

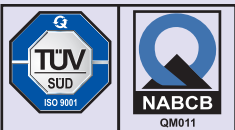
24th

Annual Report 2015-2016

Pressure Vessel – Ammonia Still
For Soda Ash Project.
Wt : 103 MT.



ISO 9001 : 2008 COMPANY



ASME "U" / "U2" / "S"
NATIONAL BOARD "NB" / "R"
Member of : HTRI - USA



Patels Airtemp (India) Ltd.

CIN : L29190GJ1992PLC017801

BOARD OF DIRECTORS

(As on 31-3-2016)

EXECUTIVE DIRECTORS

Narayanbhai G. Patel Chairman & Whole-time Director
 Prakash N. Patel Managing Director
 Sanjiv N. Patel Managing Director
 Narendra G. Patel Whole-time Director

NON-EXECUTIVE & NON-INDEPENDENT DIRECTOR

Devidas C. Narumalani (from 14-7-2015)

INDEPENDENT DIRECTORS

Hareshkumar I. Shah
 Vinodkumar C. Desai
 Ramanbhai R. Patel
 Veenaben B. Patel
 Girishbhai N. Desai (upto 20-12-2015)
 Himanshu N. Rawal (from 13-2-2016)

COMPANY SECRETARY Nikhil M. Patel

CHIEF FINANCIAL OFFICER Kamlesh R. Shah

STATUTORY AUDITORS M/s. Parikh & Majmudar,
 Chartered Accountants,
 Ahmedabad

BANKER Bank of Baroda,
 Navrangpura Branch,
 Ahmedabad

REGISTERED OFFICE

5th Floor, Kalpana Complex,
 Nr. Memnagar Fire Station,
 Navrangpura, Ahmedabad : 380 009
 Ph. No.:+91-79 27913694/95/96,
 Fax No. : +91-79 27913693,
 Email: share@patelsairtemp.com,
 Website: www.patelsairtemp.com

WORKS

Plot: 805, 806, 807, 810, Rakanpur – 382 721,
 Via: Sola-Bhadaj Village, Ta: Kalol,
 Dist: Gandhinagar, Gujarat, India
 Ph. No.:+91-2764286634/35
 Fax No. : +91-2764286301,
 Email :share@patelsairtemp.com,
 Website: www.patelsairtemp.com

BRANCH OFFICE

310, Oberoi Chambers - II
 New Link Road, Oshiwara,
 Andheri (W), Mumbai - 400 053.

LISTING BSE Limited
 Script Code 517417
 Script Name PATELSAI
 ISIN INE082C01024
 CIN L29190GJ1992PLC017801

24th ANNUAL GENERAL MEETING

Day - Saturday
Date - 30th July, 2016
Time - 10.00 a.m.
Venue - At Registered Office :
 5th Floor, Kalpana Complex,
 Nr. Memnagar Fire Station, Navrangpura,
 Ahmedabad : 380 009.

REGISTRAR & SHARE TRANSFER AGENT

M/S. Bigshare Services Pvt. Ltd.
 E-2/3, Ansa Industrial Estate, Sakivihar Road,
 Saki Naka, Andheri (E), Mumbai-400 072
 Tel: 022- 28470652, Fax: 022- 28475207
 Email: investor@bigshareonline.com
 Website: www.bigshareonline.com

E-mail for Investor Grievances :
 share@patelsairtemp.com

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NOTICE

NOTICE is hereby given that the 24th **ANNUAL GENERAL MEETING** of the members of **PATELS AIRTEMP (INDIA) LIMITED** will be held on Saturday, the 30th day of July, 2016, at 10.00 a.m., at the Registered Office of the Company situated at 5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad - 380009, to transact the following business :

ORDINARY BUSINESS :

- 1) To consider and adopt the Audited Financial Statement of the Company including Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
- 2) To declare dividend on Equity Shares for the financial year ended on March 31, 2016.
- 3) To appoint a Director in place of Mr. Narayanbhai G. Patel (DIN: 00023107) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Mr. Devidas C. Narumalani (DIN: 00097592) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
- 5) **To appoint Statutory Auditors and fix their remuneration.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) read with rules under the Companies (Audit and Auditors) Rules, 2014, M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad (Registration No. 107525W), the retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration based on the recommendation of the Audit Committee apart from re-imburement of out-of-pocket expenses and applicable taxes.”

