment, RoHS Directives, Legal aspects of Industrial Safety, Machine Guarding and Material Handling etc.
7. Elimination of PVC Pouches as per EEEEC Directives. Strict implementation of RoHS, REACH Directives and E- waste management system.
8. Substantial amount of material recycling (polycarbonate, dye, silver, etc) to reduce input cost of the product along with improvement in environmental sustainability.
9. Non-use of Banned Substances in product inputs.
10. Benchmarking process with nearby industries to improve EHS systems.
11. Active participation in more than 15 Emergency preparedness (Mock Drills) in the neighbourhood industries, organized by Director of Factories and Chief Fire Officer.
12. We have successfully celebrated the National Safety Week in the month of March'2016. More than 1400 associates participated in this event with great zeal & enthusiasm.
13. We celebrated the World Environment Day on 5th June to promote the theme of 'Seven Billion Dreams. One Planet. Consume with Care'. The company was witness to lot of tree plantation on the day. Commitment of Management & EHS teams remains highly visible for promoting safe environment.

Corporate Governance Report

1. CORPORATE GOVERNANCE

Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. It also provides the structure through which the objectives of the Company are set and the means of attaining those objectives and monitoring performance are determined.

The Company believes that sound corporate governance is a key element for enhancing and retaining the trust of investors and various other stakeholders. As a responsible corporate citizen your Company has evolved best practices which are structured to institutionalize policies and procedures that enhance the efficacy of the Board and inculcate a culture of accountability, transparency and integrity.

2. BOARD OF DIRECTORS

Your Company endeavors to have a judicious mix of executive, non-executive and independent Directors, so as to have independence on the Board and separate its function of governance from that of management. Your Company also has a woman Director on the Board. Independent Board is essential for sound corporate governance.

Definition of 'Independent Director' as per regulation 16(1)(b) of SEBI (LODR) Regulation, 2015

'Independent Director' shall mean a Non-Executive Director, other than a nominee director of the company:

- i. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- ii. who is or was not a promoter of the company or its holding, subsidiary or associate company;
- iii. who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- iv. who, apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- v. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- vi. who, neither himself nor any of his relatives —
 - (a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - (1) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (2) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (c) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (d) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
 - (e) is a material supplier, service provider or customer or a lessor or lessee of the company;
- vii. who is not less than 21 years of age.

Terms and Conditions of appointment of Independent Director

The terms and conditions of appointment of Independent Directors are available on the website of the Company: www.moserbaer.com

Separate meeting of Independent Director

During the year under review, the Independent Directors held two separate meeting on May 11, 2015 and August 11, 2016 to discuss the process for evaluation of the performance of the Board, its committees, Chairman and the individual Directors of the Company. The meeting were attended by all the independent Directors.

COMPOSITION AND CATEGORY OF BOARD

As on March 31, 2016, the Board comprises of five Directors, including three independent Directors and two executive Directors. The Chairman is Executive Director and the Company has an optimum combination of executive and non-executive directors in accordance with Listing Regulations.

The details relating to Composition & Category of Directors, Directorships held by them in other companies and their membership and chairmanship on various Committees of Board of other companies, as on March 31, 2016 is as follows:

Name of the Director	Category	Equity Investors/ Lenders represented	Designation	No. of other Directorships	No. of Committee membership / Chairmanship (including MBIL)	
					Chairman	Member
Mr. Deepak Puri	Promoter and Executive	N.A.	Chairman and Managing Director	10	3	5
Mrs. Nita Puri	Executive	N.A.	Whole Time Director	12	2	2
Mr. Vineet Sharma	Independent and Non-Executive	N.A.	Director	4	0	2
Mr. Sanjay Jain	Independent and Non-Executive	N.A.	Director	3	2	1
Mr. Samrish Bhanja*	Independent and Non-Executive	N.A.	Additional Director	3	0	2

Electra Partners Mauritius Limited withdrew its Nominee Director, Mr. John Levack from the Board w.e.f. November 09, 2015.

**Mr. Samrish Bhanja joined the Board of Directors with effect from June 22, 2015.*

Notes:

- The directorships held by the Directors, as mentioned above do not include the Alternate directorships, directorships held in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- The committees considered for the purpose are those prescribed under regulation 26(1)(b) of SEBI (LODR) Regulation, 2015 i.e. Audit Committee and Stakeholders' Relationship Committee respectively of all public limited companies, whether listed or not.
- None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees (as specified in regulation 26(1) of the SEBI (LODR) Regulation, 2015) across all the public companies in which the person is a Director. Necessary disclosures regarding Committee positions in other public limited companies as on March 31, 2016 have been made by the Directors.
- The non-executive directors do not hold any equity shares of the Company.
- Details of familiarisation program for Independent Directors are provided at our website [www. Moserbaer.com](http://www.Moserbaer.com).

BOARD SUPPORT AND ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board for consideration and for the preparation of the agenda as well as convening of the Board / Committee meetings.

The Company Secretary reports to the Board about compliance with the applicable statutory requirements and laws and advises on good governance principles. The Company Secretary attends all the meetings of the Board and its Committees and ensures appropriate recording of minutes of the meetings. Further, the process for the Board/ Committee meetings provides an effective post meeting follow up, review and reporting mechanism for the action taken on the decisions/ instructions of the Board and its Committees. As per Board's decision, the Company Secretary informs the concerned functional heads about matters arising out of the deliberations during a meeting. These heads in turn provide updates to the Board at the next meeting. All the Directors of the Company have access to the advice and services of the Company Secretary.

BOARD MEETINGS & ATTENDANCE

The Board meets at least once in a quarter to review inter-alia the quarterly financial results and other items on the agenda.

Additional meetings are held as and when required. Facility of video conferencing or other audio visual means are also provided to enable Directors to participate in Board meetings. During the period ended March 31, 2016, the Board of Directors met eight times. The maximum gap between any two meetings was not more than one hundred and twenty days. Directors' attendance at Board meetings and the Annual General meeting (AGM) of the Company held during the period ended March 31, 2016 is as under:

ATTENDANCE RECORD OF DIRECTORS

Name of the Director	Board meetings held during the year	Meetings Attended		Attended last AGM held on Monday, June 30, 2015
		Present in Person	Attended through Audio /Video conferencing	
Mr. Deepak Puri	8	6	-	Yes
Mrs. Nita Puri	8	6	-	No
Mr. John Levack*	8	4	1	No
Mr. Sanjay Jain	8	7	-	Yes
Mr. Vineet Sharma	8	8	-	Yes
Mr. Samrish Bhanja**	8	5	-	No

*Electra Partners Mauritius Limited withdrew its Nominee Director, Mr. John Levack from the Board w.e.f. November 09, 2015.

**Mr. Samrish Bhanja joined the Board of Directors with effect from June 22, 2015.

The details of the Board Meetings held during the financial period ended on 31.03.2016 are as under:

Sl. No.	Date of Board Meeting held	Board Strength	No. of Directors present
1	February 26, 2015	5	5
2	May 11, 2015	5	5
3	June 02, 2015	5	3
4	August 13, 2015	6	5
5	September 24, 2015	6	5
6	November 09, 2015	6	6
7	January 07, 2016	5	3
8	February 11, 2016	5	5

INFORMATION AVAILABLE TO THE BOARD

During the financial period ended March 31, 2016, information as mentioned in regulation 17(7) and Schedule II of SEBI (LODR) Regulation, 2015 has been placed before the Board for its consideration.

The aforesaid information is generally provided as a part of the agenda of the Board meeting and/ or is placed at the table during the course of the meeting. The CFO and other senior management staff are also invited to the Board Meetings to present reports on the Company's operations and internal control systems. The Company Secretary, in consultation with the Chairman, prepares the agenda. The detailed agenda is sent to the Members a week before the

Board Meeting date. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item'. Sensitive subject matters are being discussed at the meeting without written material being circulated in advance. All Board Members are at liberty to suggest agenda items for inclusion. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

Code of Conduct

During the period under review, the Company has made amendments to its Code of Conduct (Code) to bring it in line with the regulatory changes. The duties of independent Directors of the Company were incorporated in the Code to make it more robust. The revised Code was approved by the Board.

The Code is applicable to the Company and its subsidiaries including its Directors, employees, officers and service providers & contractors working for and / or on behalf of the Company. Details of the Code are available on the website of the Company viz. www.moserbaer.com

All Directors and employees including senior management of Moser Baer India Limited have affirmed compliance with the Code for the period ended March 31, 2016.

3. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.

The Board currently has following committees:

- A. Audit Committee;
- B. Nomination and Remuneration Committee;
- C. Stakeholders' Relationship Committee;
- D. Corporate Governance Committee;
- E. Banking and Finance Committee;
- F. Allotment Committee
- G. Corporate Social Responsibility Committee
- H. FCCB Committee and
- I. Risk Management Committee

A. AUDIT COMMITTEE

The Company has an adequately qualified Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 & Schedule II of SEBI (LODR) Regulation, 2015 (Listing Regulations). The Board at its meeting held on May 11, 2015 has re-defined the roles and responsibilities of the committee as per the regulatory requirements mandated by Companies Act, 2013 and Listing Regulations.

i) Terms of Reference

The terms of reference of this Committee covers the matters specified for Audit Committee under regulation 18(2)(c) & 18(3) of SEBI (LODR) Regulation, 2015 read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee inter- alia includes the following:

Powers of the Audit Committee

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

Role of the Audit Committee

1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall also have following powers w.r.t the Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developer Limited) and Moser Baer Entertainment Limited, the wholly owned subsidiaries of the Company:-

- i. To discuss with the auditors periodically about the internal control systems, the scope of audit including the observations of auditors
- ii. To review the half yearly and annual financial statements before submission to the Board of Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developers Limited) and quarterly and annual financial statements of Moser Baer Entertainment Limited
- iii. To ensure compliance of Internal control systems
- iv. To investigate into any matters specified above
- v. To appoint the Internal Auditor of Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developer Limited) and Moser Baer Entertainment Limited, if any
- vi. Reviewing with management the statement of uses/ application of funds during a Financial Year of Moser Baer Entertainment Limited
- vii. Reviewing the internal audit findings and internal Audit Plan of Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developer Limited) and Moser Baer Entertainment Limited, if any
- viii. The Audit Committee has been authorized to mandatorily review the following information:
 - a) Management discussion and analysis of financial condition and results of operations.
 - b) Statement of significant related party transactions, submitted by management.
 - c) Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - d) Internal audit reports relating to internal control weaknesses.
 - e) The appointment, removal and terms of remuneration of the Chief Internal Auditor.

ii) Composition, Meetings & Attendance of The Committee

The Audit committee was re-constituted on August 13, 2015 and as on March 31st, 2016, the committee comprised of Mr. Sanjay Jain as Chairman, Mr. Deepak Puri, Mr. Vineet Sharma and Mr. Samrish Bhanja as members of the committee.

During the period, the Committee met Seven times, i.e. on February 26, 2015, May 11, 2015, June 02, 2015, August 13, 2015, September 24, 2015, November 09, 2015, and February 11, 2016.

The particulars of meetings and attendance by the Members of the Committee during the period under review are given in the table below:

Members	Committee Meetings held during the period	Meetings attended	
		Present in Person	Attended through Audio/ Video conferencing
Mr. Sanjay Jain (Chairman)	7	6	-
Mr. Deepak Puri	7	6	-
Mr. Vineet Sharma	7	7	-
Mr. Samrish Bhanja	7	4	-

In addition to the Members of the Audit Committee, these meetings are attended by the CFO and other respective functional heads and Auditors of the Company, wherever necessary, and those executives of the Company who are considered necessary for providing inputs to the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Committee was present at the Annual General Meeting held on Tuesday, June 30, 2015. The gap between two committee meetings did not exceed One hundred and twenty days.

B. NOMINATION AND REMUNERATION COMMITTEE

The Company has a duly constituted Nomination & Remuneration Committee as per requirements of Companies Act, 2013 and Listing Regulations. The Committee inter-alia, is responsible for identifying and recommending persons who are qualified to become Directors or appointed as part of senior management of the Company and laying down remuneration policy.

During the year under review, the committee was re-constituted on February 11, 2016 and the present composition of the Committee is as follows:

(i) Composition and attendance at the meeting of the Committee

As on 31.03.2016, the Committee comprises of three non-executive independent directors viz. Mr Sanjay Jain (Chairman), Mr. Vineet Sharma (Member) and Mr. Samrish Bhanja (Member). The Company Secretary acts as the Secretary to the Committee. During the year, the Committee met two times, i.e. on June 02, 2015 and February 11, 2016.

Members	Committee Meetings held during the period	Meetings attended	
		Present in Person	Attended through Audio /Video conferencing
Mr. Sanjay Jain (Chairman)	2	Yes	-
Mr. Vineet Sharma	2	Yes	-
Mr. John Levack *	1	Yes	-
Mr. Samrish Bhanja**	1	Yes	-

*Electra Partners Mauritius Limited withdrew its Nominee Director, Mr. John Levack from the Board w.e.f. November 09, 2015.

**Mr. Samrish Bhanja joined the Board of Directors with effect from June 22, 2015.

(ii) Terms of reference

- Formulation of criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy, relating to the remuneration of a director, key managerial personnel and other employees
- Formulation of criteria for evaluation of Independent Directors and the Board
- Devising a policy on Board Diversity
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To administer the Employees Stock Option (ESOP) and the Directors' Stock Option Plan (DSOP) of the Company

(iii) Responsibilities and authorities of the Nomination and remuneration Committee

- The Nomination and Remuneration Committee reviews and approve for the Executive Directors of the Company:-
 - The annual base salary,
 - Annual incentive bonus, if any,
 - Any other benefits, compensation or arrangements.
- The Nomination and Remuneration Committee evaluates, and if necessary, amend performance parameters of the Executive Directors;
- The Nomination and Remuneration Committee may make recommendations to the Board in relation to incentive plans for the Executive Directors; and
- Administer the ESOP and DSOP schemes of the Company.

(iv) Remuneration Policy

The Company has formulated a policy relating to the remuneration for the directors, key managerial personnel and other employees which was effective from October 01, 2014. The same has been part of Directors Report as Annexure-1

v) Remuneration paid to Directors

- Executive Directors

The details of the remuneration paid and payable to Mr. Deepak Puri (Managing Director), Mrs. Nita Puri (Whole Time Director) during the financial period ended on March 31, 2016 are as follows:

(Amount in Rs.)

Particulars	Mr. Deepak Puri, Managing Director	Mrs. Nita Puri, Whole Time Director
Salaries, allowances and bonus	1,48,18,755	45,81,480
Perquisites	1,45,000	1,45,000
TOTAL	1,49,63,755	47,26,480

Notes:

1. The remuneration has been accrued in the books subject to the limits specified in Schedule V of the Companies Act, 2013 and/or as approved by the Central Government.
2. As the future liability for gratuity and leave encashment is provided on actuarial valuation basis for the company as a whole, the amount pertaining to the directors is not ascertainable and therefore not included above.

Service Contracts, Notice Period, Severance Fees

Mr. Deepak Puri has been appointed as Managing Director w.e.f. September 01, 2014 for a period of three years. Mrs. Nita Puri has been appointed as Whole-Time Director w.e.f. December 01, 2014 for a period of three years.

The tenure of Executive Directors can be terminated by either party by giving three month's notice in writing. There is no separate provision for payment of severance fees.

Both of them are entitled to resign from his/her office at any time upon giving to the Company at least three calendar months' written notice. No severance fees shall be payable to either of them.

No stock options were granted to the Executive Directors of the Company.

b) Non-Executive Directors

All pecuniary relationships or transactions of the Non-Executive Directors with the Company: There is no transaction with the associates or relatives of the Non-Executive Directors during the financial year under review except in so far mentioned hereinafter:

(i) Stock Options

The Director's Stock Option Plan was terminated on 30th June, 2015. There were no options vested and exercisable in the Plan. Further, unvested options were cancelled and extinguished.

(ii) Commission

Non – Executive Directors are not entitled to any commission during the period under review.

(iii) Sitting Fees

During the financial year ended on March 31st, 2016, the non-executive Directors were paid sitting fees of Rs. 20,000 for each Board Meeting and Rs. 10,000 for each Committee meeting attended by them.

(iv) Service Contracts, Notice Period, Severance Fees

Mr. John Levack (non-rotational nominee Director and representative of Electra Partners Mauritius Ltd.) - No severance fees were paid/payable to him when Electra Partners Mauritius Ltd. withdrew his nomination from the Directorship of the Company w.e.f. 09th November, 2015.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE (FORMERLY KNOWN AS INVESTORS' GRIEVANCE COMMITTEE)

The Stakeholders Relationship Committee of the Board oversees redressal of shareholder and investor grievances, and, inter alia, approves sub-division/Consolidation/ issue of the duplicate share certificate, transmission of shares etc.

i) Constitution and Composition of the Committee

The stakeholder's remuneration committee was reconstituted on February 11th, 2016 and the present composition of the Committee and the details of meetings attended by the Directors are given below:

Members	No. of meetings attended		Date of Meetings
	Present in Person	Attended through Audio /Video conferencing	
Mr. Sanjay Jain (Chairman)	4	-	February 26, 2015
Mr. Deepak Puri	5	-	May 11, 2015
Mrs. Nita Puri	5	-	August 13, 2015
Mr. John Levack*	5	-	November 09, 2015
Mr. Samrish Bhanja**	1	-	February 11, 2016

*Electra Partners Mauritius Limited withdrew its Nominee Director, Mr. John Levack from the Board w.e.f. November 09, 2015.

**Mr. Samrish Bhanja joined the Board of Directors with effect from June 22, 2015.

The Company Secretary acts as the Secretary of the Committee.

ii) Terms of reference

The functioning and terms of reference of the Committee are to oversee various matters relating to redressal of Shareholders' and investors' Grievances as given below:-

- i. To consider and resolve the grievances of security holders of the Company;
- ii. Non- Receipt of transfer of shares;
- iii. Matters relating to dematerialization/rematerialization of shares;
- iv. Non-receipt of Annual Reports;
- v. Non-receipt of Dividend;
- vi. All other allied matters.

The transfer / transmission of physical share certificates is approved by the Company Secretary at least once in a fortnight on the basis of recommendations received from the Company's Registrars and Share Transfer Agent-M/s. MCS Share Transfer Agent Limited.

The investors may lodge their grievances through e-mail at shares@moserbaer.in or contact the Compliance Officer at the following numbers: -

Mr. Neeraj Parmar : Company Secretary
 Telephone numbers : (011) 40594444
 Fax numbers : (011) 41635211/ 26911860

iii) Information regarding complaints received from the shareholders through SEBI, NSE and BSE during the period January 01, 2015 to March 31, 2016

Nature of the complaints	Received	Replied satisfactorily	Pending
Relating to transfer, transmission, etc.	0	0	0
Relating to dematerialization	0	0	0
Relating to dividend	0	0	0
Relating to bonus	1	1	0
Relating to Annual Report	2	2	0
Relating to miscellaneous matters	1	1	0
TOTAL	4	4	0

No share was pending for transfer as on March 31, 2016.

D. CORPORATE GOVERNANCE COMMITTEE

The primary role of the Corporate Governance Committee is strategic management of the Company's businesses within Board approved direction/ framework in the order to strengthen the stakeholder's wealth.

- (i) Constitution and Composition of the Committee

The Committee was re-constituted on February 11, 2016 and comprises of three members i.e. Mr. Deepak Puri, Mr. Sanjay Jain and Mr. Vineet Sharma. The Company Secretary acts as the Secretary of the Committee.

(ii) Terms of reference

- a) To evaluate the current composition, organization and governance of the Board and its Committees, as well as determine future requirements and make recommendations in this regard to the Board for its approval.
- b) To recommend the appointment of such Directors on the Board who are of proven competence and have adequate professional experience.
- c) To oversee the evaluation of the Board.
- d) To recommend to the Board, Director Nominees for each Committee of the Board.
- e) To coordinate and approve Board and Committee meeting schedules.
- f) To make regular reports to the Board on the matters listed herein and on such other matters as may be referred to it by the Board from time to time.
- g) To advise the Company on the best business practices being followed on corporate governance issues world-wide and to implement those in the Company appropriately.
- h) To appoint any outside agency to report on corporate governance matters.
- i) To appoint consultants in this regard and to obtain and implement their advise, reports or opinions.
- j) To recommend to the Board the governance structure for management of affairs of the Company.
- k) To review and re-examine this charter annually and make recommendations to the Board for any proposed changes.
- l) To annually review and evaluate its performance.

E. BANKING AND FINANCE COMMITTEE

(i) Composition

Mr. Deepak Puri is the Chairman of the Committee. Other member of the Committee are Mrs. Nita Puri and Mr. Sanjay Jain. The Company Secretary acts as the Secretary of the Committee.

(ii) Terms of reference

The Banking and Finance Committee identifies the fund-based and non-fund based requirements of the Company and approves the availing of these facilities from Banks and Financial Institutions, as and when the need arises, within the limits sanctioned by the Board. The Banking and Finance Committee also authorize the officials of the Company to execute the routine documents on behalf of the Company.

F. ALLOTMENT COMMITTEE

The committee was re-constituted on March 30, 2015 and comprises Mr. Deepak Puri as chairman of the committee, Mrs. Nita Puri, Mr. Sanjay Jain and Mr. Vineet Sharma as members of the committee. The company Secretary acts as Secretary of the committee. Following are the roles and powers of Allotment committee:

- Issue and Allotment of securities as defined in Section 2(h) of the Securities Contracts (Regulation) Act, 1956 as amended.
- Issue of Letter of Allotment / new Certificate on Allotment etc.
- To do all such acts, deeds and things as may necessary for the allotment of securities."

G. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(i) Composition

The committee was re-constituted on May 11, 2015. Mr. Deepak Puri is the Chairman of this Committee. The other members of the Committee are Mrs. Nita Puri and Mr. Sanjay Jain. During the year, one meeting was held on May 11, 2015.

(ii) Scope of work and powers of the Committee are as follows:

- (a) To interpret the organizational CSR objectives and set up specific goals to be achieved towards these objectives.

- (b) To make periodical appraisal of CSR initiatives.
- (c) To decide about resource allocation for each of the focus areas from its corpus.
- (d) To prepare and place before the Board the CSR Annual Report.
- (e) To prepare and lay before the Board 'the Action Plan' for the ensuing year.
- (f) To set up a Trust, to contribute to the trust such funds as may be required from the overall corpus for CSR activity.
- (g) To appoint the Standing Committees and other Committees or sub- Committees, as may be necessary from time to time.
- (h) To delegate any or all of its powers to the Chairman of the Board of Directors, other Committees or Sub-Committees duly appointed.
- (i) To select representatives/candidates from among the members of the Committee for participation in national and international seminars/conferences, workshops, study tours and training courses. The cost shall be borne by the Committee from the CSR budget. However, in case of the Chairman of the Board of Directors, the cost shall be borne by the Company.

H. FCCB COMMITTEE

The committee comprises of Mr. Deepak Puri as Chirman, Mr. Sanjay Jain and Mr. Samrish Bhanja as member of the committee. The roles and responsibilities of the committee are to handle, resolve and execute the issues relating to or emerging out of the restructuring/refinancing process of Foreign Currency Convertible Bonds. The Company Secretary acts as Secretary to the Committee.

The Committee is authorized to do the following acts:

- a. To consider and finalise various options for restructuring/refinancing of the Outstanding Bonds in accordance with applicable law, including but not limited to extending the maturity period of the Outstanding Bonds, amending the terms of the Outstanding Bonds, changing the face value of the Outstanding Bonds, repurchase/ redemption of the Outstanding Bonds and their cancellation and /or exchanging the Outstanding Bonds with one or more tranches of New Bonds (the terms of which will be decided by the committee);
- b. To undertake all such actions and make all such payments as may be deemed necessary to give effect to such restructuring options agreed to by the FCCB Committee, subject to applicable law;
- c. To finalise and send notices to the Trustee and/or the Outstanding Bondholders;
- d. To make application to the Reserve Bank of India and such other authorities as may be required for the restructuring/ refinancing of the Outstanding Bonds;
- e. To appoint and to ratify the appointment of, if required, the Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Lawyers, Advisors and all such Agencies as may be involved or concerned in such restructuring/refinancing and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on one or more National and/or International Stock Exchange(s);
- f. To finalise and circulate to the Outstanding Bondholders or new investors an offering circular, memorandum, or any other relevant documents as may be required for the proposed restructuring/refinancing of the Outstanding Bonds;
- g. To issue and allot such number of Equity Shares and other securities including FCCBs as may be required to be issued and allotted upon conversion/exchange, in accordance with the terms of the offering. All such Equity Shares shall rank pari passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offering documents;
- h. To determine the form, terms and timing of the restructuring/refinancing, including but not limited to the number of new bonds to be allotted, issue price, face value, premium amount, rate of interest, conversion price and period, listings on one or more stock exchanges in India and / or abroad as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the Issue(s);

- i. To finalize the allotment of new bonds in respect of the subscriptions received, basis of allotment in case of over-subscription, accept and appropriate the proceeds of the issue;
- j. To approve the offer document and filing the same with any authority or persons as may be required;
- k. To approve the issue price and the detailed terms and conditions of the issue of the Securities including determining the conversion price of convertible Securities, the number of equity shares to be allotted, the basis of allocation and allotment of Equity Shares;
- l. To affix the Common Seal of the Company on any agreement(s)/ documents as may be required to be executed in connection with the above, in the presence of any Director of the Company and persons authorized who shall sign the same in token thereof;
- m. To appoint Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Lawyers, Advisors and all such Agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and to remove and modify the terms of appointment of any such agencies;
- n. To issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of each offering, all such Equity Shares ranking pari-passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and each of the offering documents;
- o. Arranging the delivery and execution of all contracts, agreements and all other documents, deeds, and instruments as may be required or desirable in connection with the issue of Securities by the Company;
- p. To mortgage and/or create a charge on all or any of the moveable, immoveable or intangible assets of the Company including any subsidiary thereof, on such terms and conditions as may be deemed necessary in order to secure the funds raised by the Company, upto USD 165 million or any other transactions contemplated by the aforementioned resolutions.
- q. To pledge or create a lien on all or any of the investments held by the Company including any Subsidiary thereof on such terms and conditions as may be deemed necessary in order to secure the funds raised by the Company, upto USD 165 million.
- r. Taking decision to open the issue, decide issue opening and closing dates of each offering;
- s. Opening and operating such banks accounts, escrow account and demat accounts as may be required for the transaction;
- t. To finalise the terms of the exchange offer, if any to be provided to the existing bond holders and cancel the existing bonds, if required
- u. To consider and finalise various options for such restructuring the liability of the Company, including considering repurchase/early redemption of FCCBs through market purchases or tender offers or a combination thereof, including for exchange with existing FCCBs and/or resetting the conversion price the existing FCCBs, subject to applicable law requisite approvals and to enter into the necessary documentation required for such activities.
- v. To determine the timing, pricing and all the terms and conditions for the aforesaid purchases or tender offers subject to applicable law;
- w. To make all the necessary applications including application for listing of the Equity Shares of the Company on one or more stock exchange(s), applications to RBI, SEBI or any other authority wherever required as per applicable laws for any of the transactions or matters contemplated by the aforementioned resolutions and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s) and make the necessary regulatory filings in this regard, if required; and
- x. To do all such acts, deeds, matters and things and execute all such other documents, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transactions or matters and to authorize or delegate all or any of the powers herein above conferred to any or more persons, if needed and to settle all questions, difficulties or doubts that may arise in this regard.

I. RISK MANAGEMENT COMMITTEE

Mr. Deepak Puri, Managing Director is Chairman of the Committee. Mrs. Nita Puri, Director and Mr. Yogesh B. Mathur, Group CFO are the members of the committee. The Company Secretary acts as Secretary of the Committee. The

Committee met twice during the financial period under review and all the members were present. The terms of reference of the committee are:

1. The committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
2. The Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.
3. The committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities.
4. The committee may form and delegate authority to subcommittees when appropriate
5. The committee shall review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.
6. The Board shall review the performance of the committee annually.
7. The committee shall have access to any information necessary to fulfill its oversight role. The committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

4. UNLISTED MATERIAL INDIAN SUBSIDIARY COMPANIES

The Regulation 16(1)(c) of SEBI(LODR) Regulation, 2015 defines a "material subsidiary" as a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

As per the Regulation 24(1) of SEBI(LODR) Regulation, 2015, Moser Baer Solar Limited is classified as unlisted material subsidiary of the Company. The Company has complied with the requirement of appointing of one of its Independent directors Mr. Sanjay Jain, on the Board of the above mentioned unlisted material subsidiary. Minutes of the Board Meetings of the unlisted subsidiary companies are placed periodically before the Board of the Company. The Management also periodically reviews the statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.

The Company has formulated a policy for determining 'material' subsidiaries and such policy is disclosed on company's website and a web link of the same is www.moserbaer.com

5. RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, Reconciliation of Share Capital Audit carried out on a quarterly basis 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.

6. COMPLIANCE WITH SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

In pursuance of Code of Conduct for dealing in securities by insiders and code for disclosure of unpublished price sensitive Information, various forms have been designed to receive periodical information from the employees and the Directors of the Company, as required in terms of these regulations. Further, the Trading Window for dealing in shares of the Company has been closed for the Directors and employees of the Company as per the following details:

Dates of closure of trading window	Purpose of closure	Date of Board Meeting for considering the reserved matter
Wednesday, 11th February, 2015 till Friday, 27th February 2015	Consideration of audited financial results for the quarter / year ended December 31, 2014.	Thursday, February 26, 2015
Monday, 27th April, 2015 till Tuesday, 12th May, 2015	Consideration of the un-audited financial results for the quarter ended on March 31, 2015.	Monday, May 11, 2015
Thursday, 30th July, 2015 till Saturday, 15th August, 2015	Consideration of the Un-audited financial result for the quarter/ half year ended on June 30, 2015.	Thursday, August 13, 2015
Saturday, 24th October, 2015 till Wednesday, 11th November, 2014	Consideration of the Un-audited financial result for the quarter ended on September 30, 2015.	Monday, November 09, 2015

Wednesday, 27th January, 2016 till Saturday, 13th February 2016	Consideration of un-audited financial results for the quarter / year ended December 31, 2015.	Thursday, February 11, 2016
Friday, 13th May, 2016 till Friday, 27th May, 2016	Consideration of audited financial results for the quarter / year ended March 31, 2016.	Wednesday, 25th May, 2016

7. GENERAL BODY MEETINGS:

A. ANNUAL GENERAL MEETING

a) Location and time, where last 3 (Three) Annual General Meetings were held:

AGM	Financial year ended on	Venue	Date	Time
32nd	31.12.2014	Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi 110003	June 30, 2015	9.30 A.M.
31st	31.12.2013	FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi- 110001	July 04, 2014	9.30 A.M.
30th	31.03.2013	FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi- 110001	September 30, 2013	9.30 A.M.

b) Special Resolutions passed in the previous 3 (three) Annual General Meeting were held:

Date of AGM	Special Resolutions
June 30, 2015	<ul style="list-style-type: none"> a) Authorization for issue and allotment of equity shares ADR / GDR/FCCB etc for a value up to USD125 million b) Approval to terminate Directors' stock option plan 2005 c) Approval to terminate ESOP 2004 and ESOP 2009 d) Consider and approve scheme of ESOP plan 2015 for the employee of the company e) Consider and approve scheme of ESOP plan 2015 for the employees of subsidiaries
July 04, 2014	<ul style="list-style-type: none"> a) Re-appointment of Mr. Deepak Puri as Managing Director of the Company for a period of three years with effect from September 01, 2014 b) Re-appointment of Mrs. Nita Puri as Whole Time Director of the Company for a period of three years with effect from December 01, 2014 c) Authorization to the Board of Directors for borrowings up to an amount of Rs. 3000 crores as per section 180(1) (c) of the Companies Act, 2013 d) Authorization to the Board of Directors to mortgage / charges / hypothecate up to an amount of Rs. 3000 crores as per section 180(1) (a) of the Companies Act, 2013
September 30, 2013	<ul style="list-style-type: none"> a) To consider the matter relating to entering into a Consulting Agreement with HARCOURT, a company incorporated under the laws of France, and represented by its Managing Partner, Mr. Frank E. Dangeard, Director of the Company.

B. POSTAL BALLOT

a) Whether special resolutions were put through postal ballot this year, details of voting pattern:

The company has conducted postal ballot and also extended e-voting facility to all the members in compliance of regulation 44(1) & 44 (2) of SEBI(LODR) Regulation, 2015, to cast their vote electronically and passed 4 (four) special resolutions, the voting pattern for the same are as follows:

Resolution No.	Resolution details	Total Votes	Total valid votes cast	Total valid votes cast in favor of the resolution	Total valid votes cast against the resolution
1	Approve and confirm the Corporate Debt Restructuring scheme in relation to the Company's Debt	67569336	67569336	67565638	3698
2	Issue of Equity Shares on Preferential Basis to the promoters	67569336	67569336	67545133	24203
3	Authorization to the Board of Directors to create Mortgage / Charge / Hypothecate as per Section 180 (1)(a) of the Companies Act, 2013	67569336	67569336	67553063	16273
4	Authorisation to the Board of Directors to make investments, Loans and Guarantee or Security	67569336	67569036	67555237	13799

a) Person who conducted the postal ballot process: Mr. Kundan Agrawal, Practising Company Secretary.

b) Procedure for Postal Ballot:

Sl. No	Particulars	Dates
A.	Date on which consent is given by the Scrutinizer	21st February, 2015
B.	Date of Board Resolution severally authorizing the Managing Director, the Company Secretary and Sr. Manager-Secretarial for supervising the entire postal ballot process	21st February, 2015
C.	Date of appointment of the Scrutinizer by the Board of Directors	21st February, 2015
D.	Date of completion of dispatch of Notice along with Postal Ballot Forms	22nd February, 2015
E.	Date of commencing of e-voting	27th February, 2015
F.	Date of end of e-voting	29th March, 2015
G.	Last date for receiving back the Postal Ballot Forms by the Scrutinizer	29th March, 2015
H.	Date for submission of report by the Scrutinizer	On or before 30th March, 2015
I.	Date of declaration of result by the Chairman or Company Secretary	On or before 30th March, 2015
J.	Last date for signing of Minutes by the Chairman (within 30 days from the date of declaration of result)	29th April, 2015
K.	Date of returning the Ballot papers, register required to be maintained by the Scrutinizer under Prescribe Rules and other related papers to the Chairman by the Scrutinizer	29th April, 2015

b) There are no special resolution being put to vote through postal ballot in the ensuing Annual General Meeting.

