

M.R. ORGANISATION LIMITED**DIRECTORS' REPORT**

To the Members,

Your Directors hereby present their Second Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended 31st March, 2015.

1. HIGHLIGHTS OF PERFORMANCE

The year witnessed reduction in the income and also in the profit due to competition from local and international players.

2. FINANCIAL RESULTS

Particulars	(Amount in Rs.)	
	31.03.2015	31.03.2014
Revenue from operations	82,269,704	109,184,416
Add: Other income	8,889,630	2,355,099
Total revenue	91,159,334	111,539,515
Less : Total Expenses	78,190,274	93,849,324
Profit before Tax	12,969,060	17,714,274
Less : Tax Expenses	4,412,798	6,161,411
Current tax	(35,164)	-
Deferred tax	(602,038)	(38,589)
Net Profit	8,556,262	11,552,863
No. of Shares	516,750	510,000
Nominal Value	10	10
EPS - Basic	16.56	22.65

3. DIVIDEND

In order to conserve the financial resources, your directors do not recommend any dividend for the year ended 31st March 2015.

4. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "Annexure -A".

5. DIRECTORS' REPORT

a) Number of Meetings of the Board of Directors and Audit Committee :

The Board of Directors of the Company met ten times during the year and four audit committee Meetings were convened and held. The details of which are given in the

Corporate Governance Report. The Intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

b) Formal Annual Evaluation :

Pursuant to the provisions of the Companies Act, 2013 and Clause 42 of the Listing Agreement, the Board has carried out an annual performance evaluation of the Board. The Board also evaluated the performance of the working of its Audit, Nomination and Remuneration Committees.

c) Remuneration Policy :

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

6. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

The Board of Directors declare that the Independent Directors Mr. Tejas Shah, Mr. Jigar Shah and Mr. Priyank Shah are:

- a) In the opinion of the Board, the persons of integrity and possess relevant expertise and experience;
- b) (i) not a promoter of the company or its holding, subsidiary or associate company;
(ii) not related to promoters or directors in the company, its holding, subsidiary or associate Company;
- c) Not having pecuniary relationship with the company, its holding, subsidiary or associate company(ies) or their promoters or directors, since incorporation;
- d) Those whose relative not having any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoter, or director, amounting to two percent or more of its gross turnover of total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current financial year;
- e) Neither themselves nor any of their relative –
 - 1) held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company since incorporation;
 - 2) or were not an employee or proprietor or a partner, in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed, of –
 - (i) A firm of auditors/company secretaries in practice or cost auditors or the company or its holding, subsidiary or associate company; or
 - (ii) Any legal or consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - 3) not holding, whether themselves or together with their relatives two per cent, or more of the total voting power of the company; or
 - 4) not Chief Executive or director, by whatever name called, of any non-profit organization that receive twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that hold two per cent or more of the total voting power of the company; or
- f) Possessing such other qualification as may be prescribed.

7. SUBSIDIARIES AND JOINT VENTURES

Pursuant to provisions of section 129(3) of the Companies Act, 2013 a statement containing salient features of financial statements of subsidiaries in form AOC-1 is attached to the accounts. The separate audited financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any members of the Company interested in obtaining the same.

8. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with the applicable Accounting Standard issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

9. AUDITORS AND THEIR REPORT

Comments of the Auditors in their report and the notes forming part of the Accounts are self-explanatory and need no comments.

Your Board of directors request that the appointment of M/s. N.K. Aswani and Co., Chartered Accountants, Ahmedabad, the Company's Auditors be ratified at the forthcoming annual general meeting and the said auditors being eligible, offer themselves for re-appointment. The Company has received a certificate from the auditor to the effect that their re-appointment if made, would be in accordance with the provisions of section 141 of the Companies Act, 2013.

10. SECRETARIAL AUDIT

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. Sudhir Dave, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure-B"

In reply to observation made in secretarial audit report we would like to clarify that in respect of first observation regarding single application to Central Government for two directors for remuneration such application is pending with the government and we would also like to inform you that Mr. Rasesh Shah and Ms. Silky Jain, as such, were not designated as KMP, therefore Form MR-1 for their appointment had not been filed.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

There are no any loans, investments, guarantees or securities provided by the company as per Sec. 186 of the Companies Act, 2013 and relevant rules made there under.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Details of related party transactions as per provisions of section 188 of the Companies Act, 2013 and rules made there under and as per Accounting Standard – 18 has been given in Form AOC-2 .

13. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments which would affect the financial position of the Company at the end of the financial year to which the financial statements relates and the date of the Directors Report.

14. TRANSFER OF PROFIT TO RESERVES

The company has proposed to transfer Rs. 8,556,262/- of profit to Reserve and Surplus Account.

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

A) Conservation of Energy:

The Company is making all efforts to minimise energy consumption. It has consumed 66733 unit costing to Rs. 5,97,745/-. The company requires very marginal consumption of energy.

B) Technology absorption:

The company has adopted indigenous technology and has neither imported any technology nor made any expenditure on research and developments during the current year. The Company has adopted SAP B1 version 8.1 technology in 2013 and it is going to continue with the same technology.

C) Foreign Exchange earnings and outgo:

Foreign Exchange inflow (Rs.): 7,66,83,373/-
Foreign Exchange outflow (Rs.): 17,53,097/-

16. RISK MANAGEMENT

A. Risk Management Committee:

The Company has not constituted any risk management committee. However, the Board reviews the Risk Management Policy at regular intervals.

B. Major risks affecting the existence of the Company:

The Company may face competition from Chinese Companies due their currency devaluation. However, the INR has also depreciated vis-a-vis US\$ and hence the risk is mitigated to a large extent. There are no other major risks which may affect the existence of the Company. However, the management is monitoring possible risk areas.

17. Corporate Social Responsibility

The provision of Section 135 of the Company's Act 2013 is presently not applicable to the Company. Hence there has been no report attached in this regard.

18. DIRECTORS' RESPONSIBILITY STATEMENT

- A) That in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- B) That such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- C) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- D) That the annual financial statements have been prepared on a going concern basis.
- E) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- F) That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

19. THE CHANGE IN NATURE OF BUSINESS

There is no material change in the business of the Company.

20. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL (KMP)

Sr. No.	Name of the KMP or Director	Designation	Date of appointment	Date of Resignation
1.	Tejas Shah	Independent Director	01/09/2014	-
2.	Jigar Shah	Independent Director	01/09/2014	-
3.	Priyank Shah	Independent Director	08/09/2014	-
4.	Kanika Singla	Company Secretary & Compliance Officer	09/09/2014	10/10/2014

21. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

Sr. No.	Name of the entity	Whether subsidiary, Joint ventures or associate companies	Date on which become	Date on which ceased
1.	M.R.Organisation (U.K) Limited	Subsidiary	Since Incorporation	-
2.	M.R. Organisation (U.S.A) LLC	Subsidiary	Since Incorporation	-

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS

No significant and material order(s) is/are passed against the Company by any of the regulators/ courts.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal), Act, 2013 and the rules framed there under.

During the financial year 2014-15, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2015.

24. VIGIL MECHANISM / WHISTLER BLOWER POLICY

The Company has vigil mechanism (Whistle Blower Policy) to deal with instances of fraud and mismanagement, if any.

25. ACKNOWLEDGEMENTS

Your Directors thank the Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz., customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

For, M. R. ORGANISATION LIMITED
Mayur I. Kamdar
MANAGING DIRECTOR

Mayur I. Kamdar
DIN: 00369341
Chairman

Place: Ahmedabad

Date:

Annexure - A
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

CIN	U29305GJ2013PLC074365
Registration date	05/04/2013
Name of the Company	M.R. Organisation Limited
Category / Sub-Category of the Company	Whether having share capital or not
Address of the registered office and contact details	B-8, Capital Commercial Centre, Near Patang Hotel, Ashram Road, Ahmedabad – 380 009, Gujarat. (T)079-29098077
Whether listed company (Yes/No)	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Limited E2/ 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai- 400 072

II. Principal of business activities of the Company:

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Manufacturing of Compressors	2912	100

III. Particulars of holding, subsidiary and Associate Companies:

Sr. No	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	Applicable Section
1	M.R. Organisation (U.K) Limited, First Floor, 5 Garland Road, Stanmore, Middlesex, HA 7 1NR, U.K	06929424	Subsidiary	2(87)
2	M.R. Organisation (U.S.A) LLC, 5 Germano Way Andover, MA 01810	80-0641381	Subsidiary	2(87)