SPECIAL BUSINESS :

- 6) **To appoint Mr. Himanshu N. Rawal (DIN: 06631728) as an Independent Director of the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Himanshu N. Rawal (DIN: 06631728), who was appointed as an Additional Director on the Board of the Company pursuant to Section 161(1) of the Companies Act, 2013 and Rules made thereunder and Articles of Association, by the Board of Directors on 13th February, 2016 and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013, in writing from a Member, proposing the candidature of Mr. Himanshu N. Rawal for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 2 (Two) consecutive years upto the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2018, not liable to retire by rotation.”

7) **To adopt new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the new set of Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised on behalf of the Company to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to settle all questions, difficulties or doubts that may arise in this regard, from time to time.”

8) **Revision in the remuneration payable to Mr. Narendra G. Patel (DIN: 00023205), Whole-time Director of the Company for the period from 1st August, 2015 to 1st August, 2016.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and in partial modification to the Special Resolution passed at the 21st Annual General Meeting of the Company held on 28th September, 2013, consent of the Company be and is hereby accorded to the revision in the remuneration of Mr. Narendra G. Patel (DIN: 00023205), Whole-time Director of the Company by increase in the Salary from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month with perquisites and allowances for the period from 1st August, 2015 to 1st August, 2016 as recommended by the Nomination and Remuneration Committee and set out in the Explanatory Statement annexed to the Notice.”

“RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-time Director of the Company, as approved by the Special Resolution passed at the 21st Annual General Meeting of the Company held on 28th September, 2013, shall remain unchanged.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Narendra G. Patel, Whole-time Director, including the monetary value thereof, to the extent recommended by Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013, Rules and Schedule made thereunder.”

“RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein to the Directors or Officers of the Company or to any Committee of Directors to give effect to the aforesaid resolution.”

9) **To re-appoint Mr. Narendra G. Patel (DIN: 00023205) as Whole-time Director of the Company for a further period of 3 years w.e.f. 2nd August, 2016 and payment of remuneration for the period of 3 years.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies

Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Narendra G. Patel (DIN : 00023205) as an Whole-time Director of the Company for a further period of 3 (Three) years with effect from 2nd August, 2016 upto 1st August, 2019, upon terms and conditions including remuneration for the said period of 3 years from 2nd August, 2016 upto 1st August, 2019 as recommended by Nomination and Remuneration Committee and mentioned in the Explanatory Statement hereunder.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as **“Board”**) be and is hereby authorized to vary and/or modify the terms and conditions of the appointment including remuneration payable to Mr. Narendra G. Patel in such manner as recommended by Nomination and Remuneration Committee and as may be agreed between the Board and Mr. Narendra G. Patel and within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof.”

“RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of the profits of the Company in any financial year during the period of 3 (three) years with effect from 2nd August, 2016 upto 1st August, 2019, the remuneration mentioned in the Explanatory Statement hereunder shall be paid to Mr. Narendra G. Patel as minimum remuneration and the same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013 and as may be amended from time to time.”

“RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein to the Directors or Officers of the Company or to any Committee of Directors to give effect to the aforesaid resolution.”

10) **Revision in the remuneration payable to Mr. Narayanbhai G. Patel (DIN: 00023107), Chairman & Whole-time Director of the Company for the period from 1st August, 2015 to 19th May, 2018.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and in partial modification to the Special Resolution passed at the 23rd Annual General Meeting of the Company held on 19th September, 2015, consent of the Company be and is hereby accorded to the revision in the remuneration of Mr. Narayanbhai G. Patel (DIN: 00023107), Chairman & Whole-time Director of the Company by increase in the Salary from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month with perquisites and allowances for the period from 1st August, 2015 to 19th May, 2018 as recommended by the Nomination and Remuneration Committee and set out in the Explanatory Statement annexed to the Notice.”

“RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-time Director, designated as “Chairman & Whole-time Director” of the Company, as approved by the Special Resolution passed at the 23rd Annual General Meeting of the Company held on 19th September, 2015, shall remain unchanged.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Narayanbhai G. Patel, Chairman & Whole-time Director, including the monetary value thereof, to the extent recommended by Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013, Rules and Schedule made thereunder.”

“RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein to the

Directors or Officers of the Company or to any Committee of Directors to give effect to the aforesaid resolution.”

11) **Revision in the remuneration payable to Mr. Prakash N. Patel (DIN: 00249210), Managing Director of the Company for the period from 1st August, 2015 to 19th May, 2018.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and in partial modification to the Special Resolution passed at the 23rd Annual General Meeting of the Company held on 19th September, 2015, consent of the Company be and is hereby accorded to the revision in the remuneration of Mr. Prakash N. Patel (DIN: 00249210), Managing Director of the Company by increase in the Salary from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month with perquisites and allowances for the period from 1st August, 2015 to 19th May, 2018 as recommended by the Nomination and Remuneration Committee and set out in the Explanatory Statement annexed to the Notice.”

“**RESOLVED FURTHER THAT** except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the Resolution passed at the 23rd Annual General Meeting of the Company held on 19th September, 2015, shall remain unchanged.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Prakash N. Patel, Managing Director, including the monetary value thereof, to the extent recommended by Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013, Rules and Schedule made thereunder.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein to the Directors or Officers of the Company or to any Committee of Directors to give effect to the aforesaid resolution.”

12) **Revision in the remuneration payable to Mr. Sanjiv N. Patel (DIN: 02794095), Managing Director of the Company for the period from 1st August, 2015 to 19th May, 2018.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and in partial modification to the Special Resolution passed at the 23rd Annual General Meeting of the Company held on 19th September, 2015, consent of the Company be and is hereby accorded to the revision in the remuneration of Mr. Sanjiv N. Patel (DIN: 02794095), Managing Director of the Company by increase in the Salary from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month with perquisites and allowances for the period from 1st August, 2015 to 19th May, 2018 as recommended by the Nomination and Remuneration Committee and set out in the Explanatory Statement annexed to the Notice.”

“**RESOLVED FURTHER THAT** except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the Resolution passed at the 23rd Annual General Meeting of the Company held on 19th September, 2015, shall remain unchanged.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Sanjiv N. Patel, Managing Director, including the monetary value

thereof, to the extent recommended by Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013, Rules and Schedule made thereunder.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein to the Directors or Officers of the Company or to any Committee of Directors to give effect to the aforesaid resolution.”

13) Payment of remuneration to Cost Auditors for the financial year ended 31st March, 2016 and ending 31st March, 2017.

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Rajendra Patel & Associates, Cost Accountant, Ahmedabad (Registration No. 29021) appointed as the Cost Auditors of the Company by the Board of Directors to conduct an audit of the Cost Records of the Company for the financial year ended 31st March, 2016 (2015-2016) and ending 31st March, 2017 (2016-2017), be paid and ratified the payment of remuneration of ₹ 70,000/- (Rupees Seventy Thousand only) for each financial year excluding service tax and out of pocket expenses, if any, as recommended by the Audit Committee and approved by the Board of Directors of the Company.”