8. DISCLOSURES

- a) The Company has no material significant transaction with its related parties that may have a potential conflict with the interest of the Company. The details of transactions between the Company and the related parties are given for information under note 39 of the Balance Sheet as at March 31, 2016. Mr. Deepak Puri, Managing Director and Mrs. Nita Puri, Whole Time Director are related to each other. Mrs. Nita Puri, Whole Time Director is wife of Mr. Deepak Puri, Managing Director.

Further, the Board has formulated a policy on Related Party Transactions and disclosed the same on its website www.moserbaer.com.

- b) Disclosure of accounting treatment, if different, from that prescribed in accounting standards with explanation –Not applicable.
- c) Details of non-compliance by the Company, penalties, strictures imposed by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years- NIL

- d) As per requirements of the Companies Act, 2013, the Company has established Vigil Mechanism for directors and employees to report genuine concerns and to allow access of any personnel to approach the Management or the Audit Committee on any issue.
- e) The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement/ Regulations 16-27 and 46(2) of SEBI (LODR) Regulations, 2015.

9. MEANS OF COMMUNICATION

- a) The Company ensures that its quarterly and annual financial results are sent to the concerned Stock Exchanges immediately after the same have been considered and taken on record by the Board of Directors. The Company also ensures that its quarterly financial results are also published in any of the following newspapers:
 - (i) Business Standard
 - (ii) The Financial Express
 - (iii) The Pioneer
 - (iv) Veer Arjun
 - (v) Jan Satta

The details of the publications of the financial results in the year under review are as under :	Publication Date
Audited financial results for the quarter and year ended on December 31, 2014	February 28, 2015
Un-audited financial results for the quarter ended March 31, 2015	May 13, 2015
Un-audited financial results for the quarter / half year ended on June 30, 2015	August 15, 2015
Un-audited financial results for the quarter ended on September 30, 2015	November 11, 2015
Un-audited financial results for the quarter/year ended on December 31, 2015	February 13, 2016
Audited financial results for the quarter and year ended on March 31, 2016	May 27, 2016

- b) The Company also ensures that these results are promptly and prominently displayed on the Company's website: www.moserbaer.com
- c) The Company also complies with SEBI regulations regarding filing of its financial results.
- d) The Company's official news releases are also displayed on the Company's web site.
- e) Management Discussion and Analysis Report (MD & A) is a part of the Annual Report of the Company for the period ending on March 31, 2016.

10. GENERAL SHAREHOLDER INFORMATION

- a) 33rd ANNUAL GENERAL MEETING

Date : September 30, 2016

Time : 09:30 A.M

Venue : Shri Ram Centre Auditorium, 4 Safdar Hashmi Marg, Mandi House, New Delhi 110001

- b) FINANCIAL CALENDAR : 2016-17

For the financial year 2016-17, results were/will be announced by

First Quarter Results August 11, 2016

Second Quarter and Half yearly Results November 14, 2016

Third Quarter Results February 14, 2017

Fourth Quarter May 30, 2017

- c) BOOK CLOSURE : 24th September, 2016 to 30th September, 2016 (both days inclusive)

d) LISTING

The Equity Shares of the Company (ISIN INE739A01015) are listed at the following Stock Exchanges:

Sl. No.	Name & Address of the Stock Exchange	Stock Code
1	Mumbai Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	517140
2	National Stock Exchange of India Limited Exchange Plaza', Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051	MOSERBAER

The Annual Listing Fees for the listed equity shares of the Company, pertaining to the year 2016-17 has been paid to the concerned Stock Exchanges. The Company has made payment of the Annual Custodian Fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the financial year 2016-17, based on the folio/ISIN positions as on 31.03.2016.

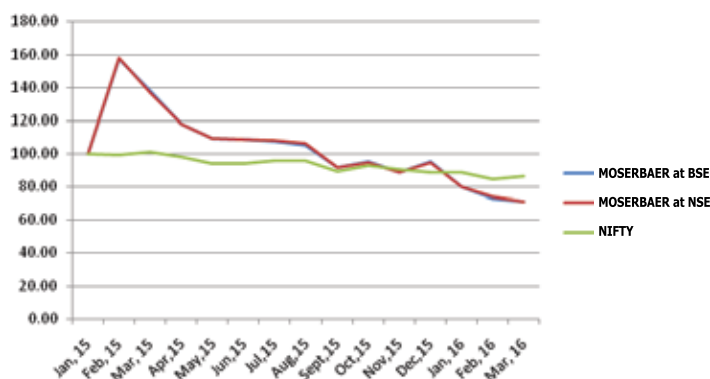
e) STOCK PRICE DATA

Stock Market Data at BSE and NSE for the period January 1, 2015 to March 31, 2016

Monthly high and low quotations of shares traded at the BSE Limited (BSE) and National Stock Exchange Ltd. (NSE) are as follows:

Months	NSE		BSE	
	High	Low	High	Low
January, 2015	11.55	7.70	11.57	7.78
February, 2015	18.25	9.45	18.25	9.65
March, 2015	15.80	8.75	16.00	8.75
April, 2015	13.65	9.85	13.65	9.85
May, 2015	12.65	10.50	12.68	10.50
June, 2015	12.55	10.30	12.55	10.30
July, 2015	12.50	10.65	12.48	10.65
August, 2015	12.30	7.75	12.20	7.75
September, 2015	10.60	9.00	10.58	9.00
October, 2015	10.95	9.45	10.98	9.39
November, 2015	10.25	8.15	10.25	8.16
December, 2015	11.00	8.90	11.00	8.94
January, 2016	14.55	9.65	14.55	9.70
February, 2016	11.65	8.60	11.65	8.61
March, 2016	9.70	8.35	9.69	8.31

f) STOCK PERFORMANCE IN COMPARISON TO NSE INDEX (CNX NIFTY):



g) DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016

No. of Equity Shares held	No. of shareholders	% age of shareholders	No. of shares	% age of shares
1-500	89200	74.65	13260396	5.98
501-1000	13576	11.36	11490182	5.17
1001-2000	7334	6.14	11588011	5.23
2001-3000	2815	2.36	7350018	3.31
3001-4000	1355	1.13	4958059	2.24
4001-5000	1404	1.17	6765200	3.05
5001 to 10000	2099	1.76	15798148	7.12
10001 to 50000	1463	1.21	30176210	13.61
50001 to 100000	167	0.14	11988996	5.41
100001 & above	85	0.07	108390763	48.88
Total	119498	100.00	221765983	100.00

h) REGISTRAR AND SHARE TRANSFER AGENTS

The share transfer requests received in physical form by the Company or the Company's Registrar and Transfer Agent are registered within a period of 15 days from the date of receipt. Requests for dematerialization received from the shareholders are effected within an average period of 7 days.

M/s. MCS Share Transfer Agent Limited is the Registrar & Share Transfer Agent of the Company and its office is located at F- 65, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi – 110 020. Contact Person is Mr. S. Biswas. He can be contacted at the following numbers:-

Phone numbers: (011) 41406149/ 41406151/ 41406152/ 41709885/ 41609386

Fax number: (011) 41709881 E-mail: admin@mcsregistrars.com

i) SHARE TRANSFER SYSTEM

The application for transfer, transmission and transposition of shares are received by the Company at its registered office or at the office of Registrars and Share Transfer Agent- M/s. MCS Share Transfer Agent Limited.

Following is the procedure of transfer of physical share certificates:-

- i) Entry of share certificate details and particulars of the transferee in the computer on receipt thereof in the office.
- ii) Scrutiny of transfer deeds.
- iii) Tallying of transferor's signature with the specimen signature available with the Registrar and Share Transfer Agent.
- iv) Data entry of transfer deeds.
- v) Preparation of objection memos and notices in respect of un-transferred shares.
- vi) Generation of checklist for valid transfer deeds.
- vii) Correction of data in the computer system on the basis of changes marked in the checklist.
- viii) Recording of transfer of shares in the computer system.
- ix) Endorsement and signatures on the reverse side of the share certificates.
- x) Generation of covering letters for the transferred share certificates and dispatch of transferred share certificates, objection memos and notices by registered post.

Following is the procedure for dematerialization of shares –

- i. Entry of the share certificates and the dematerialization request form in the computer.
- ii. Scrutiny of the share certificates and the dematerialization request form in the computer.

- iii. Tallying of signature of the shareholder on the dematerialization request form with the specimen signature available with the Registrar and Share Transfer Agent.
- iv. Data entry of dematerialization request forms.
- v. Generation of checklist.
- vi. Change of shares from physical to dematerialized mode.
- vii. Send confirmation to NSDL and CDS(I)L.

j) DEMATERIALISATION OF SHARES AND LIQUIDITY

The Equity Shares of the Company are actively traded at major Stock Exchanges in dematerialized mode. As on March 31, 2016, 99.60% shares were held in dematerialized mode and 95.11% of the total shareholders of the Company are holding shares in dematerialized mode.

k) PUBLIC ISSUE, RIGHT ISSUE, PREFERENTIAL ISSUE AND GDR/ADR ETC.:

Further, pursuant to a scheme of Corporate Debt Restructuring, notified by Reserve Bank of India, the Company has issued and allotted 13,450,000 equity shares to Promoter Group, which was approved by a Special Resolution passed by the shareholders through Postal Ballot.

9879 Equity shares of Rs. 10/- each issued and allotted on conversion of 100 Foreign Currency Convertible Bonds (FCCB)

Further, the funds raised through preferential allotment have been utilized for working capital / operations of the Company.

During the period under review the Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have an impact on the Company's equity.

l) LOCATION OF PLANTS

- i. 66, Udyog Vihar Industrial Area, Greater Noida, U.P.-201306
- ii. 66-B, Udyog Vihar Industrial Area, Greater Noida, U.P.-201306
- iii. A-164, Sector 80 Noida- II, Distt. Gautam Budh Nagar U.P.-201305
- iv. A-119, Sector 80 Noida- II, Distt. Gautam Budh Nagar U.P.-201305

Operations at the factory situated at 66, NEPZ and A-164, Noida, District- Gautam Budh Nagar U.P.-201305 are suspended.

m) CONVERTIBLE SECURITIES

As on March 31, 2016, no convertible securities including Global Depository Receipts were outstanding for conversion into an equal number of Equity Shares except FCCB.

n) ADDRESS FOR INVESTOR CORRESPONDENCE

(i)	Registrar and Share Transfer Agent <i>(All correspondence regarding transfer and dematerialization of share certificates)</i>	MCS Share Transfer Agent Limited F- 65, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi – 110 020 Phone No.: 011-41406149/ 41406151/ 41406152/41709885/ Fax No.: 011-41709881 E-mail: admin@mcsregistrars.com
(ii)	Company <i>(For any other information)</i>	Company Secretary Moser Baer India Limited 43-B, Okhla Industrial Estate, New Delhi 110020 Phone No.: 011-40594444 Fax No.: 011-41635211/26911860 E-mail: shares@moserbaer.in

11. OTHER INFORMATION

- a. In terms of the provisions of Section 205C of the Companies Act, 1956, unclaimed equity dividend for the year 1997-98, 1998-99, 1999-2000, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07 and 2007-08 has been transferred to the Investor Education and Protection Fund.
- b. The Company shall transfer the amount remaining unpaid in its dividend account for the year 2008-09 to the Investor Education and Protection Fund in the month of October, 2016.
- c. A brief resume as required under this clause of the Directors seeking reappointment has been provided in the Notice calling the Annual General Meeting

12. ADOPTION OF NEW CORPORATE GOVERNANCE REGULATIONS

Compliance with mandatory and non-mandatory list of items:-

Your Company ensures that it complies with all the mandatory list of items mentioned in the corporate governance clause. It will endeavor, in future, to comply with the following non-mandatory list of items provided in the corporate governance clause; wherever applicable

1. The Chairman of the Board

The Chairman of the Company is an Executive Director thus, the entitlement to maintain Chairman's office at the Company's expense and further reimbursement of expenses incurred in performance of his duties is not applicable to the Company.

2. Shareholder Rights

A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.

3. Modified opinion(s) in audit report

The Company has financial statements with unmodified audit opinion.

4. Separate posts of chairperson and chief executive officer

The Company shall continue with the single person to the post of chairperson and managing director.

5. Reporting of internal auditor

The internal auditor reports directly to the audit committee.

COMPLIANCE WITH THE CODE OF ETHICS AND CONDUCT

Good corporate governance ultimately requires people of integrity. A code of conduct is an effective way to guide the behavior of directors and Senior Management Personnel to demonstrate the commitment of the company to ethical practices. The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director to this effect is given separately.

CERTIFICATE FOR COMPLIANCE WITH THE CODE OF ETHICS AND CONDUCT

This is certify that, to the best of our knowledge and belief, for the financial period ended on March 31, 2016, all the Board members and Senior Management Personnel have affirmed compliance with the code of ethics for Directors and Senior Management respectively.

For and on behalf of the Board of Directors
Moser Baer India Limited

Place: New Delhi
Date: August 11, 2016

Mr. Sanjay Jain
Director

Mr. Vineet Sharma
Director

Secretarial Auditor's certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of Moser Baer India Limited

We have examined the compliance of conditions of Corporate Governance by Moser Baer India Limited ("the Company"), for the period ended on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement of the Company executed with the Stock Exchanges for the period January 1, 2015 to March 31, 2016 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations, for the period January 1, 2015 to March 31, 2016 .

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in said clause. 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 the explanations given to us, we certified that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement/ listing regulations.

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

For **SGS ASSOCIATES**
Chartered Accountants

D P Gupta
Proprietor
Membership No. FCS 2411

Place: New Delhi
Date : August 11, 2016

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

We Deepak Puri, Managing Director and Yogesh Mathur, Group CFO of Moser Baer India Limited certify to the board that:

- A. We have reviewed financial statements and the cash flow statement for the Financial year (15 months) ended on 31st March, 2016 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
 - (1) that there are no significant changes in internal control over financial reporting during the year;
 - (2) that there are no significant changes in accounting policies during the year; and
 - (3) that there are no instances of significant fraud of which we are aware.
- E. We affirm that we have not denied any personnel access to the audit committee of the company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair or prejudicial employment practices.
- F. We further declare that all Board members and senior management personnel have affirmed compliance with Code of Conduct and Ethics for the year covered by this report.

Date: 25th May, 2016
Place :New Delhi

Deepak Puri
Chairman &
Managing Director

Yogesh Mathur
Group CFO

Independent Auditor's Report

To the Members of Moser Baer India Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Moser Baer India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the fifteen months period from January 01, 2015 to March 31, 2016 (the "period") then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (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 standalone 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 on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Emphasis of Matter

9. We draw attention to note 48 to the financial statements. The Company has incurred a net loss of Rs. 7,036,474,934 for the fifteen months period ended March 31, 2016 and, as of that date, the Company's accumulated losses amounted to Rs. 23,605,019,015 resulting in complete erosion of its net worth. Further, as of that date, the Company's current liabilities exceeded its current assets by Rs. 21,986,021,287. These conditions, along with matters set forth in note 48 indicate the existence of uncertainty that may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.
10. We draw attention to note 47 to the financial statements with respect to management's assessment of 'other than temporary' diminution in value of investments in and recoverability of advances/receivables from its subsidiaries companies amounting to Rs. 3,517,734,934 and Rs. 3,794,758,260 respectively (net of payables and provisions thereon). Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. 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.
12. 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. with respect to the 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 32(b) to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Neeraj Goel**
Partner
Membership No.:099514

Place: New Delhi
Date: May 25, 2016

Annexure to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the standalone financial statements for the fifteen months period ended March 31, 2016

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 over a period of three financial years, 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. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management.
- (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) The Central Government has not 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 not applicable.
- (vii) (a) 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, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became 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, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Amount Paid under protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Custom Duty Act, 1962	Custom duty	13,924,896	-	FY 2007-08	CESTAT, Chennai
	Custom duty	9,749,862	-	FY 2008-09	High Court of Allahabad
	Custom duty	4,823,292	4,823,292	FY 2009-10 to 2011-12	CESTAT, New Delhi
Excise Duty Act, 1948	Excise duty	197,707,615	594,307	FY2006-07 FY 2011-12 FY 2012-13 FY 2013-14	CESTAT, New Delhi
	Excise duty	1,111,795	7,220	FY 2011-12 to 2013-14	Assistant Commissioner Custom and Central Excise, Noida
	Excise duty	566,581,606	24,470	FY 2007-08 to FY 2013-14	Commissioner Custom and Central Excise, Noida
	Excise duty	9,601,232	356,530	FY 2006-07 FY 2011-12 FY 2012-13	Additional Commissioner Custom and Central Excise, Noida

Annexure to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the standalone financial statements for the fifteen months period ended March 31, 2016

Name of the statute	Nature of dues	Amount (Rs.)	Amount Paid under protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	288,254,463	2,953,470	FY 2003-04 to 2004-05, FY 2006-07 to 2012-13	Commissioner Custom and Central Excise, Noida
	Service tax	5,440,788	-	FY 1999-00	Deputy Commissioner Customs and Central Excise, Noida
	Service tax	10,316,085	-	FY 2008-09 to 2010-11	Additional Commissioner Custom and Central Excise, --Noida
	Service tax	323,023,008	-	FY 2008-09 to 2011-13	Commissioner Service Tax, Delhi.
	Service tax	16,855	-	FY 2008-09 FY 2009-10 to 2010-11	Assistant Commissioner, Noida
Entry Tax Act, 2009	Entry tax	120,161,327	7,050,841	FY 1999-00 to 2001-02	Supreme Court of India
	Entry tax	2,930,424	1,465,308	FY 2003-04 to 2007-08	High Court, Allahabad
	Entry tax	4,241,834	1,838,272	FY 2004-05 FY 2005-06 FY 2008-09	Commercial Tax Tribunal, Noida
	Entry Tax	276,135	27,650	FY 2007-08	Deputy Commissioner, Raipur (Appeals)
Central Sales Tax Act, 1956	Sales tax	54,049,750	7,408,830	FY 2004-05 to 2006-07 FY 2008-09	Commercial Tax Tribunal, Noida
	Sales tax	8,415,748	4,734,084	FY 2006-07 to 2012-13	Additional Commissioner, (Appeals)
U.P. Trade Tax Act, 1948	Value added tax	5,364,113	3,094,774	FY 2006-07 to 2007-08	Commercial Tax Tribunal, Noida
Rajasthan Value Added Tax Act, 2003	Value Added Tax	1,229,714	77,200	FY 2011-12 FY 2012-13	Appellate Authority-I
U.P. Value Added Tax Act, 2008	Value added tax	20,892,671	9,251,120	FY 2000-08 to 2008-09 FY 2012-13	Additional Commissioner, (Appeals)
	Value added tax	34,435,162	800,000	FY 2008-09	Commercial Tax Tribunal, Noida
Kerala VAT Act, 2005	Value added tax	2,608,271	1,372,789	FY 2007-08 FY 2008-09	Commercial Tax Assistant Commissioner, Ernakulam
Chhattisgarh VAT Act, 2005	Value added tax	32,697	3,300	FY 2007-08	Deputy Commissioner Raipur (Appeals)
West Bengal VAT Act 2003	Value added tax	1,038,907	-	FY 2009-10	Joint Commissioner, West Bengal
Income Tax Act, 1961	Income tax	903,566,208	36,279,670	AY 2004-05 to AY 2010-11	Income Tax Appellate Tribunal

Notes:

(i) FY - Financial year

(ii) AY – Assessment year

(c) The Company has transferred the amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within the specified time.

(viii) In our opinion, the Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses in the current and the immediately preceding financial year.

Annexure to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the standalone financial statements for the fifteen months period ended March 31, 2016

ix) There are no dues payable to debenture-holders. The Company has defaulted in repayment of dues to the banks and a financial institution as summarized below:

	Due date	Amount of default(Rs.)	Default in days
Banks	30-Sep-13	410,220	640
	31-Oct-13	2,802,740	609-882
	30-Nov-13	2,740,517	852
	31-Dec-13	2,980,806	447-821
	31-Jan-14	7,219,821	454-790
	28-Feb-14	23,111,939	388-762
	31-Mar-14	44,933,089	288-731
	30-Apr-14	29,759,832	327-701
	31-May-14	74,938,392	296-670
	30-Jun-14	152,791,342	266-640
	31-Jul-14	52,627,286	235-609
	31-Aug-14	212,290,865	204-578
	30-Sep-14	168,871,259	113-548
	31-Oct-14	77,323,647	82-517
	30-Nov-14	411,828,329	52-487
	30-Dec-14	20,327,302	10-456
	31-Dec-14	192,160,405	21-456
	31-Jan-15	92,727,929	1-425
	28-Feb-15	448,281,262	1-397
	31-Mar-15	211,516,945	1-366
	30-Apr-15	90,359,240	1-336
	31-May-15	419,770,033	1-305
	30-Jun-15	90,352,985	1-275
	31-Jul-15	93,473,155	21-244
	31-Aug-15	419,624,437	1-213
	30-Sep-15	90,384,105	50-183
	31-Oct-15	93,169,552	59-152
	30-Nov-15	415,884,791	1-122
	31-Dec-15	92,845,741	91
	31-Jan-16	92,886,536	60
	29-Feb-16	411,419,825	1-31
	31-Mar-16	92,780,532	-
Financial Institution	31-Jan-14	1,495,820	790
	28-Feb-14	1,557,851	762
	31-Mar-14	1,724,763	731
	30-Apr-14	1,415,804	701
	31-May-14	1,724,763	670
	30-Jun-14	12,719,750	640
	31-Jul-14	2,768,897	609
	31-Aug-14	13,008,600	578
	30-Sep-14	8,930,113	548

Annexure to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the standalone financial statements for the fifteen months period ended March 31, 2016

	Due date	Amount of default(Rs.)	Default in days
	31-Oct-14	4,408,920	517
	30-Nov-14	22,812,627	487
	31-Dec-14	9,358,180	456
	31-Jan-15	4,418,445	425
	28-Feb-15	22,527,567	397
	31-Mar-15	9,358,180	366
	30-Apr-15	4,275,914	336
	31-May-15	23,035,915	305
	30-Jun-15	4,275,914	275
	31-Jul-15	4,418,445	244
	31-Aug-15	23,035,915	213
	30-Sep-15	4,275,914	183
	31-Oct-15	4,418,445	152
	30-Nov-15	22,893,384	122
	31-Dec-15	4,418,445	91
	31-Jan-16	4,418,445	60
	29-Feb-16	22,750,855	31
	31-Mar-16	4,418,445	-

- (x) The Company has given a guarantee in respect of loans taken by subsidiaries from banks, in respect of which no commission is charged from the subsidiaries. In our opinion, having regard to the long term involvement with the subsidiary companies and considering the explanations given to us in this regard, the terms and conditions of the above are not, prima facie, prejudicial to the interests of the Company.
- (xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Neeraj Goel
Partner
Membership No.:099514

Place: New Delhi
Date: May 25, 2016

MOSER BAER INDIA LIMITED

Balance sheet as at March 31, 2016

(All amounts in rupees unless otherwise stated)

	Notes	As at March 31, 2016	As at December 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	2,217,659,830	2,083,061,040
Reserves and surplus	5	(19,470,610,215)	(11,222,237,629)
		(17,252,950,385)	(9,139,176,589)
Non current liabilities			
Long term borrowings	6	6,127,696,217	8,382,388,508
Other long term liabilities	7	1,724,310,527	1,761,976,917
Long term provisions	8	272,959,903	254,355,985
		8,124,966,647	10,398,721,410
Current liabilities			
Short term borrowings	9	7,749,338,365	8,206,545,118
Trade payables			
- Due to micro, small and medium enterprises	44	20,579,544	50,439,026
- Due to others	10	3,566,657,202	2,843,722,704
Other current liabilities	11	16,466,146,403	11,313,116,252
Short term provisions	12	3,329,076,719	2,340,113,350
		31,131,798,233	24,753,936,450
		22,003,814,495	26,013,481,271
ASSETS			
Non current assets			
Fixed assets	13		
(a) Tangible assets		5,321,358,295	6,430,007,507
(b) Intangible assets		57,885,553	108,974,451
(c) Capital work in progress		47,250	17,090,384
Non current investments	14	4,357,961,065	5,851,294,066
Long term loans and advances	15	275,040,703	288,710,244
Other non current assets	16	2,845,744,684	3,462,618,620
		12,858,037,550	16,158,695,272
Current assets			
Inventories	17	1,994,465,221	3,009,047,381
Trade receivables	18	5,233,122,893	4,980,327,947
Cash and bank balances	19	229,230,323	313,082,092
Short term loans and advances	20	592,668,580	587,828,484
Other current assets	21	1,096,289,928	964,500,095
Total current assets		9,145,776,945	9,854,785,999
		22,003,814,495	26,013,481,271

The accompanying notes from 1 to 54 are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

per Neeraj Goel
Partner

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Nita Puri
Director
DIN : 00002331

Place: New Delhi
Date: May 25, 2016

Yogesh Mathur
Chief Financial Officer
PAN: ACSPM5893M

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

MOSER BAER INDIA LIMITED

Statement of profit and loss for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

	Notes	Period ended March 31, 2016	Year ended December 31, 2014
REVENUE			
Revenue from operations (gross)	22	8,136,375,095	10,274,337,807
Less: Excise duty		540,463,403	428,017,992
Revenue from operations (net)		7,595,911,692	9,846,319,815
Other income	23	208,266,550	259,653,059
Total revenue		7,804,178,242	10,105,972,874
Expenses			
Cost of materials consumed	24	3,841,727,288	4,983,129,867
Purchases of stock in trade	25	124,389,894	14,440,310
Change in stock of finished goods, stock in trade and work in progress	26	567,560,665	1,124,934,253
Employee benefits expense	27	1,683,184,241	1,486,093,517
Depreciation and amortisation	28	1,060,566,424	1,808,840,677
Finance cost	29	2,743,816,119	2,123,154,867
Other expenses	30	2,287,682,024	3,199,051,073
Total expenses		12,308,926,655	14,739,644,564
Loss before exceptional items and tax		(4,504,748,413)	(4,633,671,690)
Exceptional items	31	(2,531,725,521)	(2,449,331,613)
Loss for the period/year		(7,036,473,934)	(7,083,003,303)

Loss per equity share (refer note 40):

-Basic	(32.11)	(34.26)
-Diluted	(32.11)	(34.26)

The accompanying notes from 1 to 54 are an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

per Neeraj Goel
Partner

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Nita Puri
Director
DIN : 00002331

Place: New Delhi
Date: May 25, 2016

Yogesh Mathur
Chief Financial Officer
PAN: ACSPM5893M

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

MOSER BAER INDIA LIMITED

Cash flow statement for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

	Period ended March 31, 2016	Year ended December 31, 2014
Cash flow from operating activities:		
Net loss before income tax	(7,036,473,934)	(7,083,003,303)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortisation	1,060,566,424	1,808,840,677
Loss on sale/deletion of fixed assets	658,696	32,135
Unrealised foreign exchange loss	295,232,699	74,138,710
Finance cost	2,743,816,119	2,123,154,867
Interest income	(120,510,521)	(114,965,256)
Old liabilities and provisions no longer required written back	(28,887,600)	(41,564,119)
Provision for warranty	3,723,894	(17,051,108)
Debts/advances written off	2,889,717	789,617,076
Provision for diminution in long term investments	1,493,333,001	877,591,666
Provision for doubtful debts/ advances	462,401,338	393,988,803
Provision for slow moving stock	319,770,656	290,889,003
Operating profit before working capital changes	(803,479,511)	(898,330,849)
Changes in working capital		
Decrease in inventories	694,811,503	1,545,639,341
Increase in trade receivables	(394,107,431)	(79,571,832)
Decrease in loans and advances and other assets	260,287,568	272,444,007
Increase/(decrease) in trade payables	771,920,069	(191,425,478)
Cash generated from operating activities	529,432,199	648,755,189
Income tax paid	(41,276,454)	(17,714,022)
Net cash generated from operating activities	A 488,155,745	631,041,167
Cash flow from investing activities:		
Purchase of fixed assets/additions to capital work in progress	(33,045,826)	(28,524,152)
Proceeds from sale of fixed assets	5,092,998	-
Investment in fixed deposit	(268,225,039)	(1,052,294,331)
Proceeds from fixed deposits	354,361,866	1,436,461,280
Interest received	31,608,046	57,635,093
Net cash generated from investing activities	B 89,792,045	413,277,890
Cash flow from financing activities:		
Net repayment of long term borrowings	(114,943,791)	(1,182,513,070)
Proceeds from long term borrowings	64,500,000	127,000,000
Net (repayment) / proceeds from short term borrowings	(325,516,709)	1,395,695,520
Finance costs paid	(244,592,197)	(1,529,756,250)
Dividend paid for earlier years	-	(557,381)
Promoters contribution received	7,500,000	37,000,000
Net cash used in financing activities	C (613,052,697)	(1,153,131,181)

MOSER BAER INDIA LIMITED

Cash flow statement for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

		Period ended March 31, 2016	Year ended December 31, 2014
Net decrease in cash and cash equivalents	A+B+ C	(35,104,907)	(108,812,124)
Cash and cash equivalents at beginning of the year		83,091,633	191,903,757
Cash and cash equivalents at end of the year		47,986,726	83,091,633
Component of cash and cash equivalents			
Cash in hand		1,480,553	2,263,081
Funds in transit		-	500,000
Cheques in hand		2,432	83,246
Bank balances in current accounts		46,503,741	80,245,306
Total cash and cash equivalents (refer note 19)		47,986,726	83,091,633

The accompanying notes from 1 to 54 are an integral part of these financial statements.

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants

per Neeraj Goel
Partner

Place: New Delhi
Date: May 25, 2016

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Yogesh Mathur
Chief Financial Officer
PAN: ACSPM5893M

Nita Puri
Director
DIN : 00002331

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

1 Basis of accounting

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India, including the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in Schedule III to the Companies Act, 2013.

2 Use of estimates

The preparation of financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates include provisions for doubtful debts/ advances, employee retirement benefit plans, warranty, provision for income taxes, useful life of fixed assets, diminution in value of investments, other probable obligations and inventory write down. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

3 Significant accounting policies

(a) Revenue recognition

(i) Revenue from sale of goods

Revenue from sale of goods is recognised upon transfer of significant risks and rewards incident to ownership and when no significant uncertainty exists regarding realisation of the sale consideration. Sales are recorded net of sales returns, rebates, trade discounts and price differences and are inclusive of excise duty.

(ii) Revenue from sale of services

Service income comprises of revenue from assets given on lease and other services rendered.

(a) Revenue from assets given on lease is recorded in accordance with the accounting policy given below on 'Leases'.

(b) Income from other services is recognised as and when services are rendered.

(iii) Other income

Interest is accounted for based on a time proportion basis taking into account the amount invested and the underlying rate of interest. when no significant uncertainty exists regarding realisation of the sale consideration.

Dividend is recognised as and when the right of the Company to receive payment is established.

Export benefit entitlements under the Focused Product Scheme are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made.

(b) Fixed assets

(i) Tangible assets

Tangible assets are stated at cost less accumulated depreciation. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use.

Incidental expenditure pending allocation and attributable to the acquisition of fixed assets is allocated/ capitalised with the related fixed assets.

Capital expenditure incurred on rented properties is recorded as leasehold improvements under fixed assets to the extent such expenditure is of a permanent nature. Expenditure on assets which are of removable nature are recorded in the respective category of assets.

(ii) Intangible assets

Intangible assets are stated at cost less accumulated amortisation. The cost incurred to acquire technical know-how with "right to use and exploit" are capitalised where the right allows the Company to obtain a future economic benefit from use of such know-how.

Further, expenditure incurred on know-how yielding future economic benefits is recognised as internally generated intangible asset at cost less accumulated amortisation and impairment losses, if any.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Impairment, if any, in the carrying value of fixed assets is assessed at the end of each financial year in accordance with the accounting policy given below on "Impairment of assets".

(c) Depreciation and amortisation

(i) Tangible assets

Depreciation on tangible fixed assets is provided under straight-line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are being amortised over the primary lease period or useful lives of related fixed assets whichever is shorter.

Depreciation on additions is being provided on pro-rata basis from the date of such additions. Similarly, depreciation on assets sold/ disposed off during the period is being provided up to the date on which such assets are sold/ disposed off.

In case the historical cost of an asset undergoes a change due to an increase or decrease in related long term liability on account of foreign exchange fluctuations on such long term liabilities, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

(ii) Intangible assets

Intangible assets are being amortised on a straight line basis over the useful life, not exceeding 10 years, as estimated by management to be the economic life of the asset over which economic benefits are expected to flow.

(d) Research and development costs

Revenue expenditure on research is expensed off under the respective heads of account in the year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit and loss as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation. Fixed assets used for research and development are depreciated in accordance with the Company's policy on fixed assets as stated above.

(e) Investments

Long term investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. A provision for diminution is made to recognise a decline, other than temporary in the value of long term investments.

Current investments are stated at lower of cost and fair value determined on an individual basis.

(f) Inventories

(i) Inventories are valued as under:

Inventories are stated at lower of cost and net realisable value.

(ii) Cost of inventories is ascertained on the following basis:

- Cost of raw materials, goods held for resale, packing materials and stores and spares is determined on the basis of weighted average method.
- Cost of work in progress and finished goods is determined by considering direct material cost, labour costs and appropriate portion of overheads and non-recoverable duties.

Liability for excise duty in respect of goods manufactured by the Company, other than for exports, is accounted upon completion of manufacture.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to affect the sale.

(iii) Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

(g) Government grants

Grants in the nature of contribution towards capital cost of setting up projects are treated as capital reserve and grants in respect of specific fixed assets are adjusted from the cost of the related fixed assets.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(h) Borrowing costs

Borrowing costs directly attributable to acquisition, construction or erection of fixed assets, which necessarily take a substantial period of time (generally 12 months or more) to be ready for the intended use, are capitalised. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognised as an expense in the statement of profit and loss in the year in which they are incurred.

(i) Employee benefits

(i) Provident fund and Employees' state insurance

The Company makes contribution to statutory provident fund which is recognised by the income tax authorities in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. These funds are administered through Regional Provident Fund Commissioner and contribution paid or payable is recognised as an expense in the period in which the services are rendered by the employee. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The Company's contribution to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995 is recognised as an expense in the period in which the services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses. Gratuity Fund is administered through Life Insurance Corporation of India. The defined benefit obligation is calculated at the balance sheet date on the basis of actuarial valuation by an independent actuary using projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

(iii) Unavailed leaves

The Company also provides benefit of compensated absences to its employees which are in the nature of long term benefit plan. The compensated absences comprises of vesting as well as non vesting benefit. Liability in respect of compensated absences becoming due and expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

(iv) Other benefits

Liability for long term employee retention schemes is determined on the basis of actuarial valuation at the year end. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss as income or expense.