IV. Shareholding pattern (Equity share capital breakup as percentage of Total Equity):

a) Category-wise Shareholding:

Category of Share holder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) INDIAN									
a) Individual/ HUF	-	504900	504900	99	516750	-	511650	99.01	0.1
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies									
Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub total A(1)	-	504900	504900	99	511650	-	511650	99.01	0.1
(2) FOREIGN									
a) NRI-individuals	-	-	-	-	-	-	-	-	-
b) Other									
Individuals	-	-	-	-	-	-	-	-	-
c) Bodies									
Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding									
of Promoter (A)=(A)(1)+ (A)(2)		504900	504900	99	511650	-	511650	99.01	0.1
B) Others (specify)									
Individuals	-	5100	5100	1	5100	-	5100	0.99	0.01
Sub Total B(2):-	-	5100	5100	1	5100	-	5100	0.99	0.01
Total shareholding of others (B)	-	5100	5100	1	5100	-	5100	0.99	0.01
GRAND TOTAL	-	510000	510000	100	516750	-	516750	100	-
A + B									

b) Shareholding of Promoters:

Name of Shareholders	Shareholding as at 01/04/2014			Shareholding as at 31/03/2015			% Change 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	
Mayur Kamdar	255000	49.35	-	253888	49.13	-	0.22
Pranaliben Kamdar	81600	15.79	-	89462	17.31	-	1.52
Harshil Kamdar	81600	15.79	-	81600	15.79	-	-
Bansari Kamdar	81600	15.79	-	81600	15.79	-	-
Rakesh Kamdar	5100	0.99	-	5100	0.99	-	-

c) Change in Promoter's Shareholding:

Name of Shareholders	Shareholding as at 01/04/2014		Shareholding as at 31/03/2015	
	No. Of Shares	% of Total Shares of the Company	No. Of Shares	% of Total Shares of the Company
Mayur Kamdar	255000	49.35	253888	49.13
Pranaliben Kamdar	81600	15.79	89462	17.31

d) Shareholding Pattern of top ten Shareholders (Other than directors, Promoters and Holders of GDRs and ADRs):

Name of Shareholders	Shareholding as at 01/04/2014		Shareholding as at 31/03/2015	
	No. Of Shares	% of Total Shares of the Company	No. Of Shares	% of Total Shares of the Company
-	-	-	-	-
-	-	-	-	-

e) Shareholding of Directors and Key managerial Personnel:

Name of Shareholders	Shareholding as at 01/04/2014		Shareholding as at 31/03/2015	
	No. Of Shares	% of Total Shares of the Company	No. Of Shares	% of Total Shares of the Company
Mayur Kamdar	255000	49.35	253888	49.13
Pranaliben Kamdar	81600	15.79	89462	17.31

Harshil Kamdar	81600	15.79	81600	15.79
Bansari Kamdar	81600	15.79	81600	15.79
Rakesh Kamdar	5100	0.99	5100	0.99
Rasesh Shah	2550	0.49	2550	0.49

V. Indebtedness:

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

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtdness at the beginingof the financial year				
i) Principal Amount	-	2,57,22,593	-	-
ii) Interest Due but Not Paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
Total I + ii = iii	-	2,57,22,593	-	-
Change in indebtedness during the financial year				
i) Addition	-	2,89,69,477	-	-
ii) Reduction	-	2,25,01,058	-	-
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	-	32,21,535	-	-
ii) Interest Due but Not Paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
Total I + ii = iii	-	32,21,535	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD			Total Amount
		MAYUR KAMDAR	PRANALI KAMDAR	-	
1	Gross salary	48,00,000/-	30,00,000/-	-	78,00,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,00,000/-	30,00,000/-	-	78,00,000/-
	(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 (A)	48,00,000/-	30,00,000/-	-	78,00,000/-
	Ceiling as per the Act				

B. Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		TEJAS SHAH	PRIYANK SHAH	JIGAR SHAH	---	
1	Independent Directors	29,167/-	29,167/-	29,167/-	-	87,501/-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)					
	Total Managerial Remuneration	29,167/-	29,167/-	29,167/-	-	87,501/-
	Overall Ceiling as per the Act					

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	55000/-	87500/-	142500/-
	(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		55000/-	87500/-	142500/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For, M. R. ORGANISATION LIMITED
Mansoor Q. Khan
 MANAGING DIRECTOR