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

**By Order of the Board
For PATELS AIRTEMP (INDIA) LIMITED**

**NARAYANBHAI G. PATEL
Chairman & Whole-time Director**

Registered Office :

5th Floor, Kalpana Complex,
Nr. Memnagar Fire Station,
Navrangpura,
Ahmedabad – 380009
CIN : L29190GJ1992PLC017801

Dated : 28th May, 2016

NOTES :

- 1) **A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- 2) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

- 3) A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 4) In case of joint holders attending the Meeting, only such joint holder who is upper in the order of names will be entitled to vote.
- 5) (a) The Company has notified closure of Register of Members and Share Transfer Books on 23rd July, 2016 for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
 (b) Dividend of Re. 2.20/- per share (@ 22 %) on Equity Shares for the year ended on 31st March, 2016 as recommended by the Board, if declared at the meeting, will be paid :
 - # to those members, whose names appear on the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company/Share Transfer Agent on or before 22nd July, 2016, or
 - # in respect of shares held in electronic form, to those "Beneficial Owners" whose names appear in the Statement of Beneficial Ownership furnished by NSDL and CDSL as at the end of business hours on 22nd July, 2016.
- 6) Electronic copy of the Notice of the 24th Annual General Meeting of the Company along with Annual Report, inter-alia, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has specifically requested for a hard copy of the same. For members, who have not registered their email address, physical copy of the Notice of the 24th Annual General Meeting of the Company along with Annual Report, inter-alia, including the Remote e-voting instructions, Attendance Slip and Proxy Form is being sent by the permitted mode.
- 7) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agent, cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
- 8) **Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
- 9) The Unpaid / Unclaimed Dividend for the year 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 & 2014-15 will become due for transfer to Investor Education & Protection Fund (IEPF) in subsequent years. Those shareholders who have not encash their dividend warrants for the said financial years are advised to submit their claim to the Registrar / Company immediately quoting their folio number. Once the unclaimed dividend is transferred to IEPF, no claim shall lie against the Company in respect of the individual amounts which were unclaimed or unpaid.
Please note that any dividend amount for 2008-09 remaining unclaimed / unpaid along with shares held in these folios shall be transferred to the IEPF account established by Central Government in October / November, 2016. In terms of IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividends, as on the date of last AGM, i.e. 19th September, 2015 on the website of the Company, i.e. www.patelsairtemp.com
- 10) Members, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- 11) The Securities and Exchange of Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, M/s. Bigshare Services Pvt. Ltd.

- 12) Members are requested to intimate immediately the change in their registered address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company or Share Transfer Agent, in respect of their physical share folios, if any. In case of mailing address mentioned on this Annual Report is without PINCODE, members are requested to kindly inform their PINCODE immediately.
- 13) Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection for the members at the Registered Office of the Company on all working days, except Saturdays, during normal business hours, upto the date of this Annual General Meeting.
- 14) **Members are requested to bring their copy of Annual Report to the meeting, as the copies of Annual Report will not be distributed at the meeting.**
- 15) The Notice of 24th Annual General Meeting and the Annual Report 2015-2016 will also be available on the Company's website www.patelsairtemp.com for download by the members. The physical copies of the Notice and Annual Report will also be available at the Company's Registered Office for inspection during working hours on all working days, except Saturdays, upto the date of this Annual General Meeting.
- 16) Members seeking any further information about the Accounts and/or Operations of the Company are requested to send their queries to the Company at its Registered Office, at least 10 days before the date of the meeting.
- 17) Mr. Narayanbhai G. Patel, Chairman & Whole-time Director and Mr. Devidas C. Narumalani, Non-executive Director of the Company, shall retire by rotation and being eligible, offer themselves for re-appointment.

At this Annual General Meeting, Mr. Himanshu N. Rawal is to be appointed as Independent Director of the Company, not liable to retire by rotation.

At this Annual General Meeting, Mr. Narendra G. Patel is to be re-appointed as Whole-time Director of the Company for a further period of 3 years with payment of remuneration.

Details as required in sub-regulation (3) of Regulation 36 of Listing Regulations in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting are given hereunder.