Expense in respect of other short term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employees.

(j) Foreign currency transactions

(i) 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.

(ii) Subsequent recognition

Foreign currency monetary assets and liabilities are reported using the closing rate as at the reporting date.

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.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognised as income or expense in the year in which they arise, except for exchange differences arising on foreign currency monetary items.

Exchange differences arising on long term foreign currency monetary items in so far as it relates to the acquisition of depreciable capital assets are added to the cost of such assets and in other cases, by transfer to "Foreign Currency Monetary Item Translation Difference Account", to be amortized over the balance period of such long term foreign currency monetary items or 31 March 2020, whichever is earlier.

(iv) Foreign branches

In respect of integral foreign branches, all revenues, expenses, monetary assets/ liabilities and fixed assets are accounted at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are restated at the year end rates and resultant gains or losses are recognised in the statement of profit and loss.

(k) Taxation

Tax expense comprises current tax and deferred tax.

(i) Current tax

Provision is made for current income tax liability based on the applicable provisions of the Income Tax Act, 1961 for the income chargeable under the said Act and as per the applicable overseas laws relating to a foreign branch.

(ii) Deferred tax

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In respect of carry forward losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such losses can be set off.

(l) Leases

(i) Finance lease

Assets given under finance leases are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant periodic rate of return on the outstanding net investment in respect of the finance lease.

(ii) Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as 'Operating Leases'. Lease rentals in respect of assets taken under operating leases are charged to the statement of profit and loss on a straight line basis over the term of lease.

(m) Stock option plans

Stock options grants to the employees and to the non-executive directors who accepted the grant under the Company's Stock Option Plans are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. The Company follows the intrinsic value method and accordingly, the excess, if any, of the market price of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognised as employee compensation cost and amortised on a straight line basis over the vesting period.

(n) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. Where there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, the Company books a reversal of the impairment loss not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(o) Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- present obligation, where a reliable estimate cannot be made.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where results would be anti-dilutive.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

4. Share Capital

Particulars	As at March 31, 2016		As at December 31, 2014	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10 each	1,250,000,000	12,500,000,000	1,250,000,000	12,500,000,000
Issued				
Equity shares of Rs. 10 each	221,765,983	2,217,659,830	208,306,104	2,083,061,040
Subscribed and fully paid up				
Equity shares of Rs. 10 each fully paid up	221,765,983	2,217,659,830	208,306,104	2,083,061,040

(A) Terms and rights attached to equity shares :

The Company has one class of equity shares having par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(B) The Company has not issued any bonus shares during the current period and five years immediately preceding current period.

(C) Reconciliation of the number of shares outstanding at beginning and end of reporting period / year:

Particulars	As at March 31, 2016		As at December 31, 2014	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the period/year	208,306,104	2,083,061,040	198,306,104	1,983,061,040
Add : Shares issued during the period/year	13,459,879	134,598,790	10,000,000	100,000,000
Shares outstanding at the end of the period/year	221,765,983	2,217,659,830	208,306,104	2,083,061,040

(D) Shareholders holding more than 5 % of equity share capital :

Name of shareholder	As at March 31, 2016		As at December 31, 2014	
	No. of shares held	% of holding	No. of shares held	% of holding
Deepak Puri and HUF	67,420,141	30.4	67,420,141	32.37
Micro Green Electronics Pvt. Ltd. (formerly known as COBOL Power & Technologies Private Limited)	13,450,000	6.06	-	-
Electra Partners Maritius Ltd.	9,960,345	4.49	9,960,345	4.78

(E) Stock option plans:

The Company has two Stock Option Plans:

(a) Employee Stock Option Plan 2004 and Director's Stock Option Plan 2005

The Director's Option Plan 2005 and Stock Option Plan 2004 has been terminated upon expiry of the time period of the scheme in June' 2015, which have lapsed. Outstanding number of options at the beginning of the current period was 92,000 having weighted average price for Rs. 152.06.

(b) Employee Stock Option Plan-2009

The Employee Stock Option Plan 2009 has been terminated upon expiry of the time period of the scheme in June' 2015, which have lapsed. Outstanding number of options at the beginning of the current period was 947,452 having weighted average price for Rs. 77.44.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

5. Reserves and Surplus

Particulars	As at March 31, 2016	As at December 31, 2014
(a) Capital reserve		
Opening balance	181,440,000	181,440,000
Add: Additions during the period/year	-	-
Less: Written back in current period/year	-	-
Closing balance	181,440,000	181,440,000
(b) Securities premium account		
Opening balance	5,053,472,323	5,756,311,278
Add: Addition during the period/year on issue of equity shares	3,928,187	-
Less: Premium on redemption of foreign currency convertible bonds	(1,104,431,710)	(702,838,955)
Closing balance	3,952,968,800	5,053,472,323
(c) Deficit as per statement of profit and loss		
Opening balance	(16,457,149,952)	(9,374,146,649)
Add: Depreciation adjustment against reserves	(111,395,129)	-
Add: Net loss for the period/year	(7,036,473,934)	(7,083,003,303)
Closing balance	(23,605,019,015)	(16,457,149,952)
Total	(19,470,610,215)	(11,222,237,629)

6. Long term borrowings

Particulars	As at March 31, 2016	As at December 31, 2014
Secured (refer note (i)(a) and (i)(b))		
Term loans		
(a) Rupee loan from banks		
Term loans	5,647,014,000	7,267,059,000
Working capital term loans	173,228,000	636,098,000
(b) Rupee loan from others		
Term loans	212,088,217	268,753,008
Working capital term loans	30,866,000	83,478,500
	6,063,196,217	8,255,388,508
Unsecured (refer note (ii))		
Others	64,500,000	127,000,000
Total	6,127,696,217	8,382,388,508

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Note:

(i) Secured loans

(a) Nature of security and terms of repayment for secured borrowings as at March 31, 2016 and December 31, 2014:

Particulars	As at March 31, 2016	As at December 31, 2014	Security	Terms of Repayment
Term loans	8,972,342,615	8,972,342,615	(i) First pari passu charge on fixed assets (ii) Second pari passu charge on current assets of the Company	Repayable in 32 quarterly installments after moratorium of 2 years from cut off date i.e. November 30, 2011 commencing from February 2014
Working capital term loans	1,200,365,488	1,252,236,988	(iii) Pledge of 100% shareholding of the promoters of the Company (iv) Personal guarantee of Mr. Deepak Puri and Mrs. Nita Puri	Repayable in 16 quarterly installments after moratorium of 2 years from cut off date i.e. November 30, 2011, commencing from February 2014
Funded interest term loans	558,955,305	622,027,597	(v) Negative lien on land of Moser Baer Infrastructure and Developer Limited at Chennai on pari passu basis (vi) Corporate guarantee of Moser Baer Infrastructure and Developers Limited. (subsidiary of the Company that owns the rights to the Chennai land) (vii) Pledge of shares of Moser Baer Infrastructure and Developers Limited"	Repayable in 7 quarterly installments commencing from September 30, 2013
Total	10,731,663,408	10,846,607,200		
Less : Current portion of long term borrowings	4,668,467,191	2,591,218,692		
Net long term borrowings	6,063,196,217	8,255,388,508		

(b) Interest rates

- Interest rate on long term borrowings varies from 10.25% to 11% p.a (previous year 10.25% to 11% p.a).

(c) Loan Default

Refer note 45 for details of default in repayment of loans and interest of the Company.

(ii) Unsecured loans:

As per Master Restructuring Agreement, Company has received Rs. 199,000,000 till March 31 2016, out of which equity shares are issued of Rs. 134,500,000 and balance amount shown as interest free unsecured loan.

7 Other long term liabilities

Particulars	As at March 31, 2016	As at 31 December 2014
Deferred government grant (refer note 51)	-	35,000,000
Security deposits from		
-Subsidiaries	1,715,000,000	1,715,000,000
-Others	200,000	200,000
Lease equalisation reserve	9,110,527	11,776,917
Total	1,724,310,527	1,761,976,917

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

8 Long term provisions

Particulars	As at March 31, 2016	As at December 31, 2014
Provision for employee benefits		
Gratuity (refer note 42)	201,463,826	177,780,020
Unavailed leave (refer note (a) below)	70,936,355	76,418,766
Key resource bonus and deferred salary (refer note (b) below)	559,722	157,199
Total	272,959,903	254,355,985

Note :

(a) Provision for unavailed leave comprises of:

Particulars	Non-current		Current	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
Earned Leave (refer note 42)	66,891,021	71,595,069	7,946,388	8,993,321
Casual Leave	1,603,842	1,854,072	609,740	774,028
Sick Leave	2,441,492	2,969,625	834,975	1,023,873
Total	70,936,355	76,418,766	9,391,103	10,791,222

(b) The following is the movement in provisions above from the beginning to the close of the reporting period/year:

Particulars	Key resource bonus and deferred salary	
	As at March 31, 2016	As at December 31, 2014
Balance as at the beginning of the period/year	157,199	1,350,189
Add: Provision made during the period/year	402,523	3,244,510
Less: Paid during the period/year	-	(4,437,500)
Balance as at the end of the period/year	559,722	157,199

9 Short term borrowings

Particulars	As at March 31, 2016	As at December 31, 2014
Short term loans (secured)		
(a) From banks		
- Secured by first pari passu charge on all current assets of the Company and further by way of second charge on all fixed assets of the Company (refer note below)	7,327,092,481	7,771,762,344
(b) From others		
- Secured by first pari passu charge on all current assets of the Company and further by way of second charge on all fixed assets of the Company (refer note below)	422,245,884	434,782,774
Total	7,749,338,365	8,206,545,118

Note:

- (a) Interest rate on short term borrowings varies from 10.75% to 17.25% p.a (previous year 10.75% to 12% p.a).
- (b) Short term loans outstanding as at March 31,2016 are further secured by as per below:
- Pledge of 100% shareholding (67,420,141 number of shares) of the promoters of the Company.
 - Personal guarantee of Mr. Deepak Puri and Mrs. Nita Puri.
 - Negative lien on land of Moser Baer Infrastructure and Developers Limited at Chennai on pari passu basis.
 - Corporate guarantee of Moser Baer Infrastructure and Developers Limited (subsidiary of the company that owns the rights to the Chennai land).
 - Pledge of shares of Moser Baer Infrastructure and Developers Limited.

10 Trade payables

Particulars	As at March 31, 2016	As at December 31, 2014
Acceptances	124,997,324	309,251,055
Other trade payables	3,441,659,878	2,534,471,649
Total	3,566,657,202	2,843,722,704

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

11. Other current liabilities

Particulars	As at March 31, 2016	As at December 31, 2014
Deferred government grant (refer note 51 below)	35,000,000	-
Current maturities of long term borrowings	4,668,467,191	2,591,218,692
Current maturities of foreign currency convertible bonds (refer note 43(c))	5,857,384,000	5,579,040,000
Current maturities of premium on redemption on foreign currency convertible bonds (refer note 43(b))	2,175,545,909	2,034,913,177
Interest accrued and due on borrowings	3,323,317,829	686,465,134
Advance from customers	40,746,579	29,830,924
Unpaid dividends	1,626,938	2,383,192
Others		
-Creditors for capital goods	71,700,232	80,964,830
-Employee benefits payable	159,578,446	130,426,825
-Statutory dues	45,216,919	65,830,475
-Security deposits received	2,533,951	2,658,951
-Retention money	47,110,661	47,110,661
-Book overdraft	4,741,279	23,168,254
-Other accrued liabilities	33,176,469	39,105,137
Total	16,466,146,403	11,313,116,252

12. Short term provisions

Particulars	As at March 31, 2016	As at December 31, 2014
(a) Provision for employee benefits		
Unavailed leaves (refer note 8)	9,391,103	13,381,476
(b) Others		
Provision for warranty (refer note below)	11,287,853	7,563,959
Provision for other probable obligations (refer note below)	500,093,309	474,662,439
Provision for redemption of foreign currency convertible bonds (refer note 43(b))	2,808,304,454	1,844,505,476
Total	3,329,076,719	2,340,113,350

Note :

(a) The following is the movement in provisions above from the beginning to the close of the reporting period:

Particulars	Warranty*		Probable obligations**	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
Balance as at the beginning of the period/year	7,563,959	24,615,067	474,662,439	439,212,610
Add: Provision made during the period/year	3,723,894	1,277,968	44,288,006	35,449,829
Less: Utilised during the period/year	-	(1,477,076)	-	-
Less: written back during the period/year	-	(16,852,000)	(18,857,136)	-
Balance as at the end of the period/year	11,287,853	7,563,959	500,093,309	474,662,439

* Warranty provision relate to the estimated outflow in respect of warranty for products sold by the Company. Due to very nature of such costs, it is not possible to estimate the timing/uncertainties relating to their outflows as well as expense from such estimates

** As per notification no. 22/2006 of Central Excise, the Company has to pay additional custom duty on its local sales, if the goods sold are exempted from payment of sales tax or value added tax. One of the units of the Company is exempt from payment of local sales tax and hence the department has disputed the same and demanded the duty on the sale of such goods. The Company has contested this matter and the dispute is currently pending at CESTAT and Commissioner of Custom and Central Excise forum and final demand order has not been raised till now. Pending the final outcome of the dispute with authorities, the Company has recorded the provision for the amount demanded by the authorities on prudence basis and is accruing the interest on it on quarterly basis. Due to very nature of such costs, it is not possible to estimate the timing / uncertainties relating to their outflows as well as expense from such estimates, hence considered as short term in nature.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

13 Fixed assets

	Gross blocks				Accumulated depreciation and amortisation					Net block			
	Balance as at January 1, 2015	Additions	Deletions	Transfer to assets held for Sale (refer note 50)	Balance as at March 31, 2016	Balance as at January 1, 2015	Charge for the period	Transfer to assets held for sale (refer note 50)	Adjustment through reserves (refer note below)	Adjustment upon deletions	Balance as at March 31, 2016	Balance as at December 31, 2014	
A. Tangible assets													
Leasehold land	273,666,570	-	-	-	273,666,570	37,405,987	3,699,654	-	-	-	41,105,642	232,560,929	236,260,583
Buildings	3,302,066,844	-	7,380,441	-	3,294,686,403	1,253,477,546	118,780,847	-	42,890,523	3,054,979	1,412,093,940	1,882,592,463	2,048,589,298
Plant and equipments (refer note 51)	40,896,303,912	40,520,613	132,785,019	346,830,072	40,457,609,433	36,878,757,324	858,120,704	330,744,236	11,834,506	125,084,668	37,292,883,632	3,164,725,801	4,017,546,588
Furniture and fixtures	175,339,860	-	5,906,589	-	169,433,271	112,318,924	21,057,189	-	32,122,687	5,639,435	159,659,364	9,573,907	63,020,936
Vehicles	19,566,675	-	368,495	-	19,198,180	16,003,369	2,168,051	-	416,761	300,712	18,287,470	910,711	3,563,306
Office equipments	102,079,491	-	5,689,616	-	96,389,874	53,167,225	3,915,891	-	20,311,098	5,439,035	71,955,179	24,434,696	48,912,266
Computer equipments	212,726,824	-	817,676	-	211,909,152	200,612,294	1,735,190	-	3,819,564	817,676	205,349,364	6,559,788	12,114,530
Total	44,981,750,176	40,920,613	152,947,836	346,830,072	44,522,892,883	38,551,742,669	1,009,477,526	330,744,236	111,395,129	140,336,505	39,201,534,591	5,321,358,295	6,430,007,507
Previous year	44,803,950,827	178,442,049	642,700	-	44,981,750,176	36,785,381,623	1,766,971,611	-	-	610,565	38,651,742,669	6,430,007,507	-
B. Intangible assets													
Computer software	76,788,649	-	-	-	76,788,649	69,174,193	6,745,867	-	-	-	75,920,060	868,589	7,614,456
Technical know how	438,380,208	-	-	-	438,380,208	337,020,213	44,343,031	-	-	-	381,363,244	57,016,964	101,359,995
Total	515,168,857	-	-	-	515,168,857	406,194,406	51,089,898	-	-	-	457,283,304	57,885,553	108,974,451
Previous year	515,168,857	-	-	-	515,168,857	364,325,340	41,869,066	-	-	-	406,194,406	108,974,451	-
C. Capital Work In Progress	17,090,384	-	-	-	47,250	-	-	-	-	-	-	47,250	17,090,384
Previous year	-	-	-	-	17,090,384	-	-	-	-	-	-	17,090,384	-

Note:

Effective from January 1, 2015, the Company has started providing depreciation based on the revised useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to this, depreciation charge for the period ended March 31, 2016, is lower by Rs. 85,206,054. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 111,395,129 has been adjusted against retained earnings.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

14 Non-current investments

Particulars	As at March 31, 2016		As at December 31, 2014	
Trade Investments				
(1) Investment in Equity shares				
(a) Subsidiaries				
European Optic Media Technology GMBH				
Share Capital of € 2,025,000 (previous year € 2,025,000) Includes reserve capital of Rs. 111,689,796 (previous year Rs. 111,689,796)	222,953,546		222,953,546	
Less: Provision for diminution	(168,852,376)	54,101,170	(168,852,376)	54,101,170
Peraround Limited				
1,524,761 (previous year 1,524,761) shares of € 1.71 each.	154,618,741		154,618,741	
Less: Provision for diminution	(154,618,741)	-	(13,868,000)	140,750,741
Photovoltaic Holdings Ltd				
7,086,860 (previous year 7,086,860) equity shares of GBP 1 each		498,080,000		498,080,000
Less: Provision for diminution				
Moser Baer Distribution Ltd (formerly known as Moser Baer SEZ Developer Ltd)				
3,000,000 (previous year 3,000,000) equity shares of Rs 10 each		30,000,000		30,000,000
Moser Baer Entertainment Ltd				
6,270,000 (previous year 6,270,000) equity shares of Rs 10 each (includes 6,000,000 equity shares at a premium of Rs. 90 each	602,700,000		602,700,000	
Less: Provision for diminution	(188,191,666)	414,508,334	(188,191,666)	414,508,334
Moser Baer Investments Ltd				
1,400,000 (previous year 1,400,000) equity shares of Rs 10 each.		14,000,000		14,000,000
(b) Associates				
Global Data Media FZ-LLC				
7,194 (previous year 7,194) shares of AED 1,000 each	92,532,185		92,532,185	
Less: Provision for diminution	(92,532,185)	-	(92,532,185)	-
Moser Baer Infrastructure Limited				
3,430,000 (previous year 3,430,000) equity shares of Rs. 10 each	34,300,000		34,300,000	
Less: Provision for diminution	(34,300,000)	-	(34,300,000)	-
(c) Others				
Lumen Engineering Private Limited				
102,000 (previous year 102,000) equity shares of Rs. 10 each		1,020,000		1,020,000
Hindusthan Power Projects Private Limited				
510,000 (previous year 510,000) equity shares of Rs 10 each		5,100,000		5,100,000
Capco Luxembourg S.A.R.L.				
1 (previous year 1) equity share of Euro 125 each		4,961		4,961
		1,016,814,465		1,157,565,206

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Particular	As at March 31, 2016	As at December 31, 2014
(2) Investments in Preference shares		
(a) Subsidiaries		
Peraround Limited		
1,833 (previous year 1,833) zero coupon redeemable preference shares of € 100 each at a premium of € 900 each.	299,156,000	299,156,000
Less: Provision for diminution	(299,156,000)	(299,156,000)
Heilos Photo Voltaic Limited		
86,500,000 (previous year 86,500,000) 9% cumulative, convertible, redeemable series A preference shares of Rs. 10 each	865,000,000	865,000,000
26,021,466 (previous year 26,021,466) 9% cumulative, redeemable series B1 preference shares of Rs. 10 each	260,214,660	260,214,660
33,887,760 (previous year 33,887,760) 9% cumulative, redeemable series B2 preference shares of Rs. 10 each	338,877,600	338,877,600
Less: Provision for diminution	(1,464,092,260)	(111,510,000)
Moser Baer Solar Limited		
146,000,000 (previous year 146,000,000) class C redeemable preference shares of Rs.10 each.	1,460,000,000	1,460,000,000
Moser Baer SEZ Developer Limited		
7,500,000 (previous year 7,500,000) 9% compulsorily cumulative convertible preference shares of Rs. 10 each at the premium of Rs 90 each	750,000,000	750,000,000
Moser Baer Entertainment Limited		
50,000,000 (previous year 50,000,000) 10% cumulative, redeemable preference shares of Rs 10 each.	500,000,000	500,000,000
10,000,000 (previous year 10,000,000) 15% cumulative, redeemable series B preference shares of Rs. 10 each	100,000,000	100,000,000
Less: Provision for diminution	(600,000,000)	(600,000,000)
Moser Baer Investments Limited		
63,114,660 (previous year 63,114,660) compulsorily convertible preference shares of Rs. 10 each	631,146,600	631,146,600
(b) Others		
Capco Luxembourg S.A.R.L.		
63,366 (previous year 63,366) preferred equity certificates of Euro 125 each	320,668,823	320,668,823
Less: Provision for diminution	(320,668,823)	(320,668,823)
	2,841,146,600	4,193,728,860
(3) Investments in Debentures		
Moser Baer Solar Limited		
1 (previous year 1) 13.25% non convertible debentures of Rs. 60,000,000 each	60,000,000	60,000,000
1 (previous year 1) 13.25% non convertible debentures of Rs. 65,000,000 each	65,000,000	65,000,000
1 (previous year 1) 13.25% non convertible debentures of Rs. 375,000,000 each	375,000,000	375,000,000
	500,000,000	500,000,000
Total	4,357,961,065	5,851,294,066

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Particulars	As at March 31, 2016	As at December 31, 2014
Aggregate amount of unquoted investments	7,680,373,116	7,680,373,116
Aggregate amount of provision for diminution	3,322,412,051	1,829,079,050

15 Long term loans and advances

Particulars	As at March 31, 2016	As at December 31, 2014
<i>Unsecured, considered good unless otherwise stated</i>		
Advances for capital goods	26,013,571	26,109,822
Security deposits	21,996,721	51,323,095
Prepaid expenses	988,763	57,059
Prepaid taxes (net of provision for tax Rs.14,957,797 (previous year Rs.14,957,797))	131,815,226	90,538,773
Balances with government authorities	94,226,422	120,681,495
	275,040,703	288,710,244

16 Other non-current assets

Particulars	As at March 31, 2016	As at December 31, 2014
(a) Lease rent receivable		
- Secured, considered good	1,715,000,000	1,715,000,000
- Unsecured, considered good	160,212,303	537,690,020
	1,875,212,303	2,252,690,020
(b) Others		
-Margin money	4,532,381	42,678,600
-Long term trade receivable	966,000,000	1,167,250,000
	970,532,381	1,209,928,600
Total	2,845,744,684	3,462,618,620

17 Inventories

Particulars	As at March 31, 2016	As at December 31, 2014
(a) Raw materials and components	244,419,785	280,093,041
Goods-in transit	20,018,150	19,950,278
	264,437,935	300,043,319
(b) Work-in-progress	797,600,408	1,323,112,460
	797,600,408	1,323,112,460
(c) Finished goods	358,987,755	722,052,756
	358,987,755	722,052,756
(d) Stock-in-trade	15,347,019	8,786,905
	15,347,019	8,786,905
(e) Stores and spares	504,558,248	560,809,908
Goods-in transit	102,326	692,560
	504,660,574	561,502,468
(f) Loose tools	3,127,846	3,417,509
	3,127,846	3,417,509
(g) Packing material	50,303,684	88,220,668
Goods-in transit	-	1,911,297
	50,303,684	90,131,965
Total	1,994,465,221	3,009,047,382

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

18 Trade receivables

Particulars	As at	
	March 31, 2016	December 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
-Unsecured, considered good	3,057,181,791	1,794,389,455
-Unsecured, considered doubtful	931,981,269	511,067,563
-Less: Provision for doubtful debts*	(931,981,269)	(511,067,563)
	3,057,181,791	1,794,389,455
Others		
-Unsecured, considered good	2,175,941,102	3,185,938,492
	2,175,941,102	3,185,938,492
Total	5,233,122,893	4,980,327,947

* The following is the movement in provisions above from the beginning to the close of the reporting period:

Particulars	Provision for debtors	
	As at March 31, 2016	As at December 31, 2014
Balance as at the beginning of the period/year	520,039,616	115,201,563
Add: Provision made during the period/year	411,941,653	407,813,622
Less: Utilised/written back during the period/year	-	(2,975,569)
Balance as at the end of the period/year	931,981,269	520,039,616

19 Cash and bank balances

Particulars	As at	
	March 31, 2016	December 31, 2014
Cash and cash equivalents		
Cash in hand	1,480,553	2,263,081
Funds in transit	-	500,000
Cheques in hand	2,432	83,246
Bank balances in		
-Current accounts	46,503,741	80,245,306
	47,986,726	83,091,633
Other bank balances		
Fixed deposits with maturity more than 3 months but less than 12 months	34,435,470	31,621,850
Margin money with maturity less than 12 months (refer note 51)	145,181,189	195,985,417
Unpaid dividend accounts	1,626,938	2,383,192
	181,243,597	229,990,459
Total	229,230,323	313,082,092

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

20 Short term loans and advances

Name of shareholder	As at March 31, 2016	As at December 31, 2014
(a) Loans and advances to related parties		
Unsecured, considered good	281,252,549	174,213,847
Doubtful	12,573,834	-
Less: Provision for doubtful loans and advances	(12,573,834)	-
(b) Others		
Unsecured, considered good		
- Advances to suppliers	81,674,903	105,458,712
- Prepaid expenses	21,934,043	45,962,432
- Security deposits	20,564,715	4,104,625
- Balance with government authorities	168,456,506	248,340,243
- Advances to employees	2,233,967	3,256,820
- Amount due from directors	-	445,339
- Others	16,551,897	6,046,466
Unsecured, considered doubtful		
- Prepaid expenses	3,635,629	-
- Taxes recoverable	449,294	449,294
- Others	1,708,414	-
- Less: Provision	(5,793,337)	(449,294)
Total	592,668,580	587,828,484

21 Other current assets

Particulars	As at March 31, 2016	As at December 31, 2014
Interest accrued on fixed deposits	14,415,694	12,728,188
Interest accrued on investments	288,464,560	213,974,150
Interest accrued and due on loan to subsidiaries	55,979,893	43,255,334
Lease rent receivable	308,490,070	281,688,548
Recoverable from banks under corporate debt restructuring scheme (refer note below)	412,853,875	412,853,875
Non-current assets classified as held for sale (refer note 50)	16,085,836	-
Total	1,096,289,928	964,500,095

Note:

As per the Corporate Debt Restructuring scheme ("CDR") approved in the year ended March 31, 2013, Company recorded amounts receivable from banks on account of installment paid prior to implementation of corporate debt restructuring, excess interest paid by the Company and release of additional limits as per the scheme. As of March 31, 2016, a total of Rs. 412,853,875 (previous year Rs. 412,853,875) is outstanding to be received from the banks. As the Company is still under CDR, no adjustment is made to the amount recoverable from banks.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

22 Revenue from operations

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Sale of products (refer note (i) below):		
-Finished goods	7,392,165,670	9,649,641,466
-Traded goods	150,066,724	15,802,585
	7,542,232,394	9,665,444,051
Sale of services (refer note (ii) below)	481,141,742	382,014,451
Other operating revenues:		
-Scrap sales	39,344,205	47,392,920
-Old liabilities and provisions no longer required written back	19,914,732	41,564,119
-Export benefits - focused product scheme	52,198,759	100,056,762
-Others	1,543,263	37,865,504
	113,000,959	226,879,305
Total	8,136,375,095	10,274,337,807

Notes:

(i) Detail of sales for major products are as follows:

Particulars		For the period ended March 31, 2016	For the year ended December 31, 2014
Finished goods			
-Optical media products		6,357,972,775	8,785,533,451
-Pen drives and cards		828,916,882	583,024,548
-Solid state lighting		132,278,924	93,468,946
-Others		72,997,089	187,614,521
	(A)	7,392,165,670	9,649,641,466
Traded goods			
-Optical media products		18,200,479	3,594,866
-Pen drives and cards		79,118,403	79,915
-Solid state lighting		52,546,133	11,059,358
-Others		201,709	1,068,446
	(B)	150,066,724	15,802,585
Total	(A) + (B)	7,542,232,394	9,665,444,051

(ii) Sale of services includes income earned by the SEZ division of the Company in the form of lease rental for assets given on lease and utility services provided to the entities situated in the SEZ.

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Lease rent	243,998,803	226,672,150
Service Charges	237,142,939	155,342,301
Total	481,141,742	382,014,451

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

23 Other income

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Interest income on		
- Deposits with banks	23,709,102	40,030,977
- Loans to subsidiaries	11,790,600	8,684,280
- Unquoted long term investments	82,767,122	66,249,999
- Others	2,243,697	22,869,830
Other non-operating income		
Lease rent	-	29,730,645
Gain on foreign currency transactions (net)	63,624,168	92,087,328
Prior period income (refer note 46)	24,131,861	-
Total	208,266,550	259,653,059

24 Cost of materials consumed

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Raw materials (refer note below)	3,346,410,623	4,120,917,022
Packing materials	495,316,665	862,212,845
Total	3,841,727,288	4,983,129,867

Note:

Details of major components of raw material consumption are as follows:

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Polycarbonate	1,970,995,254	2,643,389,428
Silver	185,505,046	289,176,005
Others	1,189,910,323	1,188,351,589
Total	3,346,410,623	4,120,917,022

25 Purchase of stock in trade

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Purchase of solid state lighting	42,589,235	7,070,887
Purchase of pen drives and cards	63,174,822	322,182
Purchase of optical media products	18,579,864	6,350,316
Others	45,973	696,925
Total	124,389,894	14,440,310

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

26 Change in stock of finished goods, work in progress and traded goods

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Opening stock:		
-Finished goods	722,052,756	1,326,394,382
-Work in progress	1,323,112,460	2,133,694,448
-Traded goods	8,786,905	18,792,828
	2,053,952,121	3,478,881,658
Less: Opening stock:		
-Finished goods	358,180,467	722,052,756
-Work in progress	797,600,408	1,323,112,460
-Traded goods	15,347,019	8,786,905
	1,171,127,894	2,053,952,121
Excise duty on finished goods	4,270,586	10,272,902
	878,553,641	1,414,656,635
Less: Exceptional item (refer note 31)	310,992,975	289,722,382
Total	567,560,666	1,124,934,253

27 Employee benefits expense

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Salaries wages and bonuses	1,438,403,695	1,252,485,986
Employer's contributions to -		
-Provident fund	72,746,654	65,756,146
-Employee's state insurance	399,687	2,979,907
-Gratuity fund (refer note 42)	51,683,804	30,943,137
Social security and other benefit plans for overseas employees	5,399,623	4,870,012
Staff welfare	114,550,778	129,058,329
Total	1,683,184,241	1,486,093,517

28 Depreciation and amortisation

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Depreciation and amortisation	1,060,566,424	1,808,840,677
Total	1,060,566,424	1,808,840,677

29 Finance cost

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Interest expense	2,743,816,119	2,123,154,867
Total	2,743,816,119	2,123,154,867

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

30 Other expenses

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Consumption of stores and spares	191,812,763	298,884,401
Power and fuel	700,364,542	1,355,886,166
Freight and forwarding	117,389,511	180,413,902
Royalty	219,316,727	224,371,629
Commission on sales	591,999	1,317,625
Rent	569,421,401	527,422,277
Repairs		
-Machinery	6,407,779	11,722,050
-Others	16,135,976	18,963,094
Insurance	63,440,404	60,294,096
Outsourced staff cost	115,148,059	187,759,010
Rates and taxes	1,999,277	4,420,564
Remuneration to auditors (refer note below)	15,840,938	15,256,485
Travelling and conveyance	64,170,097	51,829,001
Legal and professional	49,562,576	62,004,929
Warranty expenses	3,723,894	1,277,968
Loss on sale of fixed assets (net)	658,696	32,135
Provision for doubtful debtors	5,393,882	5,428,717
Provision for doubtful advances	5,344,043	-
Research and development expenses	-	1,801,341
Prior period items (refer note 46)	-	20,772,760
Bank and LC charges	34,772,873	62,309,649
Others	106,186,587	106,883,274
Total	2,287,682,024	3,199,051,073

Note:

Payment to auditors include the following:

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Statutory audit (including limited reviews)	14,450,000	13,850,000
Certification	662,500	350,000
Out of pocket expenses	728,438	1,056,485
Total	15,840,938	15,256,485

31 Exceptional items

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Exchange differences on foreign currency convertible bonds	(284,709,000)	(107,085,000)
Provision of advance and others receivables	(25,355,828)	(786,372,479)
Provision for net realisable value of inventory	(310,992,975)	(289,722,382)
Provision for doubtful debtors	(417,334,717)	(388,560,086)
Provision for diminution in long term investments*	(1,493,333,001)	(877,591,666)
Total	(2,531,725,521)	(2,449,331,613)

*Provision for diminution in non current investment in subsidiary companies Helios Photo Voltaic Limited (formerly Moser Baer Photo Voltaic Limited) and Peraround Limited (previous year Moser Baer Entertainment Limited and Peraround Limited).

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

32 Contingent liabilities

- (a) Corporate guarantees given on behalf of the subsidiary companies: Rs. 20,518,700,000 (previous year Rs. 20,518,700,000). Against these guarantees, loans aggregating Rs. 19,060,818,131 (previous year Rs. 17,207,912,525) have been availed by the subsidiary companies.
- (b) Disputed demands (gross) in respect of:

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Entry tax [Amount paid under protest Rs. 10,382,071 (previous year Rs. 10,382,071) and bank guarantees furnished Rs. 10,919,501 (previous year Rs. 10,919,501)]	127,609,720	127,609,720
Service tax [Amount paid under protest Rs. 2,953,470 (previous year Rs.2,953,470)]	627,051,199	635,730,978
Sales tax [Amount paid under protest Rs. 26,742,097 (previous year Rs.17,960,040) and bank and other guarantees furnished Rs. 100,989,626 (previous year Rs. 100,989,626)]	128,067,033	424,964,963
Excise duty [Amount paid under protest Rs. 982,527 (previous year Rs.982,527)]	585,633,503	535,634,186
Custom duty [Amount paid under protest Rs. 4,823,292 (previous year Rs.4,823,292)]	28,498,050	28,498,050
Income tax [Amount paid under protest Rs. 36,279,670 (previous year Rs. 36,279,670)]	903,566,208	121,355,237
Total	2,400,425,713	1,873,793,134

The Company is involved in taxation disputes that arise from time to time in the ordinary course of business. Based on internal assessment and discussion with experts, management is of the view that above claims are not tenable and will not have any material adverse effect on the Company's financial position and results of operations.