Name of Director	Date of Birth	Date of Appointment	Experience in specific functional areas	Qualifications	Directorship held in other Public Limited Companies	Member/ Chairman of Committees in other Public Limited Companies
Narayanbhai G. Patel	21-4-1940	10-6-1992	Engineering Industry	B.E. (Mechanical)	Nil	Nil
Devidas C. Narumalani	1-6-1949	10-6-1992	Engineering Industry	B.Tech (IIT, Bombay)	Nil	Nil
Narendra G. Patel	13-2-1958	21-6-1994	Engineering Industry	B.E. (Mechanical), DBM	Nil	Nil
Himanshu N. Rawal	14-4-1970	13-2-2016	Engineering Industry	Diploma in Mechanical Engineer	Nil	Nil

Relationship between the Directors :-

- Mr. Narayanbhai G. Patel, Chairman & Whole-time Director, is a father of Mr. Prakash N. Patel & Mr. Sanjiv N. Patel, both are Managing Director of the Company.
- None of the other Directors are related to any other Director on the Board.

Shares held by Non-Executive Directors :-

Mr. Devidas C. Narumalani, Non-Executive and Non-Independent Director, holds 2,90,145 Equity Shares of ₹ 10/- each of the Company. Mrs. Veenaben B. Patel, Independent Director, holds 1,079 Equity Shares of ₹ 10/- each of the Company. None of the other Non-Executive Directors held the Shares of the Company.

- 18) The Company shall provide facility for voting through polling paper at Annual General Meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be eligible to exercise their right to vote at the meeting through Ballot Paper.

19) Voting through electronic means:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 24th Annual General Meeting (AGM) of the Company by electronic means and all the business may be transacted as set forth in the accompanying Notice of AGM through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

The e-voting facility is available at the link www.evotingindia.co.in

A The instructions for members for voting electronically:-

- (i) The remote e-voting period begins on Wednesday, 27th July, 2016 (9.00 a.m.) and ends on Friday, 29th July, 2016 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd July, 2016, may cast their vote electronically. The e-voting shall not be allowed beyond the said time and date and e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab to cast your vote(s).
- (v) Now enter your User ID
 - (a) For account holders of CDSL: 16 digits beneficiary ID,
 - (b) For account holders of NSDL: 8 character DP ID followed by 8 digits client ID,
 - (c) Members holding shares in physical form should enter folio number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If Demat account holder has forgotten his/her existing password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

- (ix) If you are a first time user, follow the steps given below:

For Members holding Shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>A) Members who have not updated their PAN with Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN Field. <u>The Sequence Number is printed on the sticker of mailing slip pasted on the back side of Annual Report.</u></p> <p>B) In case of Sequence Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or registered with the company records for the said demat account or folio in dd/mm/yyyy format. If the correct information is not registered with the Depositories / Company, please do not enter any value in this field.</p>
Dividend Bank Details #	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

* This is mandatory field to be entered.

Please enter the DOB or Dividend Bank details in order to login.

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for 'PATELS AIRTEMP (INDIA) LTD.'.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xviii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xix) Note for Non-Individual Shareholders & Custodians:
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. Please also contact Mr. Mehboob Lakhani, Asst. Manager of CDSL on Tel. No. 022-22723333 / 8588 and Toll Free No. 1800 200 5533.
- (xxi) Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the cut-off date 23rd July, 2016 may obtain the login details and password/sequence number sending a request at investor@bigshareonline.com
- B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd July, 2016.
- C. Mr. Punit Lath, Practising Company Secretary (ACS No. 26238 & COP No. 11139) has been appointed by the Board as the Scrutinizer to scrutinize the voting through Poll in the meeting and remote e-voting process in a fair and transparent manner.
- D. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote evoting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
- E. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.patelsairtemp.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, Mumbai.
- F. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to the same being passed with requisite majority.
- G. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”):

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 6

On the basis of the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Himanshu N. Rawal as an Additional Director on the Board of the Company with effect from 13th February, 2016.

In terms of the provisions of Section 161(1) of the Act, Mr. Himanshu N. Rawal would hold office up to the date of this Annual General Meeting.

It is proposed to appoint Mr. Himanshu N. Rawal as an Independent Director under Section 149 of the Act and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 (“**Listing Regulation**”) to hold office for a term of 2 (Two) consecutive years upto the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2018.

The Company has received notice in writing from a member, along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. Himanshu N. Rawal for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Himanshu N. Rawal fulfill the conditions for appointment as Independent Director as specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(b) of SEBI Listing Regulations. Mr. Himanshu N. Rawal is an independent of the management.

Mr. Himanshu N. Rawal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. He does not hold any equity shares in the Company.

The Company has also received declaration from Mr. Himanshu N. Rawal that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Listing Regulation.

Brief resume of Mr. Himanshu N. Rawal, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Listing Regulation, are provided in the notes to the notice of this meeting accompanying with this statement forming part of the Annual Report.

Copy of the draft letter for appointment of Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Listing Regulation.

Mr. Himanshu N. Rawal is interested in the resolution set out at Item No. 6 of the Notice with regard to his appointment. The relatives of Mr. Himanshu N. Rawal may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their Relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7

The existing Articles of Association (hereinafter referred to as “AOA”) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the

Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 (the Act).

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (“MCA”) had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal (“Tribunal”) such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, *inter alia*, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table ‘F’ of the Act which sets out the model Articles of Association for a company limited by shares. Shareholder’s attention is invited to certain salient provisions in the new draft AOA of the Company viz:

- (a) Company’s lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased’s interest in the shares;
- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (e) existing articles have been streamlined and aligned with the Act;
- (f) the statutory provisions of the Act which permit a company to do some acts “if so authorized by its articles” or provisions which require a company to do acts in a prescribed manner “unless the articles otherwise provide” have been specifically included; and
- (g) provisions of the existing AOA which are already part of statute in the Act have not been reproduced in the new draft AOA as they would only lead to duplication – their non-inclusion makes the new AOA crisp, concise and clear and aids ease of reading and understanding.

Hence, it was decided to adopt new set of Articles in place of existing AOA of the Company and seek Shareholders’ approval for the same. In terms of section 5 and 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution as set out in Item No. 7 of the Notice, is required for adoption of new set of AOA of the Company.

The proposed new draft AOA is being uploaded on the Company’s website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7 of the Notice.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

Item No. 8 & 9

At the 21st Annual General Meeting of the members of the Company held on 28th September, 2013, Mr. Narendra G. Patel (DIN: 00023205) was appointed as Whole-time Director of the Company with payment of salary of ₹ 1,80,000/- per month and perquisites and allowances for a period of 3 years

with effect from 2nd August, 2013 upto 1st August, 2016 on the terms and conditions as approved by the Shareholders at the said Annual General Meeting.

Since there has been a considerable increase in the duties and responsibilities performed by the Whole-time Director and after considering the prevailing managerial remuneration in industry and his contribution in the overall progress of the Company, the Board of Directors at their meeting held on 14th August, 2015 and on the recommendation of Nomination and Remuneration Committee, has approved the proposal to increase the salary of Mr. Narendra G. Patel, Whole-time Director, from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month and perquisites and allowances as mentioned hereunder for the period from 1st August, 2015 to 1st August, 2016, subject to the approval of the Shareholders by passing a Special Resolution. Except for the aforesaid revision in remuneration, all other terms and conditions of his appointment as Whole-time Director of the Company as approved earlier, shall remain unchanged till the expiry of his present term on 1st August, 2016.

The Board therefore recommends for approval of the members the increase in the remuneration as above of Mr. Narendra G. Patel, Whole-time Director of the Company.

Your Directors recommend passing of the Special Resolution proposed at Item No. 8 of the accompanying notice.