- (c) Other claims against the Company not acknowledged as debts: Rs. 345,900 (previous year Rs. 345,900).
- (d) Outstanding letters of credit opened by banks on behalf of the Company: Rs. 29,390,649 (previous year Rs. 37,247,363).
- (e) Bonus payable for the period of April 1, 2014 to March 31, 2015 pursuant to retrospective amendment in Bonus Act : Rs. 5,465,257 (previous year Nil). Since the matter is subjudice and various high courts have given stay order against retrospective amendment, it has been considered as contingent liability.
- (f) Recompense amount payable in lieu of bank sacrifice (mandarory disclosure as per RBI): Rs. 1,980,042,904 (previous year Rs. 1,581,305,158).

The amount shown in (a) above represents guarantees given in the normal course of the Company's operations and are not expected to result in any loss to the Company on the basis of the beneficiary fulfilling its ordinary commercial obligations.

The amounts shown in (b) and (c) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

- (g) In respect of the outstanding foreign currency convertible bonds (FCCBs), bondholders have claimed interest for the period beyond the original date of redemption. As explained in more detail in Note 48, the Company is in the process of negotiating restructuring of these bonds. Management expects to restructure these bonds by extension of the redemption date as prescribed by the Reserve Bank of India. Contingent liability in respect thereof can't be estimated reliably.

33 Capital commitments

Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances): Rs. 185,969,581 (previous year Rs. 177,722,251).

34 (a) Lease obligations

The Company has entered into operating leases for its offices and utilities that are renewable on a periodic basis and are cancellable at Company's option. Total lease payments recognized in the statement of profit and loss with respect to aforementioned premises is Rs. 569,421,401 (previous period Rs. 527,422,277). The total rent recovered on sub lease during the year is Nil (previous year Rs. 29,730,645).

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(b) Assets given on finance lease

The Company has given buildings and utilities on financial lease to units operating in its SEZ division.

Buildings are given on lease for a period of 20 years and utilities are given for a period of 7-10 years. Apart from the regular lease rental the Company has also taken interest free refundable security deposits of Rs. 1,605,000,000 (previous year Rs 1,605,000,000) from the lessees which is refundable at the end of the lease term.

Gross investments and present value of minimum lease payments receivable under the lease as under:

Particulars	As at March 31, 2016	As at December 31, 2014
Gross investments in the lease		
Not later than one year	430,019,521	445,740,000
Later than one year but not later than five years	658,204,201	1,154,571,106
Later than five years	568,111,378	613,198,994
Total	1,656,335,100	2,213,510,100
Present value of minimum lease payments receivable		
Not later than one year	171,563,439	209,526,792
Later than one year but not later than five years	199,771,347	419,971,954
Later than five years	(77,244,108)	(75,340,328)
Unearned finance income	1,245,260,096	1,542,367,357
The present value of unguaranteed residual value	116,984,325	116,984,325

35 Taxation

Provision for taxation has not been made in the absence of assessable taxable income as per the Income Tax Act, 1961.

As per para 15 and 17 of Accounting Standard 22, "Accounting for Taxes on Income", deferred tax assets should be recognised and carried forward only to the extent that there is a reasonable /virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets have not be recognised in view of the accumulated losses and in absence of reasonable / virtual certainty to absorb the losses in future.

36 Derivative instruments

The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

(a) There is no forward exchange contracts outstanding as at March 31, 2016.

(b) The foreign currency exposures not hedged as at year end as at March 31, 2016 are as under:

Currency exchange	USD	EUR	GBP	CHF	JPY	SGD	AUD
Receivables in foreign currency	32,692,485	2,222,314	781	5,710	549,812	315	65
Rs. Value	2,165,877,113	167,518,014	74,330	393,084	323,564	15,452	3,296
Receivables in foreign currency	(38,179,827)	(2,974,200)	(106)	(5,710)	(1,176,843)	(315)	(57,600)
Rs. Value	(2,406,474,472)	(226,773,817)	(10,446)	(361,928)	(619,608)	(14,959)	(2,965,421)
Payables in foreign currency	183,436,892	480,518	11,705	131,014	40,400,246	170,748	-
Rs. Value	12,154,528,493	36,240,704	1,114,144	9,032,748	23,783,827	8,393,971	-
Payables in foreign currency	(164,907,726)	(478,121)	(22,988)	(147,655)	(27,932,475)	(121,849)	-
Rs. Value	(10,395,783,057)	(36,470,079)	(2,257,380)	(9,363,409)	(14,712,035)	(5,795,497)	-

Figures in bracket are previous year figures.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

37 Composition of raw material, packing material, stores, spares and consumables consumed:

Particulars	Raw material and packing material		Stores, spares and tools	
	For the period ended March 31, 2016	For the year ended December 31, 2014	For the period ended March 31, 2016	For the year ended December 31, 2014
Imported				
Value (Rs.)	3,053,600,503	4,146,879,745	84,146,142	146,353,746
Percentage	79.49	83.22	43.87	48.97
Indigenous				
Value (Rs.)	788,126,785	836,250,122	107,666,621	152,530,655
Percentage	20.51	16.78	56.13	51.03
Total	3,841,727,288	4,983,129,867	191,812,763	298,884,401
Percentage	100	100	100	100

38 Foreign currency transactions:

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
(A) Value of imports on CIF basis:		
Purchase of finished goods	1,681	1,865
Raw material, including material in transit Rs. 18,187,546 (previous year Rs. 19,950,278)	1,005,596,791	1,423,525,142
Capital goods	4,285,071	1,628,412
Stores, spares and consumables, including material in transit Rs 113,243 (previous year Rs. 692,559)	73,719,114	97,836,491
Packing material, including material in transit Nil (previous year Rs. 48,360,347)	62,279,980	233,335,465
Total	1,145,882,637	1,756,327,375
(B) Expenditure in foreign currency (on accrual basis) :		
Travel	4,235,040	1,580,228
Royalty/technical know-how fees	219,316,727	224,371,627
Directors sitting fees	150,000	270,000
Legal and professional	3,365,976	21,292,852
Other expenditure	6,114,366	40,626,449
Expenditure of foreign branch/liaison office:		
-Staff welfare	31,822	65,325
-Rent/Lease rent	2,400,343	2,591,355
-Legal and professional expenses	1,698,522	514,722
-Freight	8,630,334	15,203,146
-Insurance	2,594,344	3,909,942
-Salaries and wages	16,589,795	19,140,597
-Repairs and maintenance	32,698	400,067
-Miscellaneous expenses	34,638,552	27,494,676
Total	299,798,519	357,460,986
(C) Earnings in foreign exchange (on accrual basis) :		
Value of exports on FOB basis	3,127,152,952	5,436,252,374
Other miscellaneous income	-	7,563,862
Total	3,127,152,952	5,443,816,236

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

39 Related party transactions:

In accordance with the requirements of Accounting Standard - 18 'Related Party Disclosures' the names of the related party where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and period end balances with them as identified and certified by the management are given below:

(a) Names of related parties

Subsidiary Companies

European Optic Media Technology GmbH
Moser Baer Distribution Limited (formerly known as Moser Baer SEZ Developer Limited)
Solar Research Limited
Moser Baer Laboratories Limited (formerly Moser Baer Energy Limited)
Moser Baer Entertainment Limited
Moser Baer Investments Limited
Photovoltaic Holdings Limited (formerly Photovoltaic Holdings PLC)
MB Solar Holdings Limited (formerly Moser Baer Solar PLC)
Moser Baer Solar Limited (formerly known as Photovoltaic Technologies India Limited)
Helios Photo Voltaic Limited (formerly Moser Baer Photo Voltaic Limited)
Perafly Limited
Nicofly Limited
Peraround Limited
Advoferm Limited
Cubic Technologies BV*
TIFTON Limited
Value Solar Energy Private Limited
Pride Solar Systems Private Limited
Admire Energy Solutions Private Limited
Moser Baer Solar Systems Private Limited (formerly Arise Solar Energy Private Limited)
Competent Solar Energy Private Limited
OM&T B.V.**
Moser Baer Technologies Inc.***
Moser Baer Infrastructure and Developers Limited
Moser Baer Photovoltaic Inc. USA****

Associate

Global Data Media FZ LLC
Moser Baer Infrastructure Limited
Solar Value Proizvodjna d.d.

Trust

Moser Baer Trust

Enterprises over which key management personnel exercise significant influence

Microgreen Electronics Private Limited (formerly known as COBOL Power & Technologies Private Limited)
Natia Consultancy Private Limited

Key management personnel

Chairman & Managing Director	Mr. Deepak Puri
Whole Time Director	Mrs. Nita Puri

* Dissolved on December 21, 2015

** Declared as insolvent from October 1, 2013

*** Dissolved on April 22, 2015

**** Applied for dissolution in U.S. Bankruptcy court

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(b) Details of transactions with the related parties in the ordinary course of business:

Transaction during the period / year	For the period ended March 31, 2016	For the year ended December 31, 2014
Sales of finished goods		
Helios Photo Voltaic Limited	-	8,193,834
Moser Baer Solar Limited	14,351,897	15,495,510
Moser Baer Entertainment Limited	981,438,142	1,047,309,128
Sale of services		
Helios Photo Voltaic Limited	196,310,666	127,446,653
Moser Baer Solar Limited	277,626,594	503,858,093
Expenses incurred on behalf of other companies		
Helios Photo Voltaic Limited	50,542	2,929,132
Moser Baer Solar System Private Limited	5,314	6,544
Moser Baer Solar Limited	24,404	1,836,648
Moser Baer Entertainment Limited	1,738,748	63,324
Others	122,235	67,248
Reimbursement/ recovery of expenses		
Helios Photo Voltaic Limited	136,757	2,270,657
Moser Baer Solar Limited	66,334	2,523,899
Others	73,678	62,340
Payment by related party on our behalf		
Moser Baer Entertainment Limited	-	3,603,347
Purchase of semi finished goods/ raw material/services		
Moser Baer Entertainment Limited	241,624,198	55,276,873
Helios Photo Voltaic Limited	7,974,241	79,719
Moser Baer Solar Limited	11,826,197	16,881,785
Expenses charged by related party		
Moser Baer Solar Limited	524,010,072	454,171,200
Payment made on behalf of related party		
Moser Baer Solar Limited	-	4,042,622
Fund received by Related Party on our behalf		
Moser Baer Entertainment Limited	139,868,600	471,851
Loans and advances received		
Microgreen Electronics Private Limited	19,500,000	127,000,000
Natia Consultancy Private Limited	52,500,000	(-)
Interest charges in respect of loans/ investments		
Moser Baer Infrastructure & Developers Limited	11,764,800	9,417,000
Moser Baer Solar Limited	82,767,122	66,249,999
Provision for diminution in the value of long term investments		
Helios Photo Voltaic Limited	1,352,582,260	-
Peraround Limited	140,750,741	89,400,000
Moser Baer Entertainment Limited	-	788,191,666
Equity share allotted during the period		
Micro Green Electronics Private Limited	134,500,000	(-)
Mr. Deepak Puri	-	100,000,000
Remuneration and Employers' Contribution towards Provident Fund		
Mr. Deepak Puri	16,742,004	13,485,690
Mrs. Nita Puri	5,276,252	4,250,000

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Balances	As at March 31, 2016	As at December 31, 2014
Outstanding receivables		
In respect of sales or services		
Helios Photo Voltaic Limited	812,726,099	620,420,200
Moser Baer Solar Limited	5,322,294,211	5,049,742,024
Moser Baer Solar System Private Limited	2,004,262	1,998,948
Moser Baer Entertainment Limited	1,177,609,553	1,271,541,736
Others	54,279	5,722
In respect of loans to subsidiary:-		
Moser Baer Infrastructure & Developers Limited	86,000,000	86,000,000
In respect of advance to subsidiary:-		
Moser Baer Entertainment Limited	-	17,000,000
In respect of interest accrued on loans/ investment		
Moser Baer Infrastructure & Developers Limited	55,979,893	45,391,573
Moser Baer Solar Limited	288,464,560	213,974,150
In respect of debentures		
Moser Baer Solar Limited	500,000,000	500,000,000
Outstanding payable		
In respect of expenses/purchases		
Moser Baer Solar Limited	1,576,596,250	1,089,579,056
Cubic Technologies B.V	-	9,074,946
Moser Baer Technologies Inc.	-	3,385,021
Helios Photo Voltaic Limited	15,391,383	7,417,142
Moser Baer Entertainment Limited	81,972,975	55,597,213
In respect of loans received		
Microgreen Electronics Private Limited	12,000,000	127,000,000
Natia Consultancy Private Limited	52,500,000	(-)
In respect of security deposit received for lease		
Helios Photo Voltaic Limited	380,000,000	380,000,000
Moser Baer Solar Limited	1,335,000,000	1,335,000,000
In respect of KMPs' remuneration		
Mr. Deepak Puri	1,132,917	651,328
Mrs. Nita Puri	450,432	414,182

(c) Other arrangements

(i) Details of corporate guarantees provided on behalf of subsidiary companies

Particulars	As at March 31, 2016	As at December 31, 2014
Helios Photo Voltaic Limited	10,018,400,000	10,018,400,000
Moser Baer Solar Limited	10,500,300,000	10,500,300,000
	20,518,700,000	20,518,700,000

(ii) Details of surety provided by subsidiary companies on behalf of the Company

Particulars	As at March 31, 2016	As at December 31, 2014
Moser Baer Entertainment Limited	12,343,836	12,343,836
Jointly by Moser Baer Entertainment Limited and Moser Baer Solar Limited	62,743,734	62,743,734
	75,087,570	75,087,570

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

40 Loss per share

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
(a) Calculation of weighted average number of equity shares		
1. For Basic EPS		
No. of shares at the beginning of the period/year	208,306,104	198,306,104
Total number of equity shares outstanding at the end of the period/year	221,765,983	208,306,104
Weighted average number of equity shares outstanding during the period/year	219,137,992	206,717,063
2. For Diluted EPS		
Weighted average number of equity shares outstanding during the period/year as computed above	219,137,992	206,717,063
Weighted average number of equity shares outstanding during the period/year for diluted EPS	219,137,992	206,717,063
(b) Net loss for the period / year available for equity shareholders	(7,036,473,934)	(7,083,003,303)
Loss per share (face value per share Rs. 10 each)		
Basic	(32.11)	(34.26)
Diluted	(32.11)	(34.26)

41 Segment information

The Company is primarily in the business of manufacture and sale of Optical Storage Media. The other activities of the Company comprise creation/ replication and distribution of content, sales of consumer electronic products and operations and maintenance of sector specific Special Economic Zone for non-conventional energy. As the single financial report contains both consolidated financial statements and the separate financial statements of Moser Baer India Limited (the parent), segment information has been presented only on the basis of consolidated financial statements of the period ended March 31, 2016.

42 Employee benefits

The Company has classified the various benefits provided to employees as under:

A. Defined contribution plans

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Particulars	As at March 31, 2016	As at December 31, 2014
Employers' contribution to provident fund*	47,212,681	43,766,741
Employers' contribution to Employee's State Insurance Act, 1948*	399,687	2,979,907
Employers' contribution to Employee's Pension Scheme, 1995*	25,533,973	21,384,048

* Included in contribution to provident and other funds under employees benefits expenses (refer note 27)

B Defined benefit plans

(i) In accordance with Accounting Standard 15, the liability in respect of defined benefit plans, namely gratuity and unavailed earned leaves has been determined based on actuarial valuation based on the following assumptions:

Particulars	Unavailed leaves (unfunded)		Employee's gratuity fund	
	For the period ended March 31, 2016	For the year ended Decem- ber 31, 2014	For the period ended March 31, 2016	For the year ended Decem- ber 31, 2014
Discount rate (per annum)	7.84%	7.98%	7.84%	7.98%
Rate of increase in compensation levels	10.00%	10.00%	10.00%	10.00%
Rate of return on plan assets	-	-	7.84%	8.85%
Expected average remaining working lives of employees (years)	6.12	6.06	6.12	6.06

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(ii) Expenses recognised in the statement of profit and loss

Particulars	Unavailed leaves (unfunded)		Employee's gratuity fund	
	For the period ended March 31, 2016	For the year ended December 31, 2014	For the period ended March 31, 2016	For the year ended December 31, 2014
Current service cost	12,169,288	8,644,751	24,425,320	22,028,911
Interest cost	7,832,927	7,084,143	22,562,605	21,111,379
Expected return on plan assets	-	-	(5,769,209)	(5,911,347)
Net actuarial gain recognized in the period/year	(13,964,200)	(4,379,941)	9,638,604	(6,285,806)
Total expenses recognized in statement of profit and loss	*6,038,015	*11,348,953	50,857,320	30,943,137

*Included in salaries, wages and bonus expenses (refer note 27)

(iii) Changes in the present value of obligation

Particulars	Unavailed leaves (unfunded)		Employee's gratuity fund	
	For the period ended March 31, 2016	For the year ended December 31, 2014	For the period ended March 31, 2016	For the year ended December 31, 2014
Present value of obligation as at the beginning of the period/year	80,588,390	79,152,436	242,561,200	235,881,333
Interest cost	7,832,927	7,084,143	22,562,605	21,111,379
Current service cost	12,169,288	8,644,751	24,425,320	22,028,911
Benefits paid	(11,788,996)	(9,912,999)	(41,062,511)	(26,568,380)
Equitable interest transferred	-	-	-	(4,465,977)
Actuarial (gain)/loss on obligations	(13,964,200)	(4,379,941)	9,215,988	(5,426,066)
Present value of obligation as at the end of the period/year	74,837,409	80,588,390	257,702,602	242,561,200

(iv) Bifurcation of present value of defined benefit obligation is as under:

Particulars	Unavailed leaves (unfunded)		Employee's gratuity fund	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
Current liability	7,946,388	8,993,321	33,309,640	35,909,925
Non-current liability	66,891,021	71,595,069	224,392,962	206,651,275

(v) Changes in the fair value of plan assets

Particulars	Employee's gratuity fund	
	As at March 31, 2016	As at December 31, 2014
Fair value of plan assets as at the beginning of the period/year	64,781,179	77,202,636
Expected return on plan assets	5,769,209	5,911,347
Actuarial gains and losses	(422,616)	859,740
Contributions	27,173,515	11,841,813
Benefits paid	(41,062,511)	(26,568,380)
Equitable interest transferred	-	(4,465,977)
Fair value of plan assets as at the end of the period/year	56,238,776	64,781,179

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(vi) Reconciliation of fair value of assets and obligations for the current and past years

Particulars	Employee's gratuity fund				
	As at March 31, 2016	As at December 31, 2014	As at December 31, 2013	As at March 31, 2013	As at March 31, 2012
Present value of defined benefit obligation	257,702,602	242,561,200	235,881,333	246,239,750	224,540,108
Fair value of plan assets	56,238,776	64,781,180	77,202,636	108,194,753	123,143,341
Deficit in the plan assets	(201,463,826)	(177,780,020)	(158,678,697)	(138,044,997)	(101,396,767)
Experience adjustments in plan assets	(422,616)	859,740	-	308,491	(2,178,066)

Particulars	Unavailed leaves (unfunded)				
	As at March 31, 2016	As at December 31, 2014	As at December 31, 2013	As at March 31, 2013	As at March 31, 2012
Present value of defined benefit obligation	74,837,409	80,588,390	79,152,436	80,875,157	87,447,743
Fair value of plan assets	-	-	-	-	-
Deficit in the plan assets	(74,837,409)	(80,588,390)	(79,152,436)	(80,875,157)	(87,447,743)
Experience adjustments in plan assets	-	-	-	-	-

The expected contribution on account of gratuity for the year ending March 31, 2017 cannot be ascertained at this stage.

In respect of the employee's gratuity fund, constitution of plan assets is not readily available from the Life Insurance Corporation of India.

43 Foreign currency convertible bonds

(a) The utilisation of the proceeds of USD 150,000,000 zero coupon foreign currency convertible bonds issued is as under:

Particulars	As at March 31, 2016		As at March 31, 2014	
	USD	Rs.*	USD	Rs.*
Funds available at the beginning of the period/year	-	-	139,101	8,597,861
Less: Bank charges	-	-	3,585	217,327
Less: Miscellaneous Expenses	-	-	135,516	8,373,224
Unutilized issue proceeds	-	-	-	-

* Net of foreign exchange loss of Rs. 7,309 for the year ended 31 December 2014.

(b) Premium on redemption of foreign currency convertible bonds: Movement from beginning to end of reporting period as follows:

Particulars	Employee's gratuity fund	
	As at March 31, 2016	As at December 31, 2014
Opening balance	3,879,418,653	3,176,579,699
Add: provision for the period /year	1,104,431,710	702,838,954
Total premium as on March 31, 2016	4,983,850,363	3,879,418,653
Classified under other current liabilities (refer note 11)	2,175,545,909	2,034,913,177
Classified under short term provision (refer note 12)	2,808,304,454	1,844,505,476

Premium payable on redemption of FCCB accrued up to March 31, 2016 amounting to Rs. 4,983,850,363 (previous year ended December 31, 2014 Rs. 3,879,418,653) has been fully provided for and charged to securities premium account. In the event that the conversion option is exercised by the holders of FCCB in the future, the amount of premium charged to the securities premium account shall be written back to security premium account.

(c) The Company has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 88,400,000 equivalent to Rs 5,857,384,000 (previous year ended 31 December 2014 USD 88,500,000 equivalent to Rs 5,579,040,000) which were due for redemption along with premium on June 21, 2012. As at March 31, 2016, accrual for premium on FCCB aggregates Rs 4,983,850,363. The company is in the process of negotiation with the bondholders to re-structure the terms of these bonds; these negotiations have progressed and the Company has applied to the Reserve Bank of India ("RBI") for requisite approvals.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

(d) During the year, the Company has issued 9,879 equity shares of Rs 10 each upon conversion of 6.75% Tranche B Foreign Currency Convertible Bonds (FCCBs) of principal amount of USD 100,000 to one of the bondholder out of the total of USD 43 million outstanding as at December 31, 2014. Post the conversion, Tranche B FCCBs aggregating to USD 42.9 million and Tranche A FCCBs aggregating to USD 45.5 million are outstanding as at March 31, 2016.

44 Based on the information available with the Company, the Company has identified 32 vendors as micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006. The balance due to such vendors has been disclosed separately under trade payables.

Disclosure relating to dues outstanding to micro, small and medium enterprises as defined in Micro Small and Medium Enterprises Act 2006

Particulars		Employee's gratuity fund	
		As at March 31, 2016	As at December 31, 2014
(a)	Amount remaining unpaid to micro ,small and medium enterprises at the end of period/year		
	Principal amount	20,579,544	50,439,026
	Interest thereon	33,038,146	38,976,875
	Total	53,617,690	89,415,901
(b)	Amount of payments made to micro, small and medium enterprises beyond the appointed date during the period/year		
	Principal amount	139,484,519	228,636,035
	Interest actually paid u/s 16 of the act.	-	-
	Total	139,484,519	228,636,035
(c)	Interest accrued (including interest u/s 16 of the act) and remaining unpaid at the end of the period/year		
	Interest accrued during the period/year.	7,965,159	11,267,471
	Interest remaining unpaid during the period/year (net of reversals)	33,038,146	38,976,875

45 Following is the period and amount of continuing defaults as on March 31, 2016 in repayment of loan and interest to banks and financial institutions as per Schedule III of the Companies Act, 2013:

Particulars	Due date	Amount	Delay in days
Banks	31-Oct-13	346,186	882
	30-Nov-13	2,712,329	852
	31-Dec-13	2,805,432	821
	31-Jan-14	3,252,468	790
	28-Feb-14	14,251,706	762
	31-Mar-14	32,086,218	731
	30-Apr-14	18,621,648	701
	31-May-14	64,636,788	670
	30-Jun-14	140,512,421	640
	31-Jul-14	49,693,829	609
	31-Aug-14	208,855,699	578
	30-Sep-14	136,251,548	548
	31-Oct-14	74,334,133	517
	30-Nov-14	406,697,208	487
	31-Dec-14	184,343,121	456
	31-Jan-15	90,108,902	425
	28-Feb-15	435,859,717	397
	31-Mar-15	209,282,256	366

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Particulars	Due date	Amount	Delay in days
	30-Apr-15	84,359,476	336
	31-May-15	409,509,024	305
	30-Jun-15	89,488,713	275
	31-Jul-15	92,384,459	244
	31-Aug-15	406,315,155	213
	30-Sep-15	90,186,275	183
	31-Oct-15	92,999,181	152
	30-Nov-15	413,529,480	122
	31-Dec-15	92,842,272	91
	31-Jan-16	92,875,507	60
	29-Feb-16	411,063,849	31
Financial institutions	30-Apr-14	1,669,126	701
	31-May-14	1,724,763	670
	30-Jun-14	12,719,750	640
	31-Jul-14	2,768,897	609
	31-Aug-14	13,008,600	578
	30-Sep-14	8,930,113	548
	31-Oct-14	4,408,920	517
	30-Nov-14	22,812,627	487
	31-Dec-14	9,352,257	456
	31-Jan-15	4,418,445	425
	28-Feb-15	22,527,567	397
	31-Mar-15	9,358,180	366
	30-Apr-15	4,275,914	336
	31-May-15	23,035,915	305
	30-Jun-15	4,275,914	275
	31-Jul-15	4,418,445	244
	31-Aug-15	23,035,915	213
	30-Sep-15	4,275,914	183
	31-Oct-15	4,418,445	152
	30-Nov-15	22,893,384	122
	31-Dec-15	4,418,445	91
	31-Jan-16	4,418,445	60
	29-Feb-16	22,750,855	31

(Refer note 6 for long term borrowing).

46 Prior period income/(expenses)

Particulars	For the period ended March 31, 2016	For the year ended December 31, 2014
Reversal of focus product scheme recoverable	-	(25,126,237)
LIC Refund	-	4,353,477
ECGC Refund	23,953,927	-
Excess provision written back	177,934	-
Total	24,131,861	(20,772,760)

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

47 Impairment of investments

Management performed a detailed impairment assessment (using an independent valuer) as at March 31, 2016 for its investments in and advances/other receivables from certain subsidiaries, viz. Moser Baer Solar Limited ("MBSL"), Photovoltaic Holdings Limited, Moser Baer Investments Limited, Helios Photo Voltaic Limited ("HPVL") and Moser Baer Entertainment Limited ("MBEL") to determine if there is any other than temporary diminution in the values of these investments and if outstanding advances or other receivables are recoverable. This analysis for certain subsidiaries involved use of material estimates and judgments related to future business projections which, amongst other factors, are dependent on the acceptance of revised restructuring with lender banks, ramping up operations with adequate advance from customers, external market conditions of the solar market and regulatory benefits. Basis the assessment, management has concluded no impairment is required in carrying value of the investments, advances/ other receivables from these aforementioned subsidiary companies as at March 31, 2016 aggregating to Rs. 8,455,719,793 (previous year Rs. 10,301,708,211) except in case of HPVL where, subsequent to exit from CDR, management has recorded hundred percent provision in carrying value of investment and receivables during the period.

(Figures in bracket are for the previous period)

Entity	Investment	Loans and advances	Trade and other receivables	Trade creditors and other liabilities	Net balance as at March 31, 2016
Moser Baer Solar Limited (MBSL)	3,103,226,600 (3,103,226,600)	346,921,482 (272,513,842)	5,263,796,449 (4,991,202,332)	2,911,596,250 (2,424,579,056)	5,802,348,282 (5,942,363,718)
Moser Baer Entertainment Limited (MBEL)	414,508,334 (414,508,334)	- (17,000,000)	1,177,609,553 (1,254,541,736)	81,972,975 (55,597,213)	1,510,144,911 (1,630,452,857)
Helios Photo Voltaic Limited (HPVL)	- (1,352,582,260)	- (12,660,048)	- (607,760,151)	- (387,337,423)	- (1,585,665,036)
Photovoltaic Holdings Limited	498,080,000 (498,080,000)	- -	- -	- -	498,080,000 (498,080,000)
Moser Baer Investments Limited	645,146,600 (645,146,600)	- -	- -	- -	645,146,600 (645,146,600)
	4,660,961,534	346,921,482	6,441,406,002	2,993,569,225	8,455,719,793
Total	(6,013,543,794)	(302,173,890)	(6,853,504,219)	(2,867,513,692)	(10,301,708,211)

48 Going concern

The Company has incurred a loss of Rs 7,036,473,934 during the period ended March 31, 2016 (previous year Rs 7,083,003,303), and as of that date, the Company's accumulated losses amounts to Rs. 23,605,019,015 (previous year Rs. 16,457,149,952) and it has negative net worth of Rs. 17,252,950,584 (previous year Rs. 9,139,176,589). Further, as of March 31, 2016, the Company's current liabilities exceeded its current assets by Rs. 21,986,021,287 (previous year Rs. 14,877,708,565)

The Company has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 88,400,000 equivalent to Rs 5,857,384,000 (previous year ended December 31, 2014 USD 88,500,000 equivalent to Rs 5,579,040,000) which were due for redemption along with premium on June 21, 2012. As at March 31, 2016, accrual for premium on FCCB aggregates Rs 4,983,850,363. The company is in the process of negotiation with the bondholders to re-structure the terms of these bonds and these negotiations have progressed. The Company has applied to the RBI for approval to extend the repayment of FCCBs till December 2016.

Due to continued liquidity issues primarily resulting from non-release of sanctioned working capital limits and refunds due to the Company, the Company has been unable to comply with repayment terms of its borrowing arrangement with secured lenders as agreed in the Corporate Debt Restructuring package approved in year ended March 31, 2013. The Company has received debt recall and other notices from certain consortium lender banks for their respective share of debt. Meanwhile, the Company has approached the lender consortium for a revised debt restructuring plan. The revised debt restructuring plan submitted by the Company includes deferment of debt and interest repayment, disposal of surplus assets and infusion of fresh capital by the promoters. The banks instituted a TEV study to be conducted by an expert appointed by bank who has since submitted its report to the lenders. In a recent meeting, the lenders have indicated their inability to accept the TEV and

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

have indicated their intention to exit from the CDR and initiate legal proceedings against the company subject to approval of their competent authorities. The Company continues to engage with management of banks for restructuring proposal during the period as well as previous year. The final response of the banks is awaited. Meanwhile the banks have allowed the company to continue to operate through TRA with 6% tagging. On March 30, 2016, one of the lender banks, which is part of the CDR consortium of the Company, has assigned its outstanding dues in favour of an asset reconstruction company on the same terms and conditions as applicable to the said lender.

The Company has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations. With restoration of OEM optical media business, generation of funds through sale of surplus assets and promoter contribution, accompanied by restructuring of debt from banks, the Company expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations.

Conditions explained above, indicate existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to which the Company may not be able to realize its assets and discharge its liabilities in the normal course of business. However, considering recent developments, inter-alia, progress made in the review of plan and further management's plans relating to restructuring of debt, FCCBs, infusion of capital, generation of funds through sale of surplus assets and expected improvement in the operating activities, management is confident of generating positive cash flow from operations and accordingly, these results have been prepared on a going concern basis.

- 49** Under the Income Tax Act, 1961, for domestic Transfer Pricing transaction the Company is required to use specified methods for computing arm's length price in relation to domestic transactions with its associated enterprises. Further, Company is required to maintain prescribed information and documents in relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The management confirms that all transactions with associated enterprises are undertaken at negotiated contracted prices on usual commercial terms, and adjustments if any, arising from the transfer pricing study shall be accounted for as and when the study is completed. The Company is in the process of conducting a transfer pricing study for the current financial year, however, management is of the view that the same would not have a material impact on the financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.
- 50** During the period ended March 31, 2016, the Company decided to sell part of its non-core assets. On the basis of approval by Board of Directors and upon completion of successful bidding process, assets has been classified as "Non-current asset held for sale" in financial statements. The Company has ceased to charge depreciation from the date of classification as held for sale. Had the company not decided to sell these assets, depreciation for period ended March 31, 2016 would have been higher by Rs. 3,31,081.
- 51** The Ministry of New & Renewable Energy ('MNRE) had sanctioned grant-in-aid for implementation of R&D project on "Development of CIGS solar cell pilot plant to achieve grid parity solar cess" vide order no. MNRE/31/10/2009-10/PVSE, dated October 21, 2010 with a project cost of Rs. 156,376,000 of which MNRE share was Rs. 71,050,000 and Company's share was Rs. 85,326,000 for three years. In the year ended March 31, 2011, the Company had received grant of Rs. 35,000,000 for the said project.

Pursuant to the meeting of R&D Project Appraisal Committee (RDPAC) on Solar Photovoltaic and Solar Thermal held on November 16, 2015 and letter No. 15/01/2010-11/ST dated March 28, 2016, the project was considered as commercially unviable and therefore decided to abandon the project and the Company has been requested to shift all MNRE assets acquired out of the grant received to National Institute of Solar Energy (NISE) and unspent money is to be return to the MNRE.

Note 13 on "Fixed Assets" under the sub-head Plant and Equipment includes testing equipments of Rs. 21,139,973 acquired out of the grant received, having carrying value of Rs. 9,329,622 as at March 31, 2016. Out of the total grant received by the Company, balance unspent money of Rs. 13,860,027 has been kept in the form of fixed deposits with one of the nationalised bank and included in cash and bank balances.

Pursuant to the letter received by the Company in respect of demand of unspent money by the MNRE, the grant received has been disclosed in the financial statements as "Deferred Government grant" under sub-head "Other Current Liabilities" during

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

the current period.

- 52** During the current period, certain workers at Greater Noida plant instigated illegal stoppage of work, which consequently affected factory operations in the month of March 2015. On account of stoppage of work as aforesaid, the Company's shipment and revenue were adversely affected. Operating cost were also lower on account of lower expenses including wages cost. With the support of concerned government and administrative authorities, an amicable settlement reached with the workers and normalcy was restored in early April 2015. Company ensured that disruption led to minimum impact on operating cash flows and speedy recovery thereafter.
- 53** The Company has changed its financial year from 31 December to 31 March and prepared financial statements for 15 months, whereas previous financial year consisted of 12 months period. Accordingly, current financial period figures are not comparable with those of the previous year.
- 54** Figures of the previous year have been regrouped and rearranged wherever necessary, to make them comparable.