The members are further requested to note that the present term of appointment of Mr. Narendra G. Patel as Whole-time Director of the Company will expire on 1st August, 2016. The Board of Directors therefore at their meeting held on 28th May, 2016 have, subject to the approval of the Shareholders, re-appointed Mr. Narendra G. Patel as Whole-time Director of the Company for a further period of 3 (Three) years with effect from 2nd August, 2016 upto 1st August, 2019 on the remuneration and terms and conditions recommended by Nomination and Remuneration Committee as set out herein.

Mr. Narendra G. Patel is having Bachelor Degree in Mechanical. He has been associated with the Group for last 22 years and is a Director of the Company since 1994. He looks after marketing of various products of the Company. While re-appointing Mr. Narendra G. Patel as Whole-time Director of the Company, the Board of Directors considered his contribution in the overall progress of the Company. The Board is of the opinion that his services should continue to be available to the Company, by re-appointing him as Whole-time Director of the Company as mentioned in the resolution, subject to the approval of Shareholders.

Taking into consideration the duties and responsibilities of the Whole-time Director, the prevailing managerial remuneration in industry and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 28th May, 2016 approved the remuneration payable to Mr. Narendra G. Patel for a period of 3 years from 2nd August, 2016 upto 1st August, 2019 as under, subject to approval of the Shareholders including minimum remuneration and other terms and conditions given hereunder:

- (A) Salary: ₹ 2,50,000/- per month including Dearness and other allowances.
- (B) Perquisites & Allowances: Perquisites & Allowances are allowed as under in addition to salary. It shall be restricted to an amount equal to the annual salary subject to ceiling prescribed in Part II of Schedule V to the Companies Act, 2013.
 - (i) Housing – Rent free furnished residential accommodation or House Rent Allowance as may be decided by the Board or Committee.
 - (ii) Reimbursement of expenses on gas, electricity, water and furnishings.
 - (iii) Reimbursement of medical expenses incurred for self and members of his family as per Rules of the Company.
 - (iv) Leave travel concession for self and members of his family as per Rules of the Company.
 - (v) Fees of clubs subject to maximum of two clubs.
 - (vi) Personal Accident Insurance and Mediclaim Insurance premium as per Rules of the Company.
 - (vii) Provision of car and telephone at residence. The expenditure on use of car for private purpose and long distance calls on telephone shall billed by the Company.

- (viii) Company's contribution to Provident Fund, Superannuation fund or Annuity Fund, Gratuity and Encashment of Leave, as per Rules of Company.
- (ix) Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.
- (C) Minimum Remuneration: In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the period of 3 years from 2nd August, 2016 upto 1st August, 2019, the remuneration as above shall be paid to Mr. Narendra G. Patel as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.
- (D) The terms and conditions of appointment and payment of remuneration, perquisites and allowances specified herein above may be enhanced, enlarged, widened, altered or varied from time to time by Nomination and Remuneration Committee and Board of Directors as they may in their discretion, deem fit, within the maximum amount payable in accordance with Schedule V to the Act and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder from time to time in future and/or such guidelines as may be announced by the Central Government from time to time.
- (E) The Whole-time Director shall subject to the supervision, direction and control of the Board of Directors of the Company be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him.
- (F) The appointment may be terminated by either party giving to the other party three months' notice or the Company paying the three months' remuneration in lieu thereof.
- (G) A Statement as per requirement of Schedule V is given to the Shareholders containing following information of the Company and Mr. Narendra G. Patel

I. GENERAL INFORMATION :

(1) Nature of industry

The Company is operating in one segment i.e. engineering fabrication having different products, such as Heat Exchangers, Air Cooled Heat Exchangers, Pressure Vessels, Air-conditioning & Refrigeration Equipments, Turnkey HVAC projects and other Misc. products

(2) Date of commencement of commercial production

The Company commenced its operation in 1993.

(3) In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus

The Company is in existence since 1992.