For **Walker Chandio & Co LLP**
Chartered Accountants

per Neeraj Goel
Partner

Place: New Delhi
Date: May 25, 2016

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Yogesh Mathur
Chief Financial Officer
PAN: ACSPM5893M

Nita Puri
Director
DIN : 00002331

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

Independent Auditor's Report

To the Members of Moser Baer India Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Moser Baer India Limited, ("the Holding Company") its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the fifteen months period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its associates, 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). The Holding Company's Board of Directors, and the respective Board of Directors/management of the subsidiaries included in the Group, and of its associates are responsible for the design, implementation and maintenance of internal control 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. Further, in terms with the provisions of the Act, the respective Board of Directors of the Group and its associates, which are incorporated in India are responsible for maintenance of adequate accounting records; safeguarding the assets; 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, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated 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 Holding 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 12 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

8. (a) As explained in note 49(a) to the consolidated financial statements, the Group's short term borrowings and other current liabilities include balances payable to various lender banks amounting to Rs.10,698,218,183 in respect of one of the subsidiary company whose account has been exited from Corporate Debt Restructuring (CDR) Cell in the current period. As a result the accounting for these balances should be as per the original agreements entered with such lenders banks. However, in absence of relevant details and information with respect to calculation of interest and loan liability, we are unable to comment upon the impact of such exit on the carrying value of aforesaid short term borrowings, other current liabilities and interest expense for the financial period ended March 31, 2016 and the consequential impact on the accompanying consolidated financial statements.
- (b) As explained in note 49(b) to the consolidated financial statements, the Group has fixed assets aggregating to Rs.2,407,477,326 in respect of one of subsidiary company. However, in the absence of sufficient appropriate audit evidence, we are unable to comment on the carrying value of these assets and the consequential impact on the accompanying consolidated financial statements.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and associates as noted below, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group, and its associates as at March 31, 2016, and their consolidated loss and their consolidated cash flows for the fifteen months period ended on that date.

Emphasis of Matters

10. (a) We draw attention to note 50 to the consolidated financial statements. The Group has incurred a net loss of Rs.9,750,133,387 for the fifteen months period ended March 31, 2016 and, as of that date, the Group's accumulated losses amounted to Rs.52,033,909,598 resulting in complete erosion of its net worth. Further, as of that date, the Group's current liabilities exceeded its current assets by Rs. 39,722,488,779. These conditions, along with matters set forth in note 50 indicate the existence of uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.
- (b) We draw attention to note 36(b) to the consolidated financial statements which describes uncertainty related to outcome of arbitration/litigation proceedings against a vendor for recovery of advances aggregating Rs.1,776,574,747 (net of provision amounting to Rs. 516,629,402), as at March 31, 2016. Pending the ultimate outcome of the matter, which is presently uncertain, no further adjustment has been recorded in the financial statements. Our opinion is not qualified in respect of this matter.

Other Matters

11. (a) We did not audit the financial statements of ten subsidiary companies, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs. 301,945,315 as at March 31, 2016, total revenues (after eliminating intra-group transactions) of Rs. 312,922 and net cash outflows amounting to Rs.70,490,260 for the fifteen months period ended on that date. The consolidated financial statements also include the Group's share of net loss of Rs. Nil for the year ended March 31, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of nine subsidiary companies included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of Rs.101,617,708 as at March 31, 2016, total revenues (after eliminating intra-group transactions) of Rs.9,529,868 and net cash outflows amounting to Rs.3,055,693 for the fifteen months period ended on that date. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

12. 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, and based on the comments in the auditor's reports of the subsidiary companies and associate company incorporated in India, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, as applicable to such companies.
13. As required by Section 143(3) of the Act, and based on the auditor's reports of the subsidiaries and associates, we report, to the extent applicable, that:
- we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

- d) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated 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) the matters described in paragraph 8 and 10 under the Basis for Qualified Opinion paragraph and Emphasis of Matters paragraph, in our opinion, may have an adverse effect on the functioning of the Group;
- f) on the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies, incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 35(b), the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates;
 - (ii) the Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. Further there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and associate company incorporated in India.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Neeraj Goel**
Partner
Membership No.: 099514

Place: New Delhi
Date: May 25, 2016

Annexure A to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the consolidated financial statements for the fifteen months period ended March 31, 2016

Based on the audit procedures performed for the purpose of reporting a true and fair view on the consolidated financial statements of the Holding 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 and based on the comments in the auditor's reports of the seven subsidiary companies and one associate company incorporated in India, we report that:

- (i) (a) Four subsidiary companies incorporated in India do not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable to them. The Holding Company, three subsidiary companies and one associate company incorporated in India have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Holding Company and three subsidiary companies incorporated in India have been physically verified by the management of the Holding Company and respective subsidiary companies incorporated in India in a phased manner over a period of three financial years and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size and the nature of their assets.

The fixed assets of one associate company incorporated in India have been physically verified by the management of the associate company incorporated in India during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size and the nature of their assets.

Four subsidiary companies incorporated in India do not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.

- (ii) (a) Four subsidiary companies and one associate company incorporated in India do not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable to them. The management of the Holding Company and three subsidiary companies incorporated in India has conducted physical verification of inventory at reasonable intervals during the period.
- (b) The procedures of physical verification of inventory followed by the management of the Holding Company and aforesaid three subsidiary companies incorporated in India are reasonable and adequate in relation to the size and nature of their business.
- (c) The Holding Company and aforesaid three subsidiary companies incorporated in India are maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.

- (iii) The Holding Company, six subsidiary companies and one associate company incorporated in India have 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 clause 3(iii)(a) and 3(iii)(b) of the Order are not applicable to them.

One subsidiary company incorporated in India has granted interest free unsecured loan to one company covered in the register maintained under Section 189 of the Act; and with respect to the same:

- a. the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, receipt of the principal amount is regular.
- b. there is no overdue amount in respect of loans granted to such company.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Holding Company and three subsidiary companies incorporated in India and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services, as applicable. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

Owing to the nature of its business, four subsidiary companies and one associate company incorporated in India do not maintain any physical inventories or sell any goods. Accordingly, Clause 3(iv) of the Order with respect to purchase of inventories in aforesaid four subsidiary companies and one associate company incorporated in India is not applicable. Further, there are no transactions pertaining to purchase of fixed assets or sales of services in case of four subsidiary companies incorporated in India. Accordingly, Clause 3(iv) of the Order with respect to purchase of fixed assets in aforesaid four subsidiary companies incorporated in India is not applicable.

In our opinion, there is an adequate internal control system commensurate with the size of one associate company incorporated in India and the nature of their business for the purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

- (v) The Holding Company, seven subsidiary companies and one associate company incorporated in India have 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 to them.

Annexure A to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the consolidated financial statements for the fifteen months period ended March 31, 2016

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Holding Company, five subsidiary companies and one associate company incorporated in India for their products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to them.

Books of account maintained by two subsidiary companies incorporated in India have been broadly reviewed by respective auditors pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of products of these entities and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, there is no detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Holding Company, six subsidiary companies and one associate company incorporated in India are generally 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, though there has been a slight delay in a few cases. However in case of one subsidiary company incorporated in India there have been significant delays in a large number of cases.

Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable in case of the Holding Company and six subsidiary companies and one associate company incorporated in India. Undisputed amounts payable in respect thereof, which were outstanding at the period-end for a period of more than six months in respect of a one of the subsidiary company incorporated in India from the date they became payable, which are as follows:-

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Jammu and Kashmir General Sales Tax Act, 1962	Sales Tax	6,995,441	For the month of September 2012	October 30, 2012	Not yet paid
		2,138,837	For the month of October 2012	January 30, 2013	Not yet paid
		5,093,213	For the month of November 2012	January 30, 2013	Not yet paid
		1,860,469	For the month of December 2012	January 30, 2013	Not yet paid

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute in case of four subsidiary companies and one associate company incorporated in India.

Further, the dues outstanding for holding companies and three subsidiary companies and one associate company incorporated in India 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, are as follows:

Name of the statute	Description	Nature of dues	Amount (Rs.)	Amount Paid under protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Custom Duty Act, 1962	Holding Company	Custom duty	13,924,896	Nil	FY 2007-08	CESTAT, Chennai
	Holding Company	Custom duty	9,749,862	Nil	FY 2008-09	High Court of Allahabad
	Holding Company	Custom duty	4,823,292	4,823,292	FY 2009-10 to 2011-12	CESTAT, New Delhi

Annexure A to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the consolidated financial statements for the fifteen months period ended March 31, 2016

Name of the statute	Description	Nature of dues	Amount (Rs.)	Amount Paid under protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Excise Duty Act, 1948	Holding Company	Excise duty	197,707,615	594,307	FY2006-07 FY 2011-12 FY 2012-13 FY 2013-14	CESTAT, New Delhi
	Holding Company	Excise duty	1,111,795	7,220	FY 2011-12 to 2013-14	Assistant Commissioner Custom and Central Excise, Noida
	Holding Company	Excise duty	566,581,606	24,470	FY 2007-08 to FY 2013-14	Commissioner Custom and Central Excise, Noida
	Holding Company	Excise duty	9,601,232	356,530	FY 2006-07 FY 2011-12 FY 2012-13	Additional Commissioner Custom and Central Excise, Noida
Finance Act, 1994	Holding Company	Service tax	288,254,463	2,953,470	FY 2003-04 to 2004-05, FY 2006-07 to 2012-13	Commissioner Custom and Central Excise, Noida
	Holding Company	Service tax	5,440,788	Nil	FY 1999-00	Deputy Commissioner Customs and Central Excise, Noida
	Holding Company	Service tax	10,316,085	Nil	FY 2008-09 to 2010-11	Additional Commissioner Custom and Central Excise, -Noida
	Holding Company	Service tax	323,023,008	Nil	FY 2008-09 to 2011-13	Commissioner Service Tax, Delhi.
	Holding Company	Service tax	16,855	Nil	FY 2008-09 FY 2009-10 to 2010-11	Assistant Commissioner, Noida
Entry Tax Act, 2009	Holding Company	Entry tax	120,161,327	7,050,841	FY 1999-00 to 2001-02	Supreme Court of India
	Holding Company	Entry tax	2,930,424	1,465,308	FY 2003-04 to 2007-08	High Court, Allahabad
	Holding Company	Entry tax	4,241,834	1,838,272	FY 2004-05 FY 2005-06 FY 2008-09	Commercial Tax Tribunal, Noida
	Holding Company	Entry tax	276,135	27,650	FY 2007-08	Deputy Commissioner, Raipur (Appeals)
Central Sales Tax Act, 1956	Holding Company	Sales tax	54,049,750	7,408,830	FY 2004-05 to 2006-07 FY 2008-09	Commercial Tax Tribunal, Noida
	Holding Company	Sales tax	8,415,748	4,734,084	FY 2006-07 to 2012-13	Additional Commissioner, (Appeals)
U.P. Trade Tax Act, 1948	Holding Company	Value added taxes	5,364,113	3,094,774	FY 2006-07 to 2007-08	Commercial Tax Tribunal, Noida
Rajasthan Value Added Tax Act, 2003	Holding Company	Value added taxes	1,229,714	77,200	FY 2011-12 FY 2012-13	Appellate Authority-I
U.P. Value Added Tax Act, 2008	Holding Company	Value added taxes	20,892,671	9,251,120	FY 2000-08 to 2008-09 FY 2012-13	Additional Commissioner, (Appeals)
	Holding Company	Value added taxes	34,435,162	800,000	FY 2008-09	Commercial Tax Tribunal, Noida
Kerala VAT Act, 2005	Holding Company	Value added taxes	2,608,271	1,372,789	FY 2007-08 FY 2008-09	Commercial Tax Assistant Commissioner, Ernakulam

Annexure A to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the consolidated financial statements for the fifteen months period ended March 31, 2016

Name of the statute	Description	Nature of dues	Amount (Rs.)	Amount Paid under protest (Rs.)	Period to which the amount relates	Forum where dispute is pending
Chhattisgarh VAT Act, 2005	Holding Company	Value added taxes	32,697	3,300	FY 2007-08	Deputy Commissioner Raipur (Appeals))
West Bengal VAT Act 2003	Holding Company	Value added taxes	1,038,907	Nil	FY 2009-10	Joint Commissioner, West Bengal
Income Tax Act, 1961	Holding Company	Income tax	903,566,208	36,279,670	AY 2004-05 to AY 2010-11	Income Tax Appellate Tribunal
UP Vat Act, 2008	Consolidated entity	Entry tax	37,117	37,117	FY 2008-09	Additional Commissioner (Appeals)
UP Vat Act, 2008	Consolidated entity	Value added taxes	4,972,330	723,499	FY 2009-10	Additional Commissioner (Appeals)
Central Sales Tax Act, 1956	Consolidated entity	Sales tax	5,235,378	2,617,690	FY 2011-12	Additional Commissioner (Appeals)
UP Vat Act, 2008	Consolidated entity	Entry tax	2,066,859	723,401	FY 2008-09	Additional Commissioner (Appeals)
Central Sales Tax Act, 1956	Consolidated entity	Sales tax	275,506	114,458	FY 2008-09	Additional Commissioner (Appeals)
Central Sales Tax Act, 1956	Consolidated entity	Sales tax	50,559	Nil	FY 2007-08	Additional Commissioner (Appeals)
UP Vat Act, 2008	Consolidated entity	Entry tax	1,610,584	215,547	FY 2009-10	Additional Commissioner (Appeals)
Central Sales Tax Act, 1956	Consolidated entity	Sales tax	3,709,922	Nil	FY 2009-10	Additional Commissioner (Appeals)
Central Sales Tax Act, 1956	Consolidated entity	Sales tax	7,068,455	Nil	FY 2010-11	Additional Commissioner (Appeals)
Central Sales Tax Act, 1956	Consolidated entity	Sales tax	331,795	Nil	FY 2011-12	Additional Commissioner (Appeals)
Income tax Act, 1961	Consolidated entity	Income tax	172,344,760	Nil	FY 2011-12	CIT (Appeals)
West Bengal VAT Act, 2003	Consolidated entity	Value added taxes	1,401,534	Nil	FY 2009-10	Commercial Taxes Appellate & Revisional Board (West Bengal)
Kerala VAT Act, 2003	Consolidated entity	Value added taxes	429,515	146,608	FY 2008-09 FY 2010-11	Commercial Taxes Officer (CTO), KVAT
Kerala Value Added Tax Rules, 2005	Consolidated entity	Value added taxes	1,060,477	Nil	FY 2009-10	Deputy Commissioner (Appeals)
Kerala VAT Act, 2003	Consolidated entity	Value added taxes	772,467	792,276	FY 2009-10	Deputy Commissioner, Commercial Taxes, Kochi
Kerala Finance Act, 2008	Consolidated entity	Social security cess	7,724	7,724	FY 2009-10	Deputy Commissioner, Commercial Taxes, Kochi
Tamil Nadu VAT Act, 2006	Consolidated entity	Value added taxes	3,861,539	1,930,770	FY 2012-13	Assistant Commissioner (CT), Valluvarkottam
Uttar Pradesh VAT Act, 2008	Consolidated entity	Value added taxes	1,898,525	379,705	FY 2011-12	Deputy Commissioner, Commercial Taxes, Noida
CST (Tamil Nadu) Rules of CST Act 1956	Consolidated entity	Value added taxes	1,572,298	698,919	FY 2012-13 FY 2013-14	Assistant Commissioner (CT), Valluvarkottam
CST (Uttar Pradesh) Rules of CST Act 1956	Consolidated entity	Value added taxes	46,156,475	Nil	FY 2012-13	Deputy Commissioner, Commercial Taxes, Noida

Notes:

- (i) FY - Financial year
- (ii) AY – Assessment year

Annexure A to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the consolidated financial statements for the fifteen months period ended March 31, 2016

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the seven subsidiary companies and one associate company incorporated in India. The Holding Company has transferred the amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within the specified time.
- (viii) In our opinion, the Group's accumulated losses on consolidation basis at the end of the financial period are more than fifty percent of its net worth. The Group has incurred cash losses in the current period and the immediately preceding financial year.
- (ix) There are no dues payable to debenture holders. The Group has defaulted in repayment of dues to the banks and a financial institution as summarized below:

	Due date	Amount of default (Rs.)	Default in days
Banks	30-Sep-13	410,220	640
	31-Oct-13	2,802,740	609-882
	30-Nov-13	2,740,517	852
	31-Dec-13	2,980,806	447-821
	31-Jan-14	7,219,821	454-790
	28-Feb-14	23,111,939	388-762
	31-Mar-14	44,933,089	288-731
	30-Apr-14	29,759,832	327-701
	31-May-14	74,938,392	296-670
	30-Jun-14	152,791,342	266-640
	31-Jul-14	52,627,286	235-609
	31-Aug-14	212,290,865	204-578
	30-Sep-14	168,871,259	113-548
	31-Oct-14	77,323,647	82-517
	30-Nov-14	411,828,329	52-487
	30-Dec-14	20,327,302	10-456
	31-Dec-14	192,160,405	21-456
	31-Jan-15	92,727,929	1-425
	28-Feb-15	448,281,262	1-397
	31-Mar-15	211,516,945	1-366
	30-Apr-15	90,359,240	1-336
	31-May-15	419,770,033	1-305
	30-Jun-15	90,352,985	1-275
	31-Jul-15	93,473,155	21-244
	31-Aug-15	419,624,437	1-213
	30-Sep-15	90,384,105	50-183
	31-Oct-15	93,169,552	59-152
	30-Nov-15	415,884,791	1-122
	31-Dec-15	92,845,741	91
	31-Jan-16	92,886,536	60
	29-Feb-16	411,419,825	1-31
	31-Mar-16	298,584,625	-
Financial Institution	31-Jan-14	1,495,820	790
	28-Feb-14	1,557,851	762
	31-Mar-14	1,724,763	731
	30-Apr-14	1,415,804	701
	31-May-14	1,724,763	670
	30-Jun-14	12,719,750	640
	31-Jul-14	2,768,897	609

Annexure A to the Independent Auditor's Report of even date to the members of Moser Baer India Limited, on the consolidated financial statements for the fifteen months period ended March 31, 2016

	Due date	Amount of default (Rs.)	Default in days
	31-Aug-14	13,008,600	578
	30-Sep-14	8,930,113	548
	31-Oct-14	4,408,920	517
	30-Nov-14	22,812,627	487
	31-Dec-14	9,358,180	456
	31-Jan-15	4,418,445	425
	28-Feb-15	22,527,567	397
	31-Mar-15	9,358,180	366
	30-Apr-15	4,275,914	336
	31-May-15	23,035,915	305
	30-Jun-15	4,275,914	275
	31-Jul-15	4,418,445	244
	31-Aug-15	23,035,915	213
	30-Sep-15	4,275,914	183
	31-Oct-15	4,418,445	152
	30-Nov-15	22,893,384	122
	31-Dec-15	4,418,445	91
	31-Jan-16	4,418,445	60
	29-Feb-16	22,750,855	31
	31-Mar-16	4,418,445	-

- (x) The terms and conditions on which the Holding Company has given guarantee for loans taken by subsidiaries from banks, in respect of which no commission is charged from the subsidiaries, are not, prima facie, prejudicial to the interest of the Holding Company. Seven subsidiary companies and one associate company incorporated in India have not given any guarantees for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable to them.
- (xi) The Holding Company, three subsidiary companies and one associate company incorporated in India have applied the term loans for the purpose for which these loans were obtained. Four subsidiary companies incorporated in India did not have any term loans outstanding during the period. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to them.
- (xii) No fraud on or by the Holding Company, seven subsidiary companies and one associate company incorporated in India has been noticed or reported during the period covered by our audit.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per Neeraj Goel
Partner
Membership No.:099514

Place: New Delhi
Date: May 25, 2016

MOSER BAER INDIA LIMITED

Consolidated balance sheet as at March 31, 2016

(All amounts in rupees unless otherwise stated)

	Notes	As at March 31, 2016	As at December 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	5	2,217,659,830	2,083,061,040
Preference shares issued by subsidiary companies	6	8,354,338,571	8,297,838,571
Reserves and surplus	7	(47,928,973,004)	(36,993,222,371)
		(37,356,974,603)	(26,612,322,760)
Non-current liabilities			
Long-term borrowings	8	12,676,907,582	22,504,495,662
Other long-term liabilities	9	10,070,718	48,097,108
Long-term provisions	10	552,341,293	530,637,433
		13,239,319,593	23,083,230,203
Current liabilities			
Short-term borrowings	11	10,623,046,951	10,766,485,933
Trade payables			
- Due to micro, small and medium enterprises	12	21,044,483	51,431,626
- Due to others	12	2,938,146,247	2,821,179,365
Other current liabilities	13	30,713,732,531	15,805,211,549
Short-term provisions	14	3,331,036,398	2,345,642,955
		47,627,006,610	31,789,951,428
		23,509,351,600	28,260,858,871
ASSETS			
Non-current assets			
Fixed assets	15		
Tangible assets		14,195,006,072	16,294,488,055
Intangible assets		699,304,014	751,079,394
Capital work-in-progress		57,311,890	74,355,023
Non-current investments	16	7,446,607	8,074,951
Long-term loans and advances	17	518,983,465	598,807,051
Other non-current assets	18	126,781,721	61,369,304
		15,604,833,769	17,788,173,778
Current assets			
Inventories	19	2,444,635,908	3,644,571,252
Trade receivables	20	2,406,036,416	3,292,124,495
Cash and bank balances	21	306,407,886	581,934,951
Short-term loans and advances	22	2,190,910,332	2,217,343,281
Other current assets	23	556,527,289	736,711,114
Total current assets		7,904,517,831	10,472,685,093
		23,509,351,600	28,260,858,871

The accompanying notes from 1 to 56 form an integral part of the consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
(formerly Walker, chandiok & Co)
Chartered Accountants

per **Neeraj Goel**
Partner

Place: New Delhi
Date: May 25, 2016

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Nita Puri
Director
DIN : 00002331

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

Yogesh Mathur
Chief Financial Officer
PAN: ADDPP2926L

MOSER BAER INDIA LIMITED

Consolidated statement of profit and loss for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

		Period ended March 31, 2016	Year ended December 31, 2014
REVENUE			
Revenue from operations (gross)	24	9,519,739,603	12,112,357,295
Less: Excise duty		(541,599,469)	(428,017,993)
Revenue from operations (net)		8,978,140,134	11,684,339,302
Other income	25	374,282,346	258,553,608
Total revenue		9,352,422,480	11,942,892,910
Expenses			
Cost of materials consumed	26	4,180,469,448	5,631,438,417
Purchases of stock-in-trade	27	743,540,468	642,330,882
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	722,758,094	1,430,820,530
Employee benefit expenses	29	2,025,589,934	1,842,776,466
Finance costs	30	5,743,051,000	4,191,455,202
Depreciation, amortisation and impairment	31	2,305,901,128	3,161,911,212
Other expenses	32	2,759,475,688	3,928,323,763
		18,480,785,760	20,829,056,472
Loss before exceptional items and tax		(9,128,363,280)	(8,886,163,562)
Exceptional items (expenses)	33	(621,686,147)	(508,201,745)
Loss before tax		(9,750,049,427)	(9,394,365,307)
Tax expense:			
- Current tax		83,960	1,032,150
Net loss for the period /year		(9,750,133,387)	(9,395,397,457)

Loss per equity share (equity share of par value of Rs. 10 each) (refer note 42)

-Basic	(44.49)	(45.45)
-Diluted	(44.49)	(45.45)

The accompanying notes from 1 to 56 form an integral part of the consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Walker Chandio & Co LLP**
(formerly Walker, chandio & Co)
Chartered Accountants

per **Neeraj Goel**
Partner

Place: New Delhi
Date: May 25, 2016

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

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AVP Legal and
Company Secretary
M.No: F4589

Nita Puri
Director
DIN : 00002331

Yogesh Mathur
Chief Financial Officer
PAN: ADDPP2926L

MOSER BAER INDIA LIMITED

Consolidated cash flow statement for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

	Period ended March 31, 2016	Year ended December 31, 2014
Cash flow from operating activities:		
Loss before tax	(9,750,049,427)	(9,394,365,307)
Adjustments for:		
Depreciation, amortisation and impairment	2,305,901,128	3,161,911,212
Finance costs	5,743,051,000	4,191,455,202
Interest income	(44,329,639)	(58,516,132)
Loss on sale/deletion of fixed assets	-	2,107,307
Provision for doubtful debts/advances	438,378,452	809,653,383
Debts/advances written off	3,150,205	3,244,597
Old liabilities and provisions no longer required written back	(91,939,400)	(56,430,869)
Provision for slow moving stock	316,371,294	316,566,461
Provision for warranty	3,515,568	(7,009,543)
Unrealised foreign exchange loss	(83,406,316)	103,839,067
Provision for diminution in long term investments	628,344	-
Operating loss before working capital changes	(1,158,728,791)	(927,544,623)
Changes in working capital		
Decrease/(increase) in trade receivables	228,541,246	(1,149,029,159)
Decrease in loans and advances and other assets	133,774,959	741,308,254
Decrease in inventories	883,564,050	2,138,453,391
Increase in trade payable and other liabilities	493,790,042	795,091,656
Cash generated from operations	580,941,506	1,598,279,519
Income tax paid	(47,517,370)	(35,986,649)
Net cash generated from operating activities	A 533,424,136	1,562,292,870
Cash flow from investing activities:		
Purchase of fixed assets/ additions to capital work-in-progress	(163,749,916)	(188,189,018)
Investments in fixed deposits	(220,533,801)	(331,652,014)
Proceeds from fixed deposits	331,652,013	697,613,211
Interest received	37,297,277	69,038,555
	(15,334,427)	246,810,734

MOSER BAER INDIA LIMITED

Consolidated cash flow statement for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

	Period ended March 31, 2016	Year ended December 31, 2014
Cash flow from financing activities:		
Proceeds from issue of preference shares by subsidiary	56,500,000	42,500,000
Proceeds from issue of equity shares	7,500,000	17,500,000
Proceeds from long term borrowings	110,500,000	257,400,000
Repayment in long-term borrowings	(130,229,719)	(1,284,059,379)
Net movement in short-term borrowings	237,900,392	1,859,352,728
Finance costs	(963,912,981)	(2,850,079,475)
Dividend paid for earlier years	(756,254)	(557,380)
Net cash used in financing activities	C (682,498,562)	(1,957,943,506)
Net increase in cash and cash equivalents	(A+B+C) (164,408,853)	(148,839,902)
Cash and cash equivalents at the beginning of the period /year	250,282,938	399,122,840
Cash and cash equivalents at the end of the period /year	85,874,085	250,282,938
Components of cash and cash equivalents		
Cash, cheques and drafts in hand	2,731,556	3,467,891
Balance with banks	82,782,205	243,825,680
Deposits with less than 3 months maturity	360,324	2,989,367
	85,874,085	250,282,938

The accompanying notes from 1 to 56 form an integral part of the consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date.

For **Walker Chandio & Co LLP**
(formerly Walker, chandio & Co)
Chartered Accountants

per Neeraj Goel
Partner

Place: New Delhi
Date: May 25, 2016

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

Nita Puri
Director
DIN : 00002331

Yogesh Mathur
Chief Financial Officer
PAN: ADDPP2926L

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

1 Basis of preparation of consolidated financial statements

Consolidated Financial Statements (CFS) of Moser Baer India Limited, ("the Company or Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India including the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in Schedule III to the Companies Act, 2013.

2 Consolidation procedure

- (a) The CFS are prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" notified under The Companies Act, 2013 ("the Act"). The financial statements of the Parent and its subsidiaries are combined on a line by line basis by adding together sums of like nature, comprising assets, liabilities, income and expenses and after eliminating intra-group balances/ transactions.
- (b) The Financial Statements of certain foreign subsidiaries and associates, are prepared by them on the basis of generally accepted accounting principles, local laws and regulations as prevalent in their respective countries and such financial statements are considered for consolidation and necessary adjustments are made in those financial statements to align their accounting policies to the Group.
- (c) Subsidiaries are consolidated on the date on which effective control is transferred to the group and are no longer consolidated from the date of disposal.
- (d) The financial statements of the subsidiaries have been drawn for the period from January 1, 2015 or date of incorporation/ acquisition, whichever is later, to March 31, 2016.
- (e) The Parent's cost of its investment in its subsidiaries has been eliminated against the Parent's portion of equity of each subsidiary as on the date of investment in that subsidiary. The excess is recognised as 'Goodwill'. Negative goodwill is recognised as 'Capital Reserve'.
- (f) For the purpose of compilation of the CFS the foreign currency assets, liabilities, income and expenditure are translated as per Accounting Standard (AS-11) on "Accounting for the Effects of Changes in Foreign Exchange Rates", notified under the Act. Exchange differences arising are recognised in the Consolidated Profit and Loss account or in the Foreign Currency Translation Reserve classified under Reserves and Surplus as applicable, under the above mentioned Accounting Standard.
- (g) Investment in associates are accounted for under the Equity Method as per AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements" notified under the Act based on the financial statements of the associates drawn up to the same period as that of the Holding Company. The Group discontinues recognising the share of future losses when the share of losses in associate equals or exceeds the carrying amount of investment.

3 Use of estimates

The preparation of consolidated financial statements in conformity with the principles generally accepted in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Example of such estimates include provisions for doubtful debts/ advances, employee retirement benefit plans, warranty, provision for income taxes, useful life of fixed assets, diminution in value of investments and fixed assets, other probable obligations and inventory write down. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

4 Significant accounting policies

(a) Revenue Recognition

(i) Revenue from sale of goods

Revenue from sale of goods is recognised on transfer of significant risks and rewards incident to ownership and when no significant uncertainty exists regarding realisation of the consideration. Sales are recorded net of sales returns, rebates, trade discounts and price differences and are inclusive of excise duty.

Revenue from sale of other rights such as satellite rights, music rights, overseas assignment rights etc. is recognised as and when the rights for exploitation are transferred to the customer and no significant uncertainty exists regarding realisation of the consideration.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

(ii) Revenue from sale of services

Service income comprises of revenue from assets given on lease and other services rendered.

(iii) Revenue from construction contracts

(a) Revenue in respect of construction contracts, which extend beyond an accounting period and where the outcome can be reliably estimated, is recognised on 'Percentage of Completion' method by calculating the portion that costs incurred upto the reporting date bear to the latest estimated total costs of each contract. In other cases, revenue is recognised only to the extent of contract costs incurred of which recovery is probable. Provision for foreseeable losses on contracts is made, based on the estimates of the management.

(b) Revenue from assets given on lease is recorded in accordance with the accounting policy given below on 'Leases'.

(c) Income from other services is recognised as and when services are rendered.

(iv) Other income

(a) Interest is accounted for based on a time proportion basis taking into account the amount invested and the underlying rate of interest. when no significant uncertainty exists regarding realisation of the sale consideration.

(b) Dividend is recognised as and when the right of the Company to receive payment is established.

(c) Export benefit entitlements under the Focused Product Scheme are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made.

(b) Fixed assets

(i) Tangible assets

Tangible assets are stated at cost less accumulated depreciation. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use.

Incidental expenditure pending allocation and attributable to the acquisition of fixed assets is allocated/ capitalised with the related fixed assets.

Capital expenditure incurred on rented properties is recorded as leasehold improvements under fixed assets to the extent such expenditure is of a permanent nature. Expenditure on assets which are of removable nature are recorded in the respective category of assets.

Fixed assets held for sale are recorded at lower of book value or estimated net realisable value.

(ii) Intangible assets

Intangible assets are stated at cost less accumulated amortisation. The cost incurred to acquire technical know how with "right to use and exploit" are capitalised where the right allows the Company to obtain a future economic benefit from use of such know how.

Further, expenditure incurred on knowhow yielding future economic benefits is recognised as internally generated intangible asset at cost less accumulated amortisation and impairment losses, if any.

Impairment, if any, in the carrying value of fixed assets is assessed at the end of each financial year in accordance with the accounting policy given below on "impairment of assets".

(c) Depreciation and amortisation

(i) Tangible assets

Depreciation on tangible fixed assets is provided under straight-line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are being amortised over the primary lease period or useful lives of related fixed assets whichever is shorter.

Depreciation on additions is being provided on pro-rata basis from the date of such additions. Similarly, depreciation on assets sold/ disposed off during the period is being provided up to the date on which such assets are sold/ disposed off.

In case the historical cost of an asset undergoes a change due to an increase or decrease in related long term liability on account of foreign exchange fluctuations on such long term liabilities, the depreciation on the revised unamortised depreciable amount is provided prospectively over the residual useful life of the asset.

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(ii) Intangible assets

Intangible assets are being amortised on a straight line basis over the useful life, not exceeding 10 years, as estimated by management to be the economic life of the asset over which economic benefits are expected to flow.

Copyrights/ marketing and distribution rights are amortised from the date they are available for use, at the higher of the amount calculated on a straight line basis over the period for which the intangible asset is available for exploitation to the Company, not exceeding 10 years and the number of units sold during the period basis.

(d) Investments

Long-term investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. A provision for diminution is made to recognise a decline, other than temporary in the value of long-term investments.

Current investments are stated at lower of cost and fair value determined on an individual basis.

(e) Inventory valuation

(i) Inventories are valued as under:

Finished goods, work-in-progress and traded goods	} At lower of cost and net realisable value
Raw materials, packing materials and stores and spares	

(ii) Cost of inventories is ascertained on the following basis:

Cost of raw material, goods held for resale, packing materials and stores and spares is determined on the basis of weighted average method.

Cost of work-in-process and finished goods is determined by considering direct material costs, labour costs and appropriate portion of overheads and non-recoverable duties.

Liability for excise duty in respect of goods manufactured by the Group, other than for exports, is accounted upon completion of manufacture.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to affect the sale.

(iii) Traded goods:

Traded goods held for resale are stated at lower of cost and net realisable value. Cost of traded goods is determined on weighted average cost basis.

(iv) Provision for obsolescence and slow moving inventory is made below cost based on management's best estimates of net realisable value.

(f) Government grants

Grants in the nature of contribution towards capital cost of setting up projects are treated as capital reserve and grants in respect of specific fixed assets are adjusted from the cost of the related fixed assets.

(g) Borrowing costs

Borrowing costs directly attributable to acquisition, construction or erection of fixed assets, which necessarily take a substantial period of time to be ready for their intended use, are capitalised. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Other borrowing costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

(h) Employee benefits

(i) Provident fund and Employee's state insurance

The entities within the Group makes contribution to statutory provident fund which is recognised by the income tax authorities in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan, as applicable. These funds are administered through Regional Provident Fund Commissioner and contribution paid or payable is recognised as an expense in the period in which the services are rendered by employees of the contributing entities. These entities have no legal or constructive obligation to pay further contribution after payment of the fixed contribution.

Contribution to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, as applicable is recognised as an expense in the period in which the services are rendered by employees of the contributing entities.

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(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses. Gratuity fund is administered through Life Insurance Corporation of India. The defined benefit obligation is calculated at the balance sheet date on the basis of actuarial valuation by an independent actuary using projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the period in which such gains or losses arise.

(iii) Compensated absences

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. The compensated absences comprises of vesting as well as non vesting benefit. Liability in respect of compensated absences becoming due and expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the period in which such gains or losses arise.

(iv) Other benefits

Liability for long-term employee retention schemes is determined on the basis of actuarial valuation at the period end. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss as income or expense.

Expense in respect of other short-term benefits is recognised on the basis of amount paid or payable for the period during which services are rendered by the employees.

(i) Foreign currency transactions

(i) 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.

(ii) Subsequent recognition

Foreign currency monetary assets and liabilities are reported using the closing rate as at the reporting date.

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.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements, are recognised as income or expense in the period in which they arise, except for exchange differences arising on foreign currency monetary items.

Gain/ loss on account of exchange fluctuations arising on long-term foreign currency liabilities in so far as it relates to the acquisition of depreciable capital assets is added to the cost of such assets and in other cases, by transfer to "Foreign Currency Monetary Item Translation Difference Account", to be amortised over the balance period of such long-term foreign currency liabilities or March 31, 2020, whichever is earlier.

(iv) Foreign operations

In respect of integral foreign branches, all revenues, expenses, monetary assets/ liabilities and fixed assets are accounted at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are restated at the period end rates and resultant gains or losses are recognised in the statement of profit and loss and non-monetary items are carried at historical rates. Exchange differences arising in case of integral foreign operations are recognised in the statement of profit and loss and exchange differences arising in case of non integral foreign operations are recognised in the foreign currency translation reserve classified reserves and surplus.

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(j) Taxation

(i) Current tax:

Provision is made for current income tax liability based on the applicable provisions of the Indian Income Tax Act, 1961 for the income chargeable under the aforementioned Income Tax Act and the relevant income tax laws of other countries in which the branch/ other entities of the Group are incorporated.

(ii) Deferred tax:

Deferred income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In respect of carry forward losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such losses can be set off.

Further, deferred tax asset appearing in books is reviewed at each reporting date and is written down to the extent it is not certain that the Company will pay taxes on future incomes against which such deferred tax asset may be adjusted.

(k) Leases

(i) Finance lease

Assets acquired under finance leases are recognised as an asset and a liability at the lower of the fair value of the leased assets at inception of the lease and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability and charged in the statement of profit and loss.

(a) Operating lease where group is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as 'Operating Leases'. Lease rentals in respect of assets taken under operating leases are charged to the statement of profit and loss on straight line basis over the term of lease.

(b) Operating lease where group is lessor

Lease rentals in respect of assets given under operating leases are credited to the statement of profit and loss on straight line basis over the term of lease.

(l) Stock option plans

Stock options granted to the employees and to the non-executive Directors who accepted the grant under the Company's Stock Option Plan are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. The Group follows the intrinsic value method and accordingly, the excess, if any, of the market price of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognised as employee compensation cost and amortised on straight line basis over the vesting period.

(m) Impairment of assets

At each balance sheet date, the Group assesses whether there is any indication that an asset may be impaired. If such indication exists, the Group estimates the recoverable amount and where carrying amount of the asset exceeds such recoverable amount, an impairment loss is recognised in the statement of profit and loss to the extent the carrying amount exceeds recoverable amount. Where there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, the Group books a reversal of the impairment loss not exceeding the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior accounting periods.

Goodwill arising on consolidation is tested for impairment at every balance sheet date.

(n) Warranty claims

The solar subsidiaries in the business of manufacturing of crystalline silicon solar photovoltaic modules provides up to 5 year limited warranty that the modules are free from defects in materials and workmanship, a 12 year limited warranty of 90 percent power output and a 25 year limited warranty of 80 percent of power output of its modules.

The subsidiaries accrue warranty costs, at the time when revenue is recognised.

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Actual warranty costs are accumulated and charged against the accrued warranty liability. To the extent that actual warranty costs differ from the estimates, the Group will prospectively revise its accrual rate.

(o) Segment reporting

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in consolidated financial statements with the following additional policies for segment reporting:

Inter segment revenue have been accounted for based on the transaction price agreed between segments with reference to cost, market prices and business risks, with an overall optimisation objective for the Group.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under unallocated expenses/ revenue.

(p) Provisions and contingent liabilities

The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where results would be anti-dilutive.

(r) Research and development costs

Revenue expenditure on research is expensed off under the respective heads of account in the period in which it is incurred. Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the relevant entity within the group has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit and loss as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

(s) Derivative instruments

The Group uses foreign exchange forward contracts to hedge its exposure towards highly probable and forecasted transactions. These foreign exchange forward contracts are not used for trading or speculation purposes.

(i) Forward contracts where an underlying asset or liability exists

In such case, the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the life of the contract.

(ii) Forward contracts taken for highly probable/ forecast transactions

Such forward exchange contracts are marked to market at the balance sheet date if such mark to market results in exchange loss such exchange loss is recognised in the statement of profit and loss immediately. Any gain is ignored and not recognised in the financial statements in accordance with the principles of prudence enunciated in Accounting Standard 1 - 'Disclosure of Accounting Policies' notified under the Act.

Profit or loss arising on cancellation or renewal of a forward contract is recognised as income or expense in the period in which such cancellation or renewal is made.

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5. Share Capital

Particulars	As at March 31, 2016		As at December 31, 2014	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10 each	1,250,000,000	12,500,000,000	1,250,000,000	12,500,000,000
Issued				
Equity shares of Rs. 10 each	221,765,983	2,217,659,830	208,306,104	2,083,061,040
Subscribed and fully paid up				
Equity shares of Rs. 10 each fully paid	221,765,983	2,217,659,830	208,306,104	2,083,061,040

(A) Terms and rights attached to equity shares :

The Company has one class of equity shares with a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(B) The Company has not issued any bonus shares during the current period and five years immediately preceding current period.

(C) Reconciliation of the number of shares outstanding at beginning and end of reporting period / year:

Particulars	As at March 31, 2016		As at December 31, 2014	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the period /year	208,306,104	2,083,061,040	198,306,104	1,983,061,040
Add: Shares issued during the period /year	13,459,879	134,598,790	10,000,000	100,000,000
Shares outstanding at the end of the period /year	221,765,983	2,217,659,830	208,306,104	2,083,061,040

(D) Shareholders holding more than 5 % of equity share capital :

Name of shareholder	As at March 31, 2016		As at December 31, 2014	
	No. of shares held	% of holding	No. of shares held	% of holding
Deepak Puri and HUF	67,420,141	30.40	67,420,141	32.37
Micro Green Electronics Pvt. Ltd. (formerly known as COBOL Power & Technologies Private Limited)	13,450,000	6.06	-	-
Electra Partners Mauritius Limited	9,960,345	4.49	9,960,345	4.78

(E) Stock option plans :

The Company has three stock option plans.

(i) Employee Stock Option Plan 2004 and Director's Stock Option Plan 2005:

The Director's Option Plan 2005 and Stock Option Plan 2004 has been terminated upon expiry of the time period of the scheme in June' 2015, which have lapsed. Outstanding number of options at the beginning of the current period was 92,000 having weighted average price for Rs. 152.06.

(ii) Employee Stock Option Plan 2009

The Employee Stock Option Plan 2009 has been terminated upon expiry of the time period of the scheme in June' 2015, which have lapsed. Outstanding number of options at the beginning of the current period was 947,452 having weighted average price for Rs. 77.44.

(iii) Moser Baer Solar Plc Stock Option Plan 2008:

Moser Baer Solar Holdings Limited has established a stock option plan called 'Moser Baer Solar Plc Stock Option Plan 2008'. The plan was established on December 18, 2008. The plan was set up so as to offer and grant stock options, in one or more tranches, to employees of Moser Baer Solar Holdings Limited, its subsidiaries and its holding companies, as the remuneration committee of Moser Baer Solar Holdings Limited may determine. The exercise price of such options shall be Rs.1,228 initially for a period of three months from the date of the Plan and thereafter till listing of the shares, as determined by remuneration committee.

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Subsequent to the listing of the shares on a stock exchange, the exercise price shall be the latest available closing price, prior to the date of grant, as quoted on the stock exchange on which the shares of Moser Baer Solar Holdings Limited are listed. All options, whether vested or unvested, granted to a grantee shall in any case expire after a period of seven years from the offer date.

During the period, Moser Baer Solar Holdings Limited under the 2008 plan has issued nil (previous period nil) options to eligible employees. During the current period, the options has been terminated upon expiry of the time period of the scheme in December' 2015. Outstanding number of options at the beginning of the current period was 82,197 having weighted average price for Rs. 129.88.

6 Preference shares issued by subsidiary companies:

Particulars	As at March 31, 2016		As at December 31, 2014	
	Number	Amount	Number	Amount
Fully convertible preference shares of GBP 1 each fully paid up	23,784,606	1,965,749,931	23,784,606	1,965,749,931
Non- cumulative, fully convertible Re 1 dividend bearing class A preference shares of Rs.10 each fully paid up	196,450,000	1,964,500,000	196,450,000	1,964,500,000
Re. 1 dividend bearing non-cumulative redeemable series A preference shares of Rs. 10 each	750,000	7,500,000	100,000	1,000,000
Non- cumulative, fully convertible Re 1 dividend bearing class B preference shares of Rs.10 each fully paid up	65,000,000	650,000,000	65,000,000	650,000,000
Fully convertible class B preference shares of GBP 1 each fully paid up	43,360,485	3,575,088,640	43,360,485	3,575,088,640
Re. 1 dividend bearing non-cumulative redeemable series D preference shares of Rs. 10 each	10,000,000	100,000,000	10,000,000	100,000,000
Re. 1 dividend bearing non-cumulative redeemable series E preference shares of Rs. 10 each	1,950,000	19,500,000	1,950,000	19,500,000
Re. 1 Dividend bearing non cumulative redeemable Series E Preference Shares of Rs.10 each	5,000,000	50,000,000	-	-
Re. 1 dividend bearing non-cumulative redeemable series F preference shares of Rs. 10 each	2,200,000	22,000,000	2,200,000	22,000,000
Total	348,495,091	8,354,338,571	342,845,091	8,297,838,571

Terms and rights attached to preference shares:

Moser Baer Solar Holdings Limited

- During the year 2007-08, Moser Baer Solar Holdings Limited allotted 23,784,606, fully convertible Class-A preference shares of GBP 1 each to Invest Pte Limited and CDC Group Plc. The shares are compulsorily convertible into equity shares of Moser Baer Solar Holdings Limited or, subject to receipt of regulatory approvals, to be swapped with equity shares of Moser Baer Solar Holdings Limited on November 11, 2011.
- During the year 2008-09, Moser Baer Solar Holdings Limited allotted 43,360,485, fully convertible class B preference shares of GBP 1 each to Morgan Stanley & Co., CDC Group Plc., Nomura Asia MB (Cayman) Limited, CSIM Real Estate infrastructure Fund L.P and Credit Suisse NYSTRS Cleantech Fund LP. Immediately prior to the Initial Public Offering (IPO) date but after receipt of regulatory approvals, these shares shall get converted into equity shares of Moser Baer Solar Holding Limited, simultaneously with conversion of class A preference shares, or in the event IPO is not completed prior to the Long Stop IPO Date, i.e., November 11, 2011, be swapped with equity shares of Moser Baer Solar Holdings Limited.

The above preference shares became due for conversion on November 11, 2011 as initial public offer had not been completed by long stop date. The Company is in negotiations with preference shareholders for proposed conversion of such preference shares into equity shares as per the shareholders agreement. Pending finalisation of such revised arrangement between Moser Baer Solar Holdings Limited and the preference shareholders as well as receipt of regulatory approvals, no equity shares have been issued till March 31, 2016.

Moser Baer Solar Limited

- During the year 2007-08, Moser Baer Solar Limited allotted 196,450,000 non-cumulative, fully convertible Re. 1 dividend bearing class A preference shares of Rs. 10 each to IDFC Private Equity Fund II and Infrastructure Development Finance Company Limited. The shares are compulsorily convertible into equity shares of the Company or, subject to receipt of regulatory approvals, to be swapped with equity shares of Moser Baer Solar Limited on November 11, 2011.
- During the year 2008-09, Moser Baer Solar Limited allotted 65,000,000 non-cumulative, fully convertible Re. 1 dividend bearing class B preference shares of Rs. 10 each to IDFC Private Equity Fund II and Infrastructure Development Finance Company

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Limited. Immediately prior to the Initial Public Offering (IPO) date of Moser Baer Solar Holdings Limited but after receipt of regulatory approvals, these shares shall get converted into equity shares of Moser Baer Solar Holding Limited, simultaneously with conversion of class A preference shares, or in the event IPO is not completed prior to the Long Stop IPO Date, i.e., November 11, 2011, be swapped with equity shares of Moser Baer Solar Holding Limited.

The above preference shares became due for conversion on November 11, 2011 as initial public offer had not been completed by long stop date. The Company is in negotiations with preference shareholders for proposed conversion of such preference shares into equity shares as per the shareholders agreement. Pending finalisation of such revised arrangement between Moser Baer Solar Limited and the preference shareholders as well as receipt of regulatory approvals, no equity shares have been issued till March 31, 2016.

- (iii) During the year 2013-14, Moser Baer Solar Limited allotted Re. 1 dividend bearing Class E preference shares of Rs 10 each, which are subject to optional redemption within 20 years from the date of allotment thereof. These shares are held by Mrs Nita Puri (950,000 shares) and Mr. Deepak Puri (1,000,000 shares).
- (iv) During the year 2013-14, Moser Baer Solar Limited allotted Re. 1 dividend bearing Class F preference shares of Rs 10 each, which are subject to optional redemption within 20 years from the date of allotment thereof. These shares are held by Mrs Nita Puri (1,500,000 shares), Mr. Deepak Puri (7,00,000 shares).

Helios Photovoltaic Limited

- (i) During the year 2012-13, Helios Photovoltaic Limited allotted 'Series D preference shares of Rs. 10 each, which are subject to compulsory redemption within 20 years from the date of allotment thereof (March 19, 2033 for 10,000,000 shares). These shares are held by Mr. Deepak Puri.
- (ii) During the period 2015-16, Helios Photovoltaic Limited issued Series E' preference shares subject to compulsory redemption within 20 years from the date of allotment thereof (June 29,2035 for 5,000,000 shares) at 9% premium compounded quarterly. 5,000,000 (previous period Nil) 'Series E' preference shares held by the Mr. Deepak Puri.

Moser Baer Investments Limited

- (i) During the year 2013-14, Moser Baer Investments Limited allotted 100,000 non cumulative, 9% dividend bearing Class A preference shares of Rs 10 each, which are subject to compulsory redemption after 7 years from the date of allotment thereof. These shares are held by Microgreen Electronics Private Limited (formerly known as COBOL Power & Technologies Private Limited).
- (ii) During the period 2015-16, Moser Baer Investments Limited allotted 9% dividend bearing 650,000 Series A preference shares of Rs 10 each, which are subject to redemption after 10 years from the date of allotment thereof (August 13, 2015). These shares are held by Microgreen Electronics Private Limited (formerly known as COBOL Power & Technologies Private Limited).

7 Reserves and surplus

Particulars	As at March 31, 2016	As at December 31, 2014
Capital reserve	181,440,000	181,440,000
Securities premium account		
Opening balance	5,053,472,321	5,756,311,276
Less: Premium on redemption of foreign currency convertible bonds (refer note 45(c))	(1,104,431,710)	(702,838,955)
Add: Addition during the period/year on issue of equity shares	3,928,187	-
Closing balance	3,952,968,798	5,053,472,321
Foreign currency translation reserve		
Opening balance	(29,472,204)	(29,472,204)
Closing balance	(29,472,204)	(29,472,204)
Deficit as per statement of profit and loss		
Opening balance	(42,198,662,488)	(32,803,265,031)
Add: Net loss for the period /year	(9,750,133,387)	(9,395,397,457)
Add: Depreciation adjustment against reserves	(85,113,723)	-
Closing balance	(52,033,909,598)	(42,198,662,488)
Total	(47,928,973,004)	(36,993,222,371)

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8. Long term borrowings

Particulars	As at March 31, 2016	As at December 31, 2014
Secured		
Rupee loans		
- From banks		
- Term loans	14,225,021,722	14,272,147,174
- Working capital term loans	6,451,275,215	6,480,767,214
- Funded interest term loans	3,364,991,395	3,460,384,687
- From others		
- Term loans	626,921,549	654,139,058
- Working capital term loans	30,866,000	83,478,500
	24,699,075,881	24,950,916,633
Less: Current maturities of long-term borrowings (refer note 13)	13,290,980,335	3,852,683,598
	11,408,095,546	21,098,233,035
Foreign currency loans		
- From banks	454,449,129	433,018,033
- From others	2,051,687,246	1,951,507,309
	2,506,136,375	2,384,525,342
Less: Current maturities of long-term borrowings (refer note 13)	1,478,224,339	1,235,662,715
	1,027,912,036	1,148,862,627
Unsecured		
- From others	240,900,000	257,400,000
Total	12,676,907,582	22,504,495,662

8 Additional disclosures:

Secured borrowings:

(i) Nature of security and terms of repayment for secured borrowings as at March 31, 2016 (rupee loans):

Particulars	As at March 31, 2016	As at December 31, 2014	Nature of security	Terms of Repayment
Rupee term loans	8,972,342,615	8,972,342,615	(i) First pari passu charge on fixed assets (ii) Second pari passu charge on current assets of the Company (iii) Pledge of 100% shareholding (67,420,141 number of shares) of the promoters of the Company (iv) Personal guarantee of Mr. Deepak Puri and Mrs. Nita Puri (v) Negative lien on land of Moser Baer Infrastructure and Developer Limited at Chennai on pari passu basis (vi) Corporate guarantee of Moser Baer Infrastructure and Developers Limited. (subsidiary of the Company that owns the rights to the Chennai land) (vii) Pledge of shares of Moser Baer Infrastructure and Developers Limited	Repayable in 32 quarterly installments after moratorium of 2 years from cut off date i.e. November 30, 2011 commencing from February 2014
Rupee term loans	251,193,000	270,826,000	(i) First pari-passu charge by way of mortgage on the immoveable properties acquired on sublease from MBIL comprising of 19,736 square meters of land at plot 66B, Udyog Vihar, Greater Noida, Uttar Pradesh, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened by anything attached to the earth, both present and future and hypothecation on entire movable fixed assets.	Repayable in 30 unequal installment from end of moratorium period i.e. March 31, 2014. First installment commenced from June 30, 2014
Rupee term loans	200,000,271	225,000,270	(ii) Personal guarantee of Mr. Deepak Puri	
Rupee term loans	458,396,000	458,396,000	(iii) Corporate guarantee of Moser Baer India Limited.	
Rupee term loans	514,892,000	520,146,000	(iv) First pari-passu charge by way of equitable mortgage of plot ad-measuring 566.05 bighas along with superstructure thereon, situated at village Tinwari, District Jodhpur, Rajasthan. (pending receipt of no objection certificate (NOC) from Jodhpur Land Authority)	

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

Particulars	As at March 31, 2016	As at December 31, 2014	Nature of security	Terms of Repayment
Rupee term loans	119,400,000	119,400,000	(i) First pari-passu charge by way of hypothecation of the existing and future current assets of the Company and second pari-passu charge by way of hypothecation on movable fixed assets of the Company.	Repayable in 30 unequal installment from end of moratorium period i.e. March 31, 2014. First installment commenced from June 30, 2014.
Rupee term loans	130,000,000	130,000,000	(ii) Personal guarantee of Mr. Deepak Puri (iii) Corporate guarantee of Moser Baer India Limited. (iv) Second pari-passu charge by way of equitable mortgage of plot admeasuring 566.05 bighas along with superstructure thereon, situated at village Tinwari , District Jodhpur, Rajasthan (pending receipt of no objection certificate (NOC) from Jodhpur Land Authority).	
Rupee term loans	4,205,719,386	4,230,175,347	(i) First pari-passu charge by way of mortgage on entire fixed assets, immovable properties plot no 66 B Udyog Vihar, Greater Noida comprising of 21,000 sq mtr of land together with building and structures constructed/to be constructed with fixed plant and machinery and hypothecation on movable fixed assets. (ii) Second pari passu charge on entire current assets, both present and future, of the company (subject to no objection certificate (NOC) from Bank of Baroda). (iii) Personal guarantee of Mr. Deepak Puri & Mrs. Nita Puri. (iv) Corporate guarantee of M/s Moser Baer India Ltd.	
Working capital term loans	3,846,963,477	3,854,977,476	(i) First pari-passu charge by way of hypothecation on entire movable fixed assets of the Company.(pending approval from IFC-Washington) and second pari-passu charge on current assets of the Company (ii) Corporate guarantee of Moser Baer India Limited. (iii) Personal guarantee of Mr. Deepak Puri. (iv) First pari-passu charge by way of equitable mortgage of plot admeasuring 566.05 bighas along with superstructure thereon, situated at village Tinwari, District Jodhpur, Rajasthan (pending receipt of no objection certificate(NOC) from Jodhpur Land Authority).	Repayable in 30 unequal quarterly installment from the end of moratorium period i.e March 31, 2014. First installment commencing from June 30, 2014.
Funded interest term loans	1,557,457,184	1,571,209,184	(i) First pari-passu charge by way of hypothecation on entire movable fixed assets of the Company.(pending approval from IFC-Washington) and second pari-passu charge on current assets of the Company (ii) Personal guarantee of Mr. Deepak Puri. (iii) First pari-passu charge by way of equitable mortgage of plot admeasuring 566.05 bighas along with superstructure thereon, situated at village Tinwari, District Jodhpur, Rajasthan (pending receipt of no objection certificate(NOC) from Jodhpur Land Authority).	Repayable in 20 unequal quarterly installment from the end of moratorium period i.e March 31, 2014. First installment commencing from June 30, 2014.
Working capital term loans	1,200,365,488	1,252,236,988	(i) First pari passu charge on fixed assets (ii) Second pari passu charge on current assets of the Company (iii) Pledge of 100% shareholding (67,420,141 number of shares) of the promoters of the Company (iv) Personal guarantee of Mr. Deepak Puri and Mrs. Nita Puri Negative lien on land of Moser Baer Infrastructure and Developer Limited at Chennai on pari passu basis (v) Corporate guarantee of Moser Baer Infrastructure and Developers Limited. (subsidiary of the Company that owns the rights to the Chennai land) (vi) Pledge of shares of Moser Baer Infrastructure and Developers Limited	Repayable in 16 quarterly installments after moratorium of 2 years from cut off date i.e. November 30, 2011, commencing from February 2014
Funded interest term loans	558,955,305	622,027,597	(vii) Pledge of shares of Moser Baer Infrastructure and Developers Limited	Repayable in 7 quarterly installments commencing from September 30, 2013

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

Working capital term loans	1,434,812,250	1,457,031,250	(i) First pari-passu charge by way of hypothecation on movable fixed assets of the company. (ii) Second pari passu charge on entire current assets, both present and future, of the company (subject to no objection certificate (NOC) from Bank of Baroda). (iii) Personal guarantee of Mr. Deepak Puri & Nita Puri. (iv) Corporate Guarantee of M/s Moser Baer India Ltd.	Repayable in 31 unequal installment from end of moratorium period i.e. March 31, 2014. First installment commenced from June, 2014.
Funded interest term loans	1,248,578,905	1,267,147,906	(i) First pari-passu charge by way of hypothecation on movable fixed assets of the company. (ii) Second pari passu charge on entire current assets, both present and future, of the company (subject to no objection certificate (NOC) from Bank of Baroda). (iii) Personal guarantee of Mr. Deepak Puri & Nita Puri.	
Total	24,699,075,881	24,950,916,633		
Less: Current portion of long-term debts (refer note 13)	13,290,980,335	3,852,683,598		
Net long-term borrowings	11,408,095,546	21,098,233,035		

(ii) Nature of security and terms of repayment for secured borrowings (foreign currency loans):

Particulars	As at March 31, 2016	As at December 31, 2014	Nature of security	Terms of Repayment
Foreign currency term loans	454,449,129	433,018,032	(i) First pari-passu charge by way of mortgage on the immovable properties of the company comprising of 21,000 sq mtr of land together with building and structures constructed/ to be constructed with fixed plant and machinery and hypothecation on movable fixed assets. (ii) Corporate Guarantee given by parent company.	Repayable in 31 installment from end of moratorium period i.e. March 31, 2014.
From others				
Foreign currency term loans	1,159,550,000	1,103,200,000	(i) First pari-passu charge by way of hypothecation on entire movable fixed assets of the Company.(pending approval from IFC- Washington) and second pari-passu charge on current assets of the Company (ii) Corporate guarantee given by parent company. (iii) First pari-passu charge by way of equitable mortgage of plot admeasuring 566.05 bighas along with superstructure thereon, situated at village Tinwari, District Jodhpur, Rajasthan	\$1,000,000 each on May 15, 2010, November 15, 2010 and May 15, 2011 \$2,500,000 on November 15, 2011 \$2,500,000 on May 15, 2012 \$3,000,000 on November 15, 2012 \$4,000,000 on May 15, 2013 \$4,000,000 on November 15, 2013 \$4,000,000 on May 15, 2014

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Foreign currency term loans	892,137,246	848,307,309	(i) First pari-passu charge by way of mortgage on entire fixed assets, immovable properties plot no 66 B Udyog Vihar, Greater Noida comprising of 21,000 sq mtr of land together with building and structures constructed/to be constructed with fixed plant and machinery and hypothecation on movable fixed assets. (ii) Second pari passu charge on entire current assets, both present and future, of the company (subject to no objection certificate (NOC) from Bank of Baroda). (iii) Personal guarantee of Mr. Deepak Puri & Nita Puri. (iv) Corporate Guarantee of M/s Moser Baer India Ltd.	Repayable in 31 unequal installment from end of moratorium period i.e. March 31, 2014. First installment commencing from June 30, 2014.
Total	2,506,136,375	2,384,525,342		
Less: Current portion of long-term borrowings (refer note 13)	1,478,224,339	1,235,662,715		
Net long-term borrowings	1,027,912,036	1,148,862,627		

(iii) Interest rate on long-term borrowings varies from 10.25 to 15.25 % p.a. (previous year 10.25 to 15.25 % p.a.)

(iv) Following is the period and amount of continuing defaults as on March 31, 2016 in repayment of loan and interest to banks and financial institutions of Moser Baer India Limited and its subsidiaries namely - Helios Photo Voltaic Limited (formerly known as Moser Baer Photo Voltaic Limited) and Moser Baer Solar Limited, as per Schedule III of the Companies Act, 2013:

Particulars	Due date	Amount	Period of default in days
Banks			
	July 14, 2012	6,297,732	1,356
	October 14, 2012	5,948,585	1,264
	January 14, 2013	5,581,542	1,172
	March 31, 2013	2,527,205	1,096
	April 14, 2013	5,192,867	1,082
	April 30, 2013	94,538	1,066
	May 31, 2013	104,625	1,035
	June 30, 2013	4,415,236	1,005
	July 14, 2013	5,189,413	991
	July 31, 2013	648,802	974
	August 31, 2013	680,631	943
	September 30, 2013	783,993	913
	October 14, 2013	5,208,678	899
	October 31, 2013	1,067,449	882
	November 30, 2013	3,440,138	852
	December 31, 2013	5,453,120	821
	January 14, 2014	10,818,667	807
	January 31, 2014	13,987,574	790
	February 28, 2014	24,563,575	762
	March 31, 2014	44,670,358	731
	April 14, 2014	5,629,650	717
	April 30, 2014	34,885,326	701
	May 31, 2014	90,007,062	670
	June 30, 2014	251,907,549	640
	July 14, 2014	11,831,162	626
	July 31, 2014	123,349,979	609
	August 31, 2014	308,331,033	578

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Particulars	Due date	Amount	Period of default in days
	September 30, 2014	343,170,453	548
	October 14, 2014	12,074,652	534
	October 31, 2014	181,440,282	517
	November 30, 2014	511,611,787	487
	December 31, 2014	396,031,683	456
	January 14, 2015	11,259,539	442
	January 31, 2015	204,414,821	425
	February 28, 2015	542,892,965	397
	March 31, 2015	436,793,231	366
	April 14, 2015	12,240,822	352
	April 30, 2015	209,486,473	336
	May 31, 2015	537,855,480	305
	June 30, 2015	442,071,161	275
	July 14, 2015	13,186,734	261
	July 31, 2015	224,725,077	244
	August 31, 2015	537,518,339	213
	September 30, 2015	444,581,978	183
	October 14, 2015	15,056,228	169
	October 31, 2015	228,922,750	152
	November 30, 2015	548,743,755	122
	December 31, 2015	470,795,884	91
	January 14, 2016	15,101,817	77
	January 31, 2016	232,717,299	60
	February 29, 2016	547,165,583	31
	March 31, 2016	298,584,625	-
Financial institution	May 15, 2012	179,071,539	1,416
	November 15, 2012	214,454,263	1,232
	May 15, 2013	283,282,572	1,051
	November 15, 2013	280,775,179	867
	January 31, 2014	4,586,964	790
	February 28, 2014	6,154,989	762
	March 31, 2014	8,496,471	731
	April 30, 2014	10,169,824	701
	May 15, 2014	292,504,035	686
	May 31, 2014	10,520,712	670
	June 30, 2014	36,365,656	640
	July 31, 2014	11,703,138	609
	August 31, 2014	22,384,365	578
	September 30, 2014	33,507,361	548
	October 31, 2014	13,824,040	517
	November 15, 2014	19,168,864	502
	November 30, 2014	31,965,466	487
	December 31, 2014	33,920,887	456
	January 31, 2015	13,968,225	425
	February 28, 2015	31,012,852	397
	March 31, 2015	33,953,951	366
	April 30, 2015	14,303,646	336
	May 15, 2015	23,884,431	321
	May 31, 2015	33,374,195	305
	June 30, 2015	43,595,606	275
	July 31, 2015	15,253,342	244
	August 31, 2015	32,779,896	213
	September 30, 2015	43,932,923	183
	October 31, 2015	15,464,367	152
	November 15, 2015	31,895,732	137
	November 30, 2015	33,571,812	122
	December 31, 2015	44,688,747	91
	January 31, 2016	15,141,392	60
	February 29, 2016	32,846,064	31
	March 31, 2016	4,418,445	-

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

(v) Unsecured loans:

Unsecured loan represents amount received from promoter group companies/enterprises over key management personnel exercise significant influence under approved CDR scheme as promoters contribution. Such loan are interest free in nature and are repayable on demand, subject to terms of CDR.

9 Other long-term liabilities

Particulars	As at March 31, 2016	As at December 31, 2014
Deferred government grant (refer note 51)	-	35,000,000
Security deposits	180,000	540,000
Lease equalisation reserve	9,110,527	11,776,917
Balance payable to government authorities	780,191	780,191
Total	10,070,718	48,097,108

10 Long-term provisions

Particulars	As at March 31, 2016	As at December 31, 2014
Provision for employee benefits		
- Gratuity (refer note 44)	227,609,350	199,885,309
- Compensated absences (refer note 44)	79,960,575	86,174,953
- Key resource bonus and deferred salary (refer note 14)	559,722	157,199
Others		
- Provision for warranty (refer note below)	244,211,646	244,419,972
Total	552,341,293	530,637,433

Note :

The movement in provision for warranty from beginning to end of the reporting period is as follows:

Particulars	As at March 31, 2016	As at December 31, 2014
Balance at the beginning of the period /year	244,419,972	234,378,407
Add: Accruals during the period /year	14,870,212	15,746,621
Less: Utilised during the period /year	(15,078,538)	(5,705,056)
Balance at the end of the period /year	244,211,646	244,419,972

Warranty provision relate to the estimated outflow in respect of warranty for products sold by the subsidiaries. Due to very nature of such costs, it is not possible to estimate the timing/uncertainties relating to their outflows as well as expense from such estimates.

11 Short-term borrowings

Particulars	As at March 31, 2016	As at December 31, 2014
Short term loans (secured)		
(a) From banks		
- Secured by first pari passu charge on all current assets of the Company and further by way of second charge on all fixed assets of the Company (refer note below)	10,067,245,131	10,209,343,652
(b) From others		
- Secured by first pari passu charge on all current assets of the Company and further by way of second charge on all fixed assets of the Company (refer note below)	422,245,884	434,782,774
Unsecured		
Others	133,555,936	122,359,507
Total	10,623,046,951	10,766,485,933

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

Notes:

- (a) Interest rate on short-term borrowings varies from 10.75% to 17.25% p.a (previous year 10.75% to 12% p.a).
- (b) Short term loans outstanding as at March 31, 2016 are further secured by as per below :
- Pledge of 100% shareholding (67,420,141 number of shares) of the promoters of the Company.
 - Personal guarantee of Mr. Deepak Puri and Mrs. Nita Puri.
 - Negative lien on land of Moser Baer Infrastructure and Developers Limited at Chennai on pari passu basis.
 - Corporate guarantee of Moser Baer Infrastructure and Developers Limited (subsidiary of the company that owns the rights to the Chennai land).
 - Pledge of shares of Moser Baer Infrastructure and Developers Limited.

12 Trade payables

Particulars	As at March 31, 2016	As at December 31, 2014
Acceptances	124,997,324	309,251,055
Trade creditors		
- Total outstanding dues of micro, small and medium enterprises (refer note 47)	21,044,483	51,431,626
- Total outstanding dues of creditors other than micro, small and medium enterprises	2,813,148,923	2,511,928,310
Total	2,959,190,730	2,872,610,991

13 Other current liabilities

Particulars	As at March 31, 2016	As at December 31, 2014
Deferred government grant (refer note 51)	35,000,000	-
Current maturities of:		
- Long-term borrowings (refer note 8)	14,769,204,674	5,088,346,313
- Foreign currency convertible bonds (refer note 45 (a))	5,857,384,000	5,579,040,000
- Premium on redemption of foreign currency convertible bonds (refer note 45(c))	2,175,545,909	2,034,913,177
Interest accrued but not due on borrowings	17,940,982	8,951,080
Interest accrued and due on borrowings	6,776,256,915	2,006,108,798
Advance from customers	87,507,926	191,949,291
Unpaid dividends	1,626,938	2,383,192
Others:		
- Creditors for capital goods	377,986,763	279,971,644
- Employees benefits payable	208,178,463	165,092,968
- Security deposits received	6,733,951	2,658,951
- Statutory dues	83,204,147	93,829,357
- Retention money	50,842,140	50,842,140
- Deferred payment liabilities	152,896,800	152,896,800
- Book overdraft	80,246,388	106,061,027
- Others accrued liabilities	33,176,535	42,166,811
Total	30,713,732,531	15,805,211,549

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Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

14 Short-term provisions

Particulars	As at March 31, 2016	As at December 31, 2014
Provision for employee benefits		
- Gratuity	-	472,160
- Compensated absences	10,841,348	15,421,568
- Key resource bonus and deferred salary (refer note (i) below)	-	2,505,955
Others		
- Provision for taxation	509,434	511,398
- Provision for warranty (refer note (ii) below)	11,287,853	7,563,959
- Provision for other probable obligations (refer note (iii) below)	500,093,309	474,662,439
- Provision for redemption of foreign currency convertible bonds (refer note 45(c))	2,808,304,454	1,844,505,476
Total	3,331,036,398	2,345,642,955

The following is the movement in provisions from beginning to the end of the reporting period:

(i) Provision for key resource bonus and deferred salary

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Balance at the beginning of the period /year	2,663,154	8,603,711
Add: Accruals for the period /year	402,523	3,504,076
Less: Paid during the period /year	(2,505,955)	(9,444,633)
Balance at the end of the period /year	559,722	2,663,154
Disclosed under long-term provisions (refer note 10)	559,722	157,199
Disclosed under short-term provisions (refer note 14)	-	2,505,955
	559,722	2,663,154

(ii) Provision for Warranty

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Balance at the beginning of the period /year	7,563,959	24,615,067
Add: Accruals for the period /year	3,723,894	1,277,968
Less: Utilised during the period /year	-	(1,477,076)
Less: Written back during the period /year	-	(16,852,000)
Balance at the end of the period /year	11,287,853	7,563,959

Warranty provision relate to the estimated outflow in respect of warranty for products sold by the Company. Due to the nature of such costs, it is not possible to estimate the timing/uncertainties relating to their outflows as well as expense from such estimates.

(iii) Other probable obligations

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Balance at the beginning of the period /year	474,662,439	439,212,610
Add: Accruals for the period /year	44,288,006	35,449,829
Less: Provisions utilised/written back during the period / year	(18,857,136)	-
Balance at the end of the period /year	500,093,309	474,662,439

Probable obligations provision relates to the estimated outflow in respect of possible liabilities expected to arise in future. As per notification no. 22/2006 of Central Excise, the Company has to pay additional custom duty on its local sales, if the goods sold are exempted from payment of sales tax or value added tax. One of the units of the Company is exempt from payment of local sales tax and hence the department has disputed the same and demanded the duty on the sale of such goods. As the dispute is still pending at CESTAT and Commissioner of Custom and Central Excise forum and final demand order has not been raised till now, the Company has recorded the provision for the amount demanded and is accruing the interest on the same quarterly since the management believes that probability of estimated outflow in respect of possible liabilities expected to arise in future. Due to very nature of such costs, it is not possible to estimate the timing / uncertainties relating to their outflows as well as expense from such estimates, hence considered as short term in nature.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

15 Fixed assets

	Gross blocks			Accumulated depreciation and amortisation				Accumulated impairment		Net block			
	Balance as at January 1, 2015	Additions	Deletions	Transfer to assets held for sale (refer note 52)	Balance as at March 31, 2016	Charge for the period	Adjustment upon reserves	Adjustment upon deletions	Transfer to assets held for sale (refer note 52)	Balance as at March 31, 2016	Charge for the period	Balance as at March 31, 2016	As at December 31, 2014
Tangible assets													
Leasehold land	581,797,958	-	-	-	581,797,958	7,650,215	-	-	-	63,176,785	-	518,621,173	526,271,368
Building	4,884,057,435	-	7,380,441	-	4,846,676,994	186,657,500	3,054,979	3,054,979	-	1,793,726,434	-	3,052,950,560	3,295,824,045
Leasehold improvements	15,930,189	-	-	-	15,930,189	6,803,682	-	-	-	6,803,682	1,989,880	7,136,627	7,136,627
Plant and equipments (refer note 50)	56,083,173,317	289,534,900	132,785,019	346,830,072	55,875,093,126	2,020,026,780	(25,069,776)	125,084,561	330,744,236	44,126,247,290	-	10,565,264,181	12,314,472,579
Furniture and fixtures	200,521,007	-	7,390,351	-	193,130,656	25,438,506	31,462,225	5,638,436	-	175,483,382	-	1,108,175	75,189,865
Office equipments	127,808,382	-	11,696,618	-	116,111,774	9,662,337	23,392,035	5,439,035	-	89,307,003	-	1,896,300	64,220,926
Computers	241,672,782	6,495,525	817,676	-	247,350,631	2,529,181	12,021,855	817,784	-	238,998,965	214,478	2,14,478	16,192,591
Vehicles	24,088,844	-	923,226	-	23,165,618	3,203,283	416,761	770,435	-	21,715,865	42,554	1,449,753	5,180,034
Sub total	62,129,049,924	276,030,425	160,993,331	346,830,072	61,897,256,946	2,254,168,302	85,113,723	140,806,230	330,744,236	46,515,459,385	(42,554)	1,186,791,489	16,294,488,055
Previous year	(61,885,742,030)	(246,388,214)	(6,080,320)	(-)	(62,129,049,924)	(41,960,924,471)	(-)	(4,436,486)	(-)	(44,647,727,827)	(38,076,701)	(1,186,834,042)	(16,294,488,055)
Intangible assets													
Computer software	118,563,267	-	-	-	118,563,267	7,432,349	-	-	-	116,693,183	815,949	815,949	8,486,484
Copyrights and patents and other intellectual property rights, services and operating rights	3,440,826,189	-	-	-	3,440,826,189	44,343,031	-	-	-	3,171,016,744	233,051,602	233,051,602	36,757,843
Goodwill on consolidation	745,169,473	-	-	-	745,169,473	-	-	-	-	-	-	81,677,437	661,492,036
Sub total	4,302,558,929	(2,000,000)	(235,654)	(-)	4,302,558,929	51,775,380	(-)	(153,888)	(-)	3,287,709,927	(-)	315,544,988	751,079,394
Previous year	(4,300,794,583)	(2,000,000)	(235,654)	(-)	(4,302,558,929)	(203,549,294)	(-)	(153,888)	(-)	(3,235,934,547)	(188,428,244)	(315,544,988)	(751,079,394)

Notes:

- Additions to plant and machinery include exchange loss of Rs. 123,539,432 (previous year Rs. 66,450,472).
- Effective from January 1, 2015, the group has started providing depreciation based on the revised useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to this, depreciation charge for the period ended March 31, 2016, is higher by Rs. 67,879,372. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of Rs. 85,113,723 has been adjusted against retained earnings.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

16 Non-current investments

Particulars	As at March 31, 2016	As at December 31, 2014
Trade investments		
(a) Investment in equity instruments	575,525,316	575,525,316
(b) Investment in preference shares	1,381,978,077	1,381,978,077
	1,957,503,393	1,957,503,393
Less: Provision for diminution in the value of investments	(1,950,056,786)	(1,949,428,442)
Total	7,446,607	8,074,951

Details of trade investments (valued at cost)

Particulars	As at March 31, 2016	As at December 31, 2014
(a) Investment in unquoted equity instruments		
Investment in associates:		
Moser Baer Infrastructure Limited		
3,430,000 (previous year 3,430,000) equity shares of Rs. 10 each	34,300,000	34,300,000
Less: Provision for diminution in the value of investment	(34,300,000)	(34,300,000)
Global Data Media FZ-LLC		
7,194 (previous year 7,194) equity shares of AED 1000 each	92,532,185	92,532,185
Less: Share of loss in associate	(92,532,185)	(92,532,185)
Others:		
Hindustan Power Projects Private Limited	5,100,000	5,100,000
510,000 (previous year 510,000) equity shares of Rs. 10 each		
Lumen Engineering Private Limited	1,020,000	1,020,000
102,000 (previous year 102,000) equity shares of Rs. 10 each		
CAPCO Luxembourg S.A.R.L		
1 (previous year 1) equity share of Euro 125 each	4,961	4,961
Bensimon Limited		
20 (previous year 20) equity shares of Euro 1 each	1,382	1,382
KMG Digital Limited		
196 (previous year 196) class A ordinary shares of Euro 1 each	1,320,264	1,320,264
Solaria Corporation		
7,779,117 (previous year 7,779,117) common stock of USD 0.001 each	395,247,847	395,247,847
Less: Provision for diminution in the value of investment	(395,247,847)	(395,247,847)
815,092 (previous year 815,092) Class B common stock of USD 0.001 each	45,998,677	45,998,677
Less: Provision for diminution in the value of investment	(45,998,677)	(45,998,677)
Total (A)	7,446,607	7,446,607

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

Particulars	As at March 31, 2016	As at December 31, 2014
(b) Investments in unquoted preferred stock		
CAPCO Luxemburg S.A.R.L		
63,366 (previous year 63,366) preferred equity certificates of Euro 125 each	320,668,823	320,668,823
Less: Provision for diminution in the value of investment	(320,668,823)	(320,668,823)
Stion Corporation		
1,000,000 (previous year 1,000,000) shares of series A preferred stock of USD 0.0001 each	45,302,150	45,302,150
82,912 (previous year 82,912) shares of series B-2 preferred stock of USD 0.0001 each	7,693,234	7,693,234
82,912 (previous year 82,912) shares of series B-1 preferred stock of USD 0.0001 each	12,241,163	12,241,163
	65,236,547	65,236,547
Less: Provision for diminution in the value of investment	(65,236,547)	(65,236,547)
Solfocus Inc		
7,000,000 (previous year 7,000,000) shares of series A preferred stock of USD 0.0001 each	327,047,185	327,047,185
Less: Provision for diminution in the value of investment	(327,047,185)	(327,047,185)
Solfocus Inc		
4,950,495 (previous year 4,950,495) shares of series B preferred stock of USD 0.0001 each	410,660,000	410,660,000
Less: Provision for diminution in the value of investment	(410,660,000)	(410,660,000)
Solfocus Inc		
2,178,649 (previous year 2,178,649) shares of series C preferred stock of USD 0.0001 each	245,340,000	245,340,000
Less: Provision for diminution in the value of investment	(245,340,000)	(245,340,000)
Skyline Solar Inc.		
482,250 (previous year 482,250) shares of series A preferred stock of USD 0.5384 each	13,025,522	13,025,522
Less: Provision for diminution in the value of investment	(13,025,522)	(12,397,178)
Total (B)	-	628,344
Total (A+B)	7,446,607	8,074,951

Particulars	As at March 31, 2016	As at December 31, 2014
Aggregate amount of unquoted investment	1,957,503,393	1,957,503,393
Aggregate amount of provision for diminution in value of investment	(1,950,056,786)	(1,949,428,442)

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

17 Long-term loans and advances

Particulars	As at March 31, 2016	As at December 31, 2014
Advance for capital goods		
- unsecured considered good	31,032,703	118,000,617
- unsecured considered doubtful	61,124,676	61,124,676
Less: Allowance for doubtful advances	(61,124,676)	(61,124,676)
	31,032,703	118,000,617
Security deposits	41,210,180	56,412,322
Prepaid expenses	988,763	57,059
Prepaid taxes	211,942,858	162,840,309
Loans to others	96,199,823	94,638,097
Balance with government authorities	131,190,676	160,356,124
Others		
- unsecured considered good	6,418,462	6,502,523
- unsecured considered doubtful	1,631,509	1,631,509
Less: Allowance for doubtful advances	(1,631,509)	(1,631,509)
	6,418,462	6,502,523
Total	518,983,465	598,807,051

18 Other non-current assets

Particulars	As at March 31, 2016	As at December 31, 2014
Long-term trade receivables	108,826,723	2,800,000
Fixed deposits under lien	17,954,998	58,569,304
Total	126,781,721	61,369,304

19 Inventories

Particulars	As at March 31, 2016	As at December 31, 2014
Raw materials and components	329,947,375	379,266,692
Goods and Transit	26,595,250	37,611,515
	356,542,625	416,878,207
Work-in-progress	799,291,655	1,349,269,910
	799,291,655	1,349,269,910
Finished goods	543,641,182	1,048,968,750
	543,641,182	1,048,968,750
Stock-in-trade	20,232,402	2,180,681
Goods-in transit	8,569,653	8,569,653
	28,802,055	10,750,334
Stores and spares	650,656,797	709,094,721
Goods-in transit	-	692,559
	650,656,797	709,787,280
Loose tools	5,051,881	5,381,277
	5,051,881	5,381,277
Packing material	60,649,713	101,624,197
Goods-in transit	-	1,911,297
	60,649,713	103,535,494
Total	2,444,635,908	3,644,571,252

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

20 Trade receivables

Particulars	As at March 31, 2016	As at December 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	23,719,326	9,036,259
Unsecured, considered good	2,072,364,038	520,840,693
Unsecured, considered doubtful	697,274,464	659,901,525
Less: Provision for doubtful debts	(697,274,464)	(659,901,525)
	2,096,083,364	529,876,952
Other debts		
Unsecured, considered good	309,953,052	2,762,247,543
	309,953,052	2,762,247,543
Total	2,406,036,416	3,292,124,495

21 Cash and bank balances

Particulars	As at March 31, 2016	As at December 31, 2014
Cash and cash equivalents		
Cheques and drafts on hand	2,432	83,245
Cash on hand	2,729,124	3,384,647
Money in transit	-	500,000
Bank balances in:		
- Current accounts	82,782,205	243,325,679
Deposits with less than 3 months maturity	360,324	2,989,367
	85,874,085	250,282,938
Other bank balances		
Unpaid dividend accounts	1,626,938	2,383,192
Fixed deposits with maturity more than 3 months but less than 12 months	34,435,470	32,986,116
Margin money with maturity less than 12 months (refer note 51)	184,471,393	296,282,705
	220,533,801	331,652,013
Total	306,407,886	581,934,951

22 Short term loans and advances

Particulars	As at March 31, 2016	As at December 31, 2014
Loans and advances to related parties		
Unsecured, considered good	-	8,552
Others		
- Advances to suppliers		
- Considered good	1,868,805,835	1,764,914,232
- Considered doubtful	17,561,676	18,379,426
Less: Provision for doubtful advances	(17,561,676)	(18,379,426)
- Security deposits	30,698,418	29,906,309
- Prepaid expenses	79,168,597	99,322,708
- Balance with government authorities	191,992,575	269,374,973
- Advances to employees	3,794,826	15,626,195
- Amount due from a director	-	445,339
- Prepaid taxes	3,790,971	5,462,074
- Others	12,659,110	32,282,899
Unsecured, considered doubtful		
- Other recoverables	929,599,692	668,447,878
Less: Provision for doubtful recoverables	(929,599,692)	(668,447,878)
	2,190,910,332	2,217,334,729
Total	2,190,910,332	2,217,343,281

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

23 Other current assets

Particulars	As at March 31, 2016	As at December 31, 2014
Interest accrued on fixed deposits	23,956,763	16,924,401
Recoverable from banks under corporate debt restructuring scheme	493,848,411	697,202,463
Others	22,636,279	22,584,250
Non-current assets classified as held for sale (refer note 52)	16,085,836	-
Total	556,527,289	736,711,114

Note:

As per the corporate debt restructuring scheme approved in the year ended March 31, 2013, parent company and its subsidiaries recorded amounts receivable from banks on account of installment paid prior to implementation of corporate debt restructuring, excess interest paid by the Company and release of additional limits as per the scheme. As of March 31, 2016, a total of Rs. 493,848,411 (previous year Rs. 697,202,463) is outstanding to be received from the banks. As the CDR exits is still to be approved by the CDR-EG, no adjustment is made to the amount recoverable from banks.

24 Revenue from operations

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Sale of products (refer note below)		
-Finished goods	8,883,718,524	11,620,928,892
-Traded goods	150,066,724	1,421,714
	9,033,785,248	11,622,350,606
Sale of services	290,369,657	226,575,311
Other operating revenues:		
Scrap sales	47,278,023	63,059,588
Old liabilities and provisions no longer required written back	91,939,400	56,430,869
Export benefits - focused product scheme	42,771,225	100,056,762
Others	13,596,050	43,884,159
	195,584,698	263,431,378
Total	9,519,739,603	12,112,357,295

Note:

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Finished goods		
Optical media products	6,760,147,540	9,052,358,711
Pen drives and cards	724,460,225	583,104,463
Solid State Lighting	254,513,470	-
Solar cell	553,256	115,672,700
Module	1,097,087,619	1,095,947,156
Thin Film	6,957,900	26,604,212
Wafer	5,551,556	-
Others	34,446,958	747,241,650
	8,883,718,524	11,620,928,892
Traded goods		
Optical media products	18,200,479	1,421,714
Pen drives and cards	79,118,403	-
Solid state lighting	52,546,133	-
Others	201,709	-
Total	9,033,785,248	11,622,350,606

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

25 Other income

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Interest income		
On deposits with banks	42,085,942	58,516,132
Others	2,243,697	22,929,745
Other non-operating income		
Gain on foreign currency transactions (net)	284,709,000	118,406,092
Lease rent	-	29,730,645
Profit on cancellation of forward contracts (net)	-	15,096,189
Prior period income (refer note 38)	24,131,861	12,706,856
Other miscellaneous income	21,111,846	1,167,949
Total	374,282,346	258,553,608

26 Cost of materials consumed

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Raw materials consumed (refer note below)	3,662,218,524	4,747,711,428
Packing materials consumed	518,250,924	883,726,989
Total	4,180,469,448	5,631,438,417

Note:

Details of major components of raw materials consumed is as follows:

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
(i) For storage media products		
Polycarbonate	1,970,995,255	2,643,389,428
Silver	163,332,727	272,214,501
Others	1,189,913,057	1,189,082,935
(ii) For cells		
Silicon wafers	72,183,516	-
Metallic pastes	23,723,226	-
Others	7,838,217	-
(iii) For modules		
Multi cells	-	545,818,843
Back sheet	48,241,117	12,073,883
Aluminium frames	56,066,458	45,760,097
Glass	49,405,966	12,439,061
Others	80,518,985	18,881,014
(iv) For thin films		
Others	-	8,051,666
Total	3,662,218,524	4,747,711,428

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

27 Purchase of stock-in-trade

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Purchase of solid state lighting	42,589,235	7,458,672
Purchase of pen drives and cards	63,174,822	-
Purchase of optical media products	18,579,864	6,350,316
Wafer	96,429,135	-
Balance of systems	48,247,906	121,778,361
Modules	218,144,479	350,515,314
Solar cells	-	488,152
Thin film	-	6,688,235
Discs	256,375,027	149,051,832
Total	743,540,468	642,330,882

28 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Closing stock		
Finished goods	542,873,630	1,048,968,750
Traded goods	28,802,055	10,750,334
Work-in-progress	799,291,655	1,349,269,910
	1,370,967,340	2,408,988,994
Less: Opening stock		
Finished goods	1,048,968,750	1,946,921,044
Traded goods	10,750,334	59,185,077
Work-in-progress	1,349,269,910	2,133,713,469
	2,408,988,994	4,139,819,590
Add: Excise duty on finished goods	4,270,586	10,287,684
Add: Provision for obsolete inventory	310,992,975	289,722,382
Total	722,758,094	1,430,820,530

29 Employee benefit expenses

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Salaries, wages and bonuses	1,749,194,300	1,574,900,914
Employer's contributions to: (refer note 44)		
- Provident fund and employees state insurance	88,078,587	85,309,861
- Gratuity fund	55,704,053	39,146,821
Social security and other benefit plans for overseas employees	5,399,623	4,870,012
Staff welfare	127,213,371	138,548,858
Total	2,025,589,934	1,842,776,466

30 Finance costs

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Interest expense	5,743,051,000	4,191,455,202
Total	5,743,051,000	4,191,455,202

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Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

31 Depreciation, amortisation and impairment

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Depreciation on tangible assets	2,254,168,302	2,691,239,842
Amortisation of intangible assets	51,775,380	203,549,284
Impairment of intangible assets and intangible assets under development	-	229,045,385
Impairment of tangible assets	(42,554)	38,076,701
Total	2,305,901,128	3,161,911,212

32 Other expenses

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Consumption of stores and spare parts	219,497,158	316,964,529
Power and fuel	744,608,768	1,383,810,563
Cost of service	29,183,306	48,730,183
Freight and forwarding	180,136,393	247,260,320
Royalty	219,617,397	229,098,647
Commission on sales	3,353,734	23,765,469
Rent	46,166,900	78,511,124
Repair and maintenance		
- Machinery	8,277,507	13,672,997
- Others	22,460,890	26,980,597
Insurance	79,399,696	87,966,720
Outsourced staff cost	123,946,114	196,581,843
Director's sitting fees	2,334,000	1,718,431
Rates and taxes	17,651,369	6,970,972
Provision for doubtful debtors	353,150,022	411,854,133
Travelling and conveyance	82,265,860	76,787,379
Legal and professional	174,331,346	172,623,977
Warranty expenses	24,240,091	16,577,621
Provision for doubtful advances	45,273,451	286,397,886
Exchange fluctuation (net)	161,690,848	-
Bad debts	5,626,283	7,001
Advances written off	3,150,205	3,244,597
Research and development expenses	-	1,802,740
Advertisement and business promotion	37,123,824	15,160,809
Provision for slow moving stock	5,378,319	26,844,078
Loss on sale of fixed assets (net)	686,438	2,107,307
Bank charges	48,479,928	77,103,621
Others	121,445,841	175,780,219
Total	2,759,475,688	3,928,323,763

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

33 Exceptional items [income/(expense)]

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
Exchange differences on foreign currency convertible bonds/ advance recoverable from suppliers	(284,709,000)	(107,085,000)
Provision for doubtful advances	(34,328,696)	(111,394,363)
Provision for net realisable value of inventory	(310,992,975)	(289,722,382)
Creditor balance written back	8,972,868	-
Provision for diminution in the value of investmentss	(628,344)	-
Total	(621,686,147)	(508,201,745)

34 Subsidiaries and Associates:

The Consolidated Financial Statements comprise the results of the parent, Moser Baer India Limited (MBIL), its subsidiaries and associates.

(a) Subsidiaries:

The particulars of subsidiaries considered in the consolidated financial statements are as under:

Name of the related party	Country of incorporation	Share Holding
European Optic Media Technology GmbH	Germany	100%
Moser Baer Distribution Limited (formerly Moser Baer SEZ Developer Limited)	India	100%
Solar Research Limited	India	100%
Moser Baer Laboratories Limited (formerly Moser Baer Energy Limited)	India	100%
Moser Baer Entertainment Limited	India	100%
Moser Baer Investments Limited	India	100%
Photovoltaic Holdings Limited (formerly Photovoltaic Holdings PLC)	Isle of Man	100%
MB Solar Holdings Limited (formerly Moser Baer Solar PLC)	Isle of Man	100%
Moser Baer Solar Limited (formerly known as Photovoltaic Technologies India Limited)	India	100%
Helios Photovoltaic Limited (formerly known as Moser Baer Photovoltaic Limited)	India	100%
Perafly Limited	Cyprus	100%
Dalecrest Limited#	Cyprus	100%
Nicofly Limited	Cyprus	100%
Perasoft Limited#	Cyprus	100%
Crownglobe Limited#	Cyprus	100%
Peraround Limited	Cyprus	100%
Advoferm Limited	Cyprus	100%
Cubic Technologies BV##	Netherlands	100%
TIFTON Limited	Isle of Man	100%
Value Solar Energy Private Limited	India	100%
Pride Solar Systems Private Limited	India	100%
Admire Energy Solutions Private Limited	India	100%
Moser Baer Solar Systems Private Limited	India	100%
Competent Solar Energy Private Limited	India	100%
OM&T B.V.*	Netherlands	100%
Moser Baer Technologies Inc**	USA	100%
Moser Baer Infrastructure and Developers Limited	India	100%
Moser Baer Photovoltaic Inc. USA***	USA	100%

Dissolved on September 15, 2014.

* Declared as insolvent from October 1, 2013.

** Dissolved on April 22, 2015.

*** Applied for dissolution in US Bankruptcy court

Dissolved on December 21, 2015.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

(b) Associates:

The particulars of associates considered in the CFS are as under:

Name of Associate	Country of Incorporation	% of ownership
Global Data Media FZ LLC	Dubai, United Arab Emirates	49%
Moser Baer Infrastructure Ltd	India	26%
Solarvalue Proizvodnja d.d. (under liquidation)	Slovenia	40%

(c) Particulars of investment in associates:

Particulars	Moser Baer Infrastructure Limited		Global Data Media FZ LLC	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
Cost of investment	34,300,000	34,300,000	92,532,185	92,532,185

Pursuant to Accounting Standard - 23 on Accounting for Investments in associates in the Consolidated Financial Statements, investment in Moser Baer Infrastructure Limited and Global Data Media FZ LLC has been reported at Rs. Nil (previous year Nil) as the share of losses of the associate exceeds the carrying amount of investments as at the balance sheet date.

35 Contingent liabilities :

(a) Particulars	As at March 31, 2016	As at December 31, 2014
Bank guarantees issued*:	40,766,122	42,922,622

*The amount shown above represent guarantees given in the normal course of the Group's operations and are not expected to result in any loss to the Group on the basis of the beneficiary fulfilling its ordinary commercial obligations.

(b) Disputed demands (gross) in respect of:	As at March 31, 2016	As at December 31, 2014
Entry tax [Amount paid under protest Rs. 10,382,071 (previous year Rs. 10,382,071) and bank guarantees furnished Rs. 10,919,501 (previous year Rs. 10,919,501)]	131,324,280	131,909,881
Service tax [Amount paid under protest Rs.2,953,470 (previous year Rs. 2,953,470)]	627,051,199	635,730,978
Sales tax [Amount paid under protest Rs. 26,742,079 (previous year Rs. 17,960,040) and bank and other guarantees furnished Rs. 100,989,626 (previous year Rs. 100,989,626)]	149,710,978	491,527,405
Excise duty [Amount paid under protest Rs. 982,527 (previous year Rs.982,527)]	585,633,503	535,634,186
Custom duty [Amount paid under protest Rs. 4,823,292 (previous year Rs.4,823,292)]	28,498,050	28,498,050
Income tax [Amount paid under protest Rs. 36,279,670 (previous year Rs. 36,279,670)]	1,075,910,969	119,575,567
	2,598,128,979	1,942,876,067

The Company is involved in taxation disputes that arise from time to time in the ordinary course of business. Management is of the view that above claims are not tenable and will not have any material adverse effect on the Company's financial position and results of operations.

(c) Other claims against the group not acknowledged as debt Rs. 345,900 (previous year Rs. 345,900)

(d) Outstanding letter of credit opened by banks on behalf of the Group Rs. 29,390,649 (previous year Rs. 37,247,363).

The amounts shown in (b) and (c) above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Group or the claimants as the case may be and therefore cannot be estimated accurately. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

(e) Bonus payable for the period of April 1, 2014 to March 31, 2015 pursuant to retrospective amendment in Bonus Act : Rs. 5,465,257 (previous year Nil). Since the matter is subjudice and various high courts have given stay order against retrospective amendment, it has been considered as contingent liability.

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- (f) Recompense amount payable in lieu of bank sacrifice (mandatory disclosure as per RBI): Rs. 3,410,126,501 (previous year Rs. 2,560,001,748).
- (g) In respect of the outstanding foreign currency convertible bonds (FCCBs), bondholders have claimed interest for the period beyond the original date of redemption. As explained in more detail in Note 45 (a), the company is in the process of negotiating restructuring of these bonds. Management expects to restructure these bonds by extension of the redemption date as prescribed by the Reserve Bank of India. Contingent liability in respect thereof can't be estimated reliably.

36 Capital and other commitments:

- (a) Estimated value of contracts remaining to be executed on capital and other accounts and not provided for (net of advances): Rs.198,421,773 (previous year Rs. 190,174,443).
- (b) One of the subsidiary companies entered into a long term Wafer Supply Agreement on 1 April 2008 (WSA) with Jiangxi LDK Solar Hi-Tech Co [LDK] and in pursuance, the subsidiary paid an advance of USD 48,894,816 in accordance with the terms of the WSA (Advance Payment). LDK issued Bank Guarantee dated May 7, 2008 of China Merchant Bank (CMB) as security for advance paid by subsidiary. The agreement was further amended by an Amendment Agreement dated January 10, 2011 (AA).

As per the terms of AA, remaining advance of USD 34,614,305 (out of USD 48,894,816), which was secured through a bank guarantee, was to be adjusted against future purchases by the subsidiary at an agreed market driven price and the balance unadjusted amount, if any, was to be refunded back to the subsidiary after five years from the date of such agreement subject to a deduction of 5% of purchase shortfall under the AA. Under AA, LDK was to provide an amended bank guarantee which was not provided, causing therefore, a breach of such terms and further sought to cancel the bank guarantee which it furnished in 2008. Upon breaches by LDK, the WSA (as amended by AA) was terminated by the subsidiary pursuant to its letter dated September 26, 2013.

As a result of the termination, LDK was demanded to refund the balance of the advance payment i.e. USD 34,614,305. As LDK failed to refund the advance payment, subsidiary made a demand under the bank guarantee provided by CMB on 22 October 2013. However, LDK obtained a freezing order before the Xinyu Intermediate People's Court on November 6, 2013, which prevented CMB from making payment under the bank guarantee.

Aggrieved by such order, the subsidiary initiated arbitration before Hongkong International Arbitration Centre (HKIAC) and also filed jurisdiction objection Application before Xin Yu Court. Upon rejection of subsidiary's application, an appeal was filed against the Xin Yu Court's decision and appeal was also rejected by Jiangxi Higher Court. A three member Arbitration Tribunal was constituted and the final hearing happened at HKIAC from January 18, 2016 to January 22, 2016.

Based on the opinion of external legal counsel, management has made an additional provision of USD 4,482,500 (Rs. 296,959,000), towards liability for 2.2 million wafers shipped by the vendor, in addition to the previous provision for 5% of the unexecuted contract value (for purchase shortfalls from committed purchases as per AA) up to the date of termination. Based on the legal appraisal, management believes that the balance amount of USD 26,816,223 (Rs. 1,776,574,747) as of March 31, 2016 is recoverable."

37 Lease obligations

The Group has entered into operating leases for its offices that are renewable on a periodic basis and are cancellable at Group's option. Total lease payments recognised in the consolidated statement of profit and loss Rs.46,166,900 (previous year Rs 78,511,124) . The total rent recovered on sub lease Rs. Nil (previous year Rs. 29,730,645).

38 Prior period income

Particulars	Period ended March 31, 2016	Year ended December 31, 2014
ECGC Refund	23,953,927	-
Miscellaneous income	177,934	12,706,856
Total	24,131,861	12,706,856

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39 Taxation

Provision for taxation has not been made in the absence of assessable taxable profits as per the Income Tax Act, 1961 as on March 31, 2016.

The break up of deferred tax asset/liability is as under:

Particulars of timing differences	As at December 31, 2014	Movement during the period	As at March 31, 2016
Deferred tax liability			
Depreciation	103,516,745	(207,037,941)	(103,521,196)
Provision for lease rent equalisation	-	-	-
Total	103,516,745	(207,037,941)	(103,521,196)
Deferred tax assets			
Finance lease	70,079,568	(78,277,582)	(8,198,014)
Unabsorbed depreciation	33,437,177	(128,760,359)	(95,323,182)
Provision for unavailed leaves and gratuity	-	-	-
Total	103,516,745	(207,037,941)	(103,521,196)
Net deferred tax liability /(Assets)	-	-	-
Previous year	-	-	-

Notes:

- The tax impact for the above purpose has been arrived at by applying a tax rate of 33.99% (previous year 33.99%) being the prevailing tax rate for Indian Companies under the Income Tax Act, 1961
- Deferred tax asset has been recognised only to the extent of deferred tax liability.

40 Derivative instruments

The Group uses forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

- There is no forward exchange contracts outstanding as at March 31, 2016.
- The foreign currency exposures not hedged as at period/year end as at March 31, 2016 and December 31, 2014 are as under:

(i) Receivables

Type of currency	As at March 31, 2016		As at December 31, 2014	
	Foreign currency	Rs. Value	Foreign currency	Rs. Value
USD	91,403,190	5,201,195,859	56,991,858	3,490,646,856
EUR	15,064,848	838,457,841	37,322,515	2,196,214,093
GBP	8,136	772,471	106	10,446
NOK	-	-	23,234	179,831
JPY	95,392,995	51,767,110	130,186,421	68,728,178
SGD	465	22,826	465	22,068
CHF	12,826	839,363	11,326	719,905
HKD	4,740	40,491	6,870	53,252
AED	900	16,238	900	12,645
NRK	5,647	51,277	5,647	51,755
CNY	4,079	31,643	-	-
AUD	65	3,296	57,600	2,965,421

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(ii) Payables

Type of currency	As at March 31, 2016		As at December 31, 2014	
	Foreign currency	Rs. Value	Foreign currency	Rs. Value
USD	223,760,355	14,659,343,562	147,101,058	9,142,958,429
EUR	18,736,842	1,265,881,653	18,274,017	1,224,469,768
GBP	39,525	3,660,500	30,763	2,842,003
CHF	144,881	9,718,417	147,655	9,363,409
JPY	60,090,926	34,684,664	33,911,546	17,987,987
SGD	170,748	8,393,971	121,849	5,795,497
HKD	18,828	160,839	-	-
CNY	128,642	1,299,470	20,471	250,202
NOK	23,234	179,831	23,234	179,831

41 Related party transactions:

As required by Accounting Standard 18 - 'Related Party Disclosures' since the Consolidated financial statements presents information about the Parent and its subsidiary as a single reporting enterprise, it is not necessary to disclose intra-group transactions.

In accordance with the requirements of Accounting Standard - 18 'Related Party Disclosures' the names of the related party where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

(a) Name of the related parties

Associates

Global Data Media FZ LLC
Moser Baer Infrastructure Limited
Solar Value Proizvodjna d.d.

Trust

Moser Baer Trust

Enterprises over which key management personnel exercise significant influence:

- Microgreen Electronics Private Limited (formerly known as COBOL Power & Technologies Private Limited)
- Natia Consultancy Private Limited

Key management personnel

Chairman and Managing Director Mr. Deepak Puri
Whole Time Director Mrs. Nita Puri

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(b) Details of transactions with the related parties along with period/year end balances in the ordinary course of business:

Transaction during the period	For the period ended March 31, 2016	For the year ended December 31, 2014
Loans received		
-Microgreen Electronics Private Limited	62,700,000	257,400,000
-Natia Consultancy Private Limited	74,500,000	-
-Mr. Deepak Puri	51,000,000	-
Loans repaid		
-Microgreen Electronics Private Limited	27,000,000	-
Interest provided on loan taken		
-Microgreen Electronics Private Limited	1,208,024	-
Issue of Equity shares		
-Microgreen Electronics Private Limited	134,500,000	-
-Mr. Deepak Puri	-	100,000,000
Issue of preference shares by subsidiary		
-Mr. Deepak Puri	50,000,000	17,000,000
-Ms.Nita Puri	-	24,500,000
-Microgreen Electronics Private Limited	6,500,000	1,000,000
Remuneration and Employers Contribution towards Provident Fund		
Mr. Deepak Puri	16,742,004	13,485,690
Mrs. Nita Puri	5,276,252	4,250,000
Balance at the end of period	As at March 31, 2016	As at December 31, 2014
Outstanding receivable		
-Microgreen Electronics Private Limited	70,900,000	96,900,000
Outstanding payables		
In respect of loans		
-Microgreen Electronics Private Limited	158,600,000	257,400,000
-Natia Consultancy Private Limited	74,500,000	-
-Mr. Deepak Puri	51,000,000	-
In respect of interest on loan/advance payable to related party		
-Microgreen Electronics Private Limited	1,087,222	-
In respect of KMPs' remuneration		
Mr. Deepak Puri	1,132,917	651,328
Mrs. Nita Puri	450,432	414,182

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42 Loss per share

Particulars		As at March 31, 2016	As at December 31, 2014
(a)	Calculation of weighted average number of equity shares		
	1. For Basic EPS		
	No. of shares at the beginning of the period/year	208,306,104	198,306,104
	Total number of equity shares outstanding at the end of the period/year	221,765,983	208,306,104
	Weighted average number of equity shares outstanding during the period/year	219,137,992	206,717,063
	2. For Diluted EPS		
	Weighted average number of equity shares outstanding during the period/year as computed above	219,137,992	206,717,063
	Weighted average number of equity shares outstanding during the period/year for diluted EPS	219,137,992	206,717,063
(b)	Net loss for the period / year available for equity shareholders	(9,750,133,387)	(9,395,397,457)
	Loss per share (face value per share Rs. 10 each)		
	Basic	(44.49)	(45.45)
	Diluted	(44.49)	(45.45)

43 Segmental information

Identification of segments

Primary segments

The Group has considered business segments as the primary segment for disclosure according to the nature of the products sold, with each segment representing a strategic business unit. The Group has accordingly identified two primary business segments, i.e. 'storage media products' (compact discs, magnetic discs and other storage media products) and 'Solar products' (photovoltaic cells, modules and thin films). Other activities of the Group not falling into these two segments are presented on an aggregate basis under 'Other operations'.

Secondary segments

The activities of the Group are also geographically spread over the Indian territories and exports to other countries, primarily in Europe and USA.

The accounting principles consistently used in preparation of the financial statements are also consistently applied to record income and expenditure for individual segments. These are stated in the note on significant accounting policies.

Unallocated items

Certain expenses such as depreciation (other than depreciation on plant and machinery) and corporate expenses, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying services are used interchangeably. The Group believes that it is not practical to provide segment disclosure relating to those costs and expenses and accordingly these expenses are separately disclosed as "unallocated" and directly charged against total income.

Fixed assets used in the Group's business and liabilities accounted for, which are not directly associated to any reportable segment are separately disclosed as 'unallocated'.

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(a) Information about primary business segments

- Financial information about business segments for the period ended March 31, 2016 is as follows:

Particulars	Storage media products	Solar products	Other operations	Inter segment eliminations	Total
Revenue:					
External	6,956,331,538	1,579,109,472	442,699,124	-	8,978,140,134
Inter-segment	1,001,238,580	524,010,074	1,142,836,181	(2,668,084,835)	-
Total revenue	7,957,570,118	2,103,119,546	1,585,535,305	(2,668,084,835)	8,978,140,134
Result:					
Segment results	(1,758,345,431)	(1,458,928,115)	(236,500,234)	-	(3,453,773,780)
Interest expense (net of interest income)					5,698,721,361
Unallocated corporate expenses (net of other income)					(24,131,861)
Loss before tax and exceptional items					(9,128,363,280)
Exceptional items					(621,686,147)
Loss before tax					(9,750,049,427)
Provision for taxation					83,960
Loss after tax					(9,750,133,387)
Other information:					
Segment assets	10,235,365,908	16,341,557,766	9,204,844,062	(14,005,421,799)	21,776,345,937
Unallocated corporate assets					1,733,005,664
Total assets					23,509,351,601
Segment liabilities	4,299,127,623	5,651,805,654	8,819,995,723	(13,611,330,635)	5,159,598,365
Unallocated corporate liabilities					55,706,727,838
Total liabilities					60,866,326,203
Capital expenditure	40,920,608	227,619,052	7,490,761	-	276,030,421
Unallocated capital expenditure					-
Total capital expenditure					276,030,421
Depreciation, amortisation and impairment	956,442,881	1,317,630,285	136,029,066	(111,891,018)	2,298,211,214
Unallocated depreciation, amortisation and impairment					7,689,914
Total depreciation, amortisation and impairment					2,305,901,128

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- Financial information about business segments for the period ended December 31, 2014 is as follows:

Particulars	Storage media products	Solar products	Other operations	Inter segment eliminations	Total
Revenue:					
External	9,434,640,347	1,937,652,586	312,046,369	-	11,684,339,302
Inter-segment	1,110,052,026	453,966,825	413,077,743	(1,977,096,594)	-
Total revenue	10,544,692,373	2,391,619,411	725,124,112	(1,977,096,594)	11,684,339,302
Result:					
Segment results	(2,962,734,005)	(1,306,251,814)	(534,971,464)	-	(4,803,957,283)
Interest expense (net of interest income)					4,110,009,324
Unallocated corporate expenses (net of other income)					(27,803,045)
Loss before tax and exceptional items					(8,886,163,562)
Exceptional items					(508,201,745)
Loss for the year					(9,395,397,457)
Other information:					
Segment assets	12,700,533,096	17,041,081,665	9,582,078,503	(13,089,288,175)	26,234,405,089
Unallocated corporate assets					2,026,453,782
Total assets					28,260,858,871
Segment liabilities	4,172,742,540	4,659,345,606	9,291,896,883	(13,086,544,429)	5,037,440,600
Unallocated corporate liabilities					49,835,741,031
Total liabilities					54,873,181,631
Capital expenditure	178,442,044	67,926,170	-	-	246,368,214
Unallocated capital expenditure					-
Total capital expenditure					246,368,214
Depreciation, amortisation and impairment	1,710,491,758	1,059,457,060	446,524,482	(60,122,811)	3,156,350,489
Unallocated depreciation, amortisation and impairment					5,560,723
Total depreciation, amortisation and impairment					3,161,911,212

(b) Information about secondary geographical segments:

Sales revenue by geographical market	As at March 31, 2016	As at December 31, 2014
India	5,156,465,567	4,783,894,722
Outside India	3,821,674,567	6,900,444,580
Total	8,978,140,134	11,684,339,302

Assets and additions to tangible and intangible fixed assets by geographical area	Addition to fixed assets and intangible assets		Carrying amount of segment assets	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
India	276,030,421	246,368,214	23,198,772,141	27,474,010,629
Outside India	-	-	310,579,460	786,848,242
Total	276,030,421	246,368,214	23,509,351,601	28,260,858,871

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44 Employees' benefits

The Group has classified the various benefits provided to employees as under -

(I) Defined contribution plans

During the period, the group has recognised the following amounts in the statement of profit and loss -

Particulars	As at March 31, 2016	As at December 31, 2014
Employers' contribution to provident fund *	55,866,395	54,766,865
Employers' Contribution to Employee's State Insurance Act, 1948 *	591,196	4,203,507
Employers' Contribution to Employee's Pension Plan, 1995 *	31,620,996	26,339,489

(II) Defined benefit plans and other long term employee benefits

- Contribution to gratuity - Life Insurance Corporation of India
- Unavailed leaves
- Pension scheme for overseas subsidiaries

(i) In accordance with Accounting Standard 15 (revised 2005)-'Employee Benefits' (AS - 15), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions:-

Particulars	Unavailed leaves (unfunded)		Employee's gratuity fund	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
Discount rate (per annum)	7.84%	7.98%	7.84%	7.98%
Rate of increase in compensation levels	10.00%	10.00%	10.00%	10.00%
Rate of return on plan assets	-	-	7.84%	8.85%
Expected average remaining working lives of employees (years)	6.12	6.06	6.12	6.06

(ii) Changes in the present value of defined benefit obligation

Particulars	Unavailed leaves (unfunded)		Employee's gratuity fund	
	As at March 31, 2016	As at December 31, 2014	As at March 31, 2016	As at December 31, 2014
Present value of obligation as at January 1, 2015	92,175,671	92,298,922	284,426,627	276,358,775
Interest cost	9,014,205	8,839,139	26,517,794	24,706,478
Current service cost	14,007,612	10,000,782	28,744,601	27,882,973
Benefits paid/transferred	(16,271,949)	(14,492,955)	(49,218,910)	(35,336,395)
Equitable interest transferred	-	-	-	(4,465,977)
Acquisition/business combination/divestiture	-	-	-	4,465,977
Actuarial gain on obligations	(14,416,274)	(4,470,217)	6,212,265	(9,185,205)
Present Value of obligation as at March 31, 2016	84,509,265	92,175,671	296,682,377	284,426,627

(iii) Changes in the fair value of plan assets

Particulars	Employee's Gratuity Fund	
	As at March 31, 2016	As at December 31, 2014
Fair value of plan assets as at January 1, 2014	81,980,699	93,379,468
Expected return on plan assets	7,279,254	7,656,056
Actuarial gains and losses	(512,499)	912,615
Contributions	29,368,110	15,214,226
Benefits paid	(49,218,910)	(35,336,395)
Additional charge/acquisition/ business combination	(127,105)	154,729
Fair value of plan assets as at March 31, 2016	68,769,549	81,980,699

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(iv) Expenses recognised in the statement of profit and loss

Particulars	Unavailed leaves (unfunded)	
	As at March 31, 2016	As at December 31, 2014
Current service cost	14,007,611	10,588,168
Interest cost	9,014,205	8,251,753
Net actuarial (gain)/loss recognised	(14,416,274)	(4,470,217)
Total expenses recognised in the statement of profit and loss*	8,605,542	14,369,704

Particulars	Gratuity (funded)	
	As at March 31, 2016	As at December 31, 2014
Current service cost	28,744,601	27,882,973
Interest cost	26,517,794	24,706,478
Expected return on plan assets	(7,279,254)	(7,656,056)
Net actuarial (gain)/loss recognised	7,720,912	(5,786,574)
Total expenses recognised in the statement of profit and loss	55,704,053	39,146,821

* Included in salary, wages and bonuses (refer note 29)

(v) The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan; and experience adjustments arising on the plan liabilities and the plan assets in respect of gratuity for 5 years is as follows:-

Particulars	Employee's Gratuity Fund(funded)				
	Period ended March 31, 2016	Year ended December 31, 2014	Period ended December 31, 2013	Year ended March 31, 2013	Year ended March 31, 2012
Present value of defined benefit obligation	296,682,377	284,426,627	276,358,774	296,034,011	249,105,439
Fair value of plan assets	68,769,549	81,980,699	93,379,468	119,497,355	140,760,881
Deficit in the plan assets	(227,912,828)	(202,445,929)	(178,683,928)	(174,079,049)	(108,344,558)
Experience adjustments on plan liabilities loss/ (gain)	(3,061,361)	(11,971,845)	(6,543,053)	27,980,085	(16,291,944)
Experience adjustments on plan assets (loss)/ gain	(127,105)	-	-	-	-

Particulars	Leave Encashment (unfunded)				
	Period ended March 31, 2016	Year ended December 31, 2014	Period ended December 31, 2013	Year ended March 31, 2013	Year ended March 31, 2012
Present value of defined benefit obligation	84,509,265	92,175,671	92,337,834	91,533,505	99,071,135
Fair value of plan assets	-	-	-	-	-
Surplus or (deficit) in the plan assets	(84,509,265)	(92,175,671)	(92,337,834)	(91,533,505)	(99,071,135)
Experience adjustments on plan liabilities	-	-	-	-	-

45 Foreign currency convertible bonds

(a) Restructuring

The outstanding foreign currency convertible bonds (FCCBs) aggregating to principal value of USD 88,400,000 (equivalent to Rs 5,857,384,000 (previous year ended December 31, 2014 USD 88,500,000 (equivalent to Rs. 5,579,040,000)) matured for redemption on June 21, 2012, which have since been claimed by the trustee of the bondholders. The Company has received approval from the Reserve Bank of India to extend the redemption date of bonds and is in discussions with the bondholders, through the Trustee, to re-structure the terms of these bonds. In view of the ongoing negotiations with bondholders, financial obligations of the Company, other than the premium on redemption, have not been provided for in books.

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(b) The utilisation of the balance proceeds of zero coupon foreign currency convertible bonds is as under:

Particulars	As at March 31, 2016		As at December 31, 2014	
	USD	Rs.*	USD	Rs.*
Funds available at the beginning of the year	-	-	139,101	8,597,861
Less: Bank charges	-	-	3,585	217,327
Less: Miscellaneous Expenses	-	-	135,516	8,373,224
Unutilized issue proceeds #	-	-	-	-

* Net of foreign exchange loss of Rs. 7,309 for the year ended December 31, 2014.

(c) Movement in provision for premium on redemption of foreign currency convertible bonds

Particulars	As at March 31, 2016	As at December 31, 2014
Opening balance	3,879,418,653	3,176,579,698
Add:- Provision for the period /year	1,104,431,710	702,838,955
Total Premium as on March 31,2016	4,983,850,363	3,879,418,653
Classified under other current liabilities (refer note 13)	2,175,545,909	2,034,913,177
Classified under short term provision (refer note 14)	2,808,304,454	1,844,505,476

Premium payable on redemption of FCCB accrued up to March 31, 2016 amounting to Rs. 4,983,850,363 (previous year ended December 31,2014 Rs. 3,879,418,653) has been fully provided for and charged to securities premium account. In the event that the conversion option is exercised by the holders of FCCB in the future, the amount of premium charged to the securities premium account shall be written back to security premium account.

(d) During the period, the parent company has issued 9,879 equity shares of Rs 10 each upon conversion of 6.75% Tranche B Foreign Currency Convertible Bonds (FCCBs) of principal amount of USD 100,000 to one of the Bondholder out of the total of USD 43 million outstanding as at December 31, 2014. Post the conversion, Tranche B FCCBs aggregating to USD 42.9 million and Tranche A FCCBs aggregating to USD 45.5 million are outstanding as at March 31, 2016.

46 Disclosures pursuant to Accounting Standard (AS) 7 "Construction Contracts" :

Particulars	As at March 31, 2016	As at December 31, 2014
Contract revenue recognised during the period /year	101,724,639	334,249,544
Aggregate amount of contract costs incurred for all contracts in progress at period/year	74,895,587	-
Recognised profits (less recognised losses) for all contracts in progress at the period/year	26,829,052	-

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47 Disclosure relating to dues outstanding to micro, small and medium enterprises as defined in Micro Small and Medium Enterprises Act 2006

Particulars		As at March 31, 2016	As at December 31, 2014
(a)	Amount remaining unpaid to Micro, small and medium enterprises at the end of period /year		
	Principal amount	21,044,483	51,431,626
	Interest thereon	33,568,666	39,481,242
	Total	54,613,149	90,912,868
(b)	Amount of payments made to Micro, small and medium enterprises beyond the appointed date during the period /year		
	Principal amount	139,484,519	228,636,035
	Interest actually paid u/s 16 of the Act.	-	-
(c)	Interest accrued (including interest u/s 16 of the Act) and remaining unpaid at the end of the period /year		
	Interest accrued during the period /year	8,095,923	11,372,832
	Interest remaining unpaid during the period /year	33,568,666	39,481,242

48 Additional information to consolidated accounts as at March 31, 2016 (Pursuant to Schedule III of the Companies Act 2013):

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit and loss	
	As % of consolidated net assets	Amount	As % of consolidated net profit/(loss)	Amount
Parent company				
Moser Baer India Limited	62%	(23,189,142,931)	59%	(5,733,936,634)
Subsidiaries: Indian				
Moser Baer Distribution Limited (formerly Moser Baer SEZ Developer Limited)	0%	2,903,985	0%	(85,733)
Solar Research Limited	0%	404,284	0%	(76,805)
Moser Baer Laboratories Limited (formerly Moser Baer Energy Limited)	0%	183,962	0%	(87,805)
Moser Baer Entertainment Limited	3%	(1,017,730,372)	0%	41,803,325
Moser Baer Investments Limited	0%	(143,804)	0%	(1,203,961)
Moser Baer Solar Limited (formerly known as Photovoltaic Technologies India Limited)	14%	(5,073,678,485)	16%	(1,597,147,912)
Helios Photovoltaic Limited (formerly known as Moser Baer Photovoltaic Limited)	21%	(7,715,340,615)	25%	(2,459,978,449)
Value Solar Energy Private Limited	1%	(313,993,146)	0%	17,388,418
Pride Solar Systems Private Limited	0%	(67,958)	0%	(29,092)
Admire Energy Solutions Private Limited	0%	(66,278)	0%	(36,169)
Moser Baer Solar Systems Private Limited	0%	6,875,019	0%	(811,078)
Competent Solar Energy Private Limited	0%	(1,995)	0%	(29,092)
Moser Baer Infrastructure and Developers Limited	0%	(3,057,553)	0%	(47,123,089)

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016

(All amounts in rupees unless otherwise stated)

Subsidiaries: Foreign					
Perafly Limited	0%	(39,328,829)	0%	(887,234)	
Peraround Limited	-2%	800,198,008	-1%	56,205,917	
Advoferm Limited	2%	(703,674,174)	1%	(62,763,235)	
European Optic Media Technology GmbH	0%	(5,638,977)	0%	(1,492,440)	
Photovoltaic Holdings Limited	0%	(1,664,655)	0%	270,130	
MB Solar Holdings Limited	0%	(106,544,917)	0%	1,058,026	
TIFTON Limited	0%	39	0%	(426,266)	
Cubic Technologies BV	0%	-	0%	12,795,916	
Omega	0%	470,580	0%	(5,414)	
OM&T B.V.	0%	(10)	0%	-	
Moser Baer Technologies USA	0%	-	0%	26,384,659	
Moser Baer Photovoltaic Inc. USA	0%	2,064,220	0%	80,630	
Total	100%	(37,356,974,603)	100%	(9,750,133,387)	

- 49 (a) During the financial year ended March 31, 2013, Secured Lenders (Banks) had approved the restructuring package under "Corporate Debt Restructuring Package" (CDR) of one of the subsidiary company, Helios Photovoltaic Limited ("HPVL"). The CDR was not fully implemented and HPVL was unable to service the repayments/ payments of loan/interest in accordance with CDR which resulted in HPVL's debt becoming non-performing assets with all the banks.

Consequently, the Monitoring Institution of the CDR made a recommendation to the CDR Empowered Group along with approval of majority secured lenders to seek exit of HPVL's account from CDR and on 30 November 2015 CDR EG approved this exit. Subsequent to approval of exit by CDR EG, majority of lender banks have issued notices to HPVL recalling their debt. Pursuant to exit from CDR, the group has classified debt from non-current bank liabilities to current liabilities and derecognized the amounts recoverable from banks under CDR scheme with corresponding adjustments to the debt and interest expense. In the absence of any communication from these lenders bank, the group has not been able to determine the impact of exit from CDR on the carrying value of debt and interest payable thereon. "

- (b) As of March 31, 2016, the management performed detailed impairment assessments of carrying value of fixed assets for all of its operating subsidiary companies based on business valuation. Such assessments are based on recoverable value of assets determined using Value in use method and are therefore dependent upon future outcome of certain matters such as negotiation with the lenders banks for debt restructuring, recovery of SIPS, recovery of advance under litigation and revival of operations. In case of one of the subsidiary of the Company, HPVL, the lenders banks have exited from the CDR scheme as described in note 49(a).

HPVL has submitted the revival plan to the banks and their responses are awaited. Pending finalization of the revival plan, no further impairment in the carrying value of the fixed assets is made. Carrying value of fixed assets of HPVL as at March 31, 2016 is Rs. 2,407,477,326."

50 Going Concern

The Group has incurred a loss of Rs 9,750,133,387 during the period ended March 31, 2016 (previous year Rs. 9,395,397,457), and, as of that date, the Group's accumulated losses amounts to Rs. 52,033,909,598 (previous year Rs. 42,198,662,488 lacs) and it has negative net worth of Rs. 37,356,974,603 (previous year Rs. 26,612,322,760). Further, as of March 31, 2016, the Group's current liabilities exceeded its current assets by Rs. 39,722,488,779 (previous year Rs. 21,317,266,335).

The Holding Company, Moser Baer India Limited has outstanding foreign currency convertible bonds (FCCBs) with principal value of USD 88,400,000 equivalent to Rs 5,857,384,000 (previous year ended December 31, 2014 USD 88,500,000 equivalent to Rs 5,579,040,000) which were due for redemption along with premium on June 21, 2012. As at March 31, 2016, accrual for premium on FCCB aggregates Rs 4,983,850,363. The company is in the process of negotiation with the bondholders to re-structure the terms of these bonds; these negotiations have progressed. The Company has applied to the RBI for approval to extend the repayment of FCCBs till December, 2016.

Due to continued liquidity issues primarily resulting from non- release of sanctioned working capital limits and refunds due to the company, the Company has been unable to comply with repayment terms of its borrowing arrangement with secured lenders as agreed in the Corporate Debt Restructuring package approved in year ended 31 March 2013. The Company has

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

received debt recall and other notices from certain consortium lender banks for their respective share of debt. Meanwhile, the Company has approached the lender consortium for a revised debt restructuring plan. The management has submitted its proposal which is under review at the stage. The revised debt restructuring plan submitted by the Company includes deferment of debt and interest repayment, disposal of surplus assets and infusion of fresh capital by the promoters. The banks instituted a TEV study to be conducted by an expert appointed by bank who has since submitted its report to the lenders. In a recent meeting, the lenders have indicated their inability to accept the TEV and have indicated their intention to exit from the CDR and initiate legal proceedings against the company subject to approval of their competent authorities. The company continues to engage with management of banks both on TEV study and restructuring proposal. The final response of the banks is awaited. Meanwhile the banks have allowed operations to continue. On 30 March 2016, one of the lender banks, which is part of the CDR consortium of the Company, has assigned its outstanding dues in favour of an asset reconstruction company on the same terms and conditions as applicable to the said lender.

In respect of Helios Photovoltaic Limited (HPVL) one of the subsidiary of the company as mentioned in note 49 to the results the lenders banks have exited from CDR and have issued notices to subsidiary company recalling their debt. The management is in discussion with lender banks for restructuring of debts. The management has also taken an expert opinion from a leading law firm about the options available to the banks and the possible legal defenses available to the company. In respect of another subsidiary company Moser Baer Solar Limited (MBSL), due to continued liquidity issues primarily resulting from non-release of sanctioned working capital limits and refunds due to the subsidiary company, it is unable to comply with repayment terms of its borrowing arrangements with secured lenders as agreed in the Corporate Debt Restructuring packages approved in year ended March 31, 2013. MBSL has now approached these lenders for a revised debt restructuring plan. The Monetary Institution of MBSL instituted a TEV study to be conducted by an independent expert who has submitted their report to the respective lenders. The TEV study is under consideration excluding independent of the capital subsidy under Special Incentive Package Scheme.

The Group has been operating at suboptimal levels due to working capital constraints, resulting in adverse impact on cash flow from operations. With restoration of OEM optical media business, generation of funds through sale of surplus assets and promoter contribution, accompanied by restructuring of debt from banks, the group expects to achieve better utilization of its manufacturing facilities and consequently, generate positive cash flow from operations. Further, the Group also expects release of capital subsidies under Special Incentive Package Scheme (SIPS) in MBSL and HPVL and also expects significant supportive measures by government for Solar energy sector in solar business in India. Conditions explained above, indicate existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern due to which the group may not be able to realize its assets and discharge its liabilities in the normal course of business. However, considering recent developments, inter-alia, progress made in the review of plan and further management's plans relating to restructuring of debt, FCCBs, infusion of capital, generation of funds through sale of surplus assets, legal opinion of expert in respect of HPVL as referred above and expected improvement in the operating activities, and receipt of capital subsidy (SIPS) management expects to generating positive cash flow from operations and accordingly, these results have been prepared on a going concern basis.

- 51** The Ministry of New & Renewable Energy ('MNRE) had sanctioned grant-in-aid for implementation of R&D project on "Development of CIGS solar cell pilot plant to achieve grid parity solar cess" vide order no. MNRE/31/10/2009-10/PVSE, dated October 21, 2010 with a project cost of Rs. 156,376,000 of which MNRE share was Rs. 71,050,000 and Holding company's share was Rs. 85,326,000 for three years. In the year ended March 31, 2011, the Holding company had received grant of Rs. 35,000,000 for the said project.

Pursuant to the meeting of R&D Project Appraisal Committee (RDPAC) on Solar Photovoltaic and Solar Thermal held on November 16, 2015 and letter No. 15/01/2010-11/ST dated March 28, 2016, the project was considered as commercially unviable and therefore decided to abandon the project and the Holding Company has been requested to shift all MNRE assets acquired out of the grant received to National Institute of Solar Energy (NISE) and unspent money is to be return to the MNRE.

Note 15 on "Fixed Assets" under the sub-head Plant and Equipment includes testing equipments of Rs. 21,139,973 acquired out of the grant received, having carrying value of Rs. 9,329,622 as at March 31, 2016. Out of the total grant received by the Holding Company, balance unspent money of Rs. 13,860,027 has been kept in the form of fixed deposits with one of the nationalised bank and included in cash and bank balances.

MOSER BAER INDIA LIMITED

Summary of significant accounting policies and other explanatory informations to the consolidated financial statements for fifteen months period ended March 31, 2016
(All amounts in rupees unless otherwise stated)

Pursuant to the letter received by the Holding Company in respect of demand of unspent money by the MNRE, the grant received has been disclosed in the financial statements as "Deferred Government grant" under sub-head "Other Current Liabilities" during the current period."

- 52** During the period ended March 31, 2016, the Holding Company decided to sell part of its non-core assets. On the basis of approval by Board of Directors and upon completion of successful bidding process, assets has been classified as "Non-current asset held for sale" in financial statements. The Holding Company has ceased to charge depreciation from the date of classification as held for sale. Had the Holding Company not decided to sell these assets, depreciation for period ended March 31, 2016 would have been higher by Rs. 3,31,081.
- 53** During the current period, certain workers at Greater Noida plant instigated illegal stoppage of work, which consequently affected factory operations in the month of March 2015. On account of stoppage of work as aforesaid, the Holding Company's shipment and revenue were adversely affected. Operating cost were also lower on account of lower expenses including wages cost. With the support of concerned government and administrative authorities, an amicable settlement reached with the workers and normalcy was restored in early April 2015. Holding Company ensured that disruption led to minimum impact on operating cash flows and speedy recovery thereafter.
- 54** During the financial year ended March 31, 2012, EMCO Limited and one of subsidiary company, Moser Baer Solar Limited ("MBSL"), entered into a contract for supply, civil construction, erection and commissioning and testing. The said contract was amended on two occasions on October 18, 2011 and January 11, 2012. Original contract price of Rs. 630,000,000 was reduced to Rs. 428,000,000 with further reduction to Rs. 335,500,000.

The reduction in contract value as agreed is the sole and exclusive remedy available with EMCO for reduction in tariff. EMCO has disputed the outstanding dues with respect to services rendered/ goods supplied by the MBSL. Based on the opinion of external legal counsel, the Management expects a favorable outcome from the proposed proceedings and considers the amount of Rs. 106,726,723 as recoverable.

- 55** The Group has changed its financial year from 31 December to 31 March and prepared financial statements for 15 months, whereas previous financial year consisted of 12 months period. Accordingly, current financial period figures are not comparable with those of the previous year.
- 56** Figures of the previous year have been regrouped and rearranged wherever necessary, to make them comparable.

For **Walker Chandio & Co LLP**
(formerly Walker, chandiok & Co)
Chartered Accountants

per **Neeraj Goel**
Partner

Place: New Delhi
Date: May 25, 2016

For and on behalf of the board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director
DIN : 00002189

Neeraj Parmar
AVP Legal and
Company Secretary
M.No: F4589

Nita Puri
Director
DIN : 00002331

Yogesh Mathur
Chief Financial Officer
PAN: ADDPP2926L

**Statement pursuant to first proviso to sub section (3) of Section 129 of the Companies Act 2013,
read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed FORM AOC-1 relating to Subsidiaries/Joint Venture**

S.No.	Name of subsidiary company	Reporting cur- rency	Exchange rate	Share capital	Reserve and Surplus	Total assets	Total liabilities	Investments (except in case of investment in subsidiary)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of share holding
1	European Optic Media Technology GmbH	EURO	75.38	111,263,750	(55,595,477)	64,747,314	9,079,041	-	23,277	(1,492,518)	-	(1,492,518)	100%
2	Moser Baer Distribution Limited (formerly Moser Baer SEZ Developer Limited)*	INR		105,000,000	673,403,986	778,572,786	188,800	-	1,802	(85,457)	-	(85,457)	100%
3	Solar Research Limited*	INR		74,250,000	661,624,373	735,926,876	52,503	-	-	(76,805)	-	(76,805)	100%
4	Moser Baer Laboratories Limited*	INR		500,000	(316,266)	270,719	86,985	-	-	(88,033)	-	(88,033)	100%
5	Moser Baer Entertainment Limited	INR		662,700,000	(2,250,693,190)	488,931,573	2,076,924,763	-	1,608,545,790	41,803,324	-	41,803,324	100%
6	Moser Baer Investments Limited	INR		652,646,600	(10,707,298)	787,517,269	145,577,957	-	-	(1,203,961)	-	(1,203,961)	100%
7	Photovoltaic Holdings Limited	INR		1,141,360,033	(14,167,429)	1,135,655,674	8,463,069	-	270,130	270,130	-	270,130	100%
8	MB Solar Holdings Limited	INR		6,676,504,172	(485,559,606)	6,295,023,652	104,079,087	-	-	1,284,597	-	1,284,597	100%
9	Moser Baer Solar Limited	INR		9,825,004,040	(19,831,721,360)	11,198,193,334	21,204,910,654	-	1,759,635,818	(9,134,188,964)	-	(9,134,188,964)	100%
10	Helios Photovoltaic Limited (formerly known as Moser Baer Photovoltaic Limited)	INR		8,953,330,900	(14,625,358,291)	8,393,974,579	14,066,001,971	-	532,774,696	(2,503,388,213)	-	(2,503,388,213)	100%
11	Perafly Limited	INR		1,210,772,690	(60,242,044)	1,189,251,746	38,721,100	-	-	-	-	-	100%
12	Peraound Limited	INR		171,784,239	304,684,438	1,756,659,820	1,280,191,143	1,320,264	56,031,691	56,031,691	-	56,031,691	100%
13	Advoferm Limited	INR		989,582	(877,248,362)	273,303,910	1,149,562,720	1,382	667,061	(60,876,804)	-	(60,876,804)	100%
14	Cubic Technologies BV#	EURO	75.38	1,214,280	160,641,787	161,856,067	-	-	28,699,232	(18,825,803)	-	(18,825,803)	100%
15	TIFTON Limited	INR		16,173,750	(19,021,119)	628,380	3,475,749	-	-	202,075	-	202,075	100%
16	Value Solar Energy Private Limited	INR		100,000	(281,089,685)	440,640,027	721,629,712	-	337,446,706	15,908,081	83,960	15,824,121	100%
17	Pride Solar Systems Private Limited*	INR		100,000	(360,260)	2,100	262,360	-	-	(46,715)	-	(46,715)	100%
18	Admirer Energy Solutions Private Limited*	INR		100,000	(343,411)	1,444	244,855	-	-	(44,379)	-	(44,379)	100%
19	Moser Baer Solar Systems Private Limited	INR		255,000	28,578,585	36,748,086	7,914,501	-	311,120	(1,156,566)	(238,363)	(918,203)	100%
20	Competent Solar Energy Private Limited*	INR		100,000	(1,171,939)	59,694	1,131,633	-	-	(26,525)	-	(26,525)	100%
21	Moser Baer Technologies USA#	USD	66.25	592,962,368	(592,962,368)	(0)	0	-	34,752,673	26,384,656	-	26,384,656	100%
22	Moser Baer Infrastructure and Developers Limited	INR		111,000,000	(211,576,414)	330,204,218	430,780,632	-	-	(47,123,089)	-	(47,123,089)	100%
23	Moser Baer Photovoltaic Inc. USA	USD	66.25	2,320,186	(661,754)	2,068,892	410,460	-	-	80,630	-	80,630	100%

Notes:

* Subsidiaries are yet to commence commercial operations.
voluntarily liquidated during the year.

For and on behalf of board of directors of
MOSER BAER INDIA LIMITED

Deepak Puri
Chairman and
Managing Director

Yogesh Mathur
Chief Financial Officer

Neeraj Parmar
AVP Legal and
Company Secretary

Date: May 25, 2016
Place: New Delhi

moserbaer

Regd. Office: 43-B, Okhla Industrial Estate, Phase-III, New Delhi-110020

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