(4) Financial performance based on given indicators

Following is the financial performance of the Company since last 3 years :

(₹ in Lacs)

Financial Year	Revenue from Operations (Net)	Profit before Tax	Net Profit after Tax
2013-2014	7075.22	722.41	466.45
2014-2015	11274.64	961.96	620.23
2015-2016	12664.71	1108.73	714.82

(5) Foreign investments or collaborators, if any.

The Company does not have foreign investment or collaboration.

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:

Name : Mr. Narendra G. Patel
 Designation : Whole-time Director
 Age : 57 Years
 Experience : 22 Years

(2) Past Remuneration:

The details of managerial remuneration paid to Mr. Narendra G. Patel, Whole-time Director of the Company during the previous financial year ended on 31st March, 2016, are as under:

Particulars	Amount (₹ in lakhs per annum)
Salary	27.20
Perquisites/ Allowances	0.83
Total	28.03

(3) Recognition or awards:

The Company's products has ASME "U"/ "U2"/ "S" Stamp authorization, it is expected to improve profitability of the company in the future. For updating Heat Transfer Technology, Company has become member of HTRI (Heat Transfer Research, Inc, U.S.A.).

(4) Job profile and his suitability

Mr. Narendra G. Patel is having Bachelor Degree in Mechanical. He has been associated with the Group for last 22 years and is a Director of the Company since 1994. He looks after marketing of various products of the Company.

(5) Remuneration proposed

It is proposed to pay the remuneration to Mr. Narendra G. Patel as above for a period of 3 years from 2-8-2016 to 1-8-2019 for which he is proposed to be re-appointed as Whole-time Director of the Company.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

The proposed remuneration to be paid to Mr. Narendra G. Patel is adequate and at par with the industry scale, size and profitability of the Company.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Apart from Mr. Narendra G. Patel who is Whole-time Director of the Company and receiving managerial remuneration, he holds 3,03,801 Equity Shares of ₹ 10/- each of the Company in his individual capacity.

III. OTHER INFORMATION :

(1) Reasons of loss or inadequate profits

Due to competition and increase in the cost of materials and expansion of business of the Company, the profit of the Company during the year under review is inadequate.

(2) Steps taken or proposed to be taken for improvement

The Company is planning to increase the profitability through various initiatives in product development, marketing, distribution and trade promotions.

(3) Expected increase in productivity and profits in measurable terms

Due to the aforesaid steps, the Company expects a significant in productivity and profits of the Company in next financial years.

IV. DISCLOSURES:

(i) **All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;**

Apart from remuneration payable to Whole-time Directors & Managing Directors, the Company does not pay any remuneration including bonus, stock options, pension, etc. to the other Directors of the Company. The Company only pays sitting fees to the Non-executive Directors of the Company for attending the meeting of Board of Directors.

(ii) **Service contracts, notice period, severance fees;**

The appointment may be terminated by either party giving to the other party three months' notice or the Company paying the three months' remuneration in lieu thereof.

(iii) **Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable**

The Company has not issued any stock options to any Directors of the Company.

The Board therefore recommends approval of the re-appointment of Mr. Narendra G. Patel as Whole-time Director of the Company with payment of remuneration and perquisites and allowances as mentioned above.

Your Directors recommend passing of the resolution proposed at Item No. 9.

This explanation together with the accompanying notice is and should be treated as an abstract of the terms of re-appointment and payment of remuneration as mentioned above as per Section 190 of the Companies Act, 2013.

Mr. Narendra G. Patel holds 3,03,801 Equity Shares of ₹ 10/- each in Patels Airtemp (India) Limited in his individual capacity.

Mr. Narendra G. Patel is interested in the resolution set out at Item No. 8 & 9 of the Notice. The relatives of Mr. Narendra G. Patel may be deemed to be interested in the resolution set out at Item No. 8 & 9 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 10, 11 and 12

The Shareholders will recall the appointment of (i) Mr. Narayanbhai Gangaram Patel (DIN: 00023107) as Whole-time Director of the Company designated as "Chairman & Whole-time Director", (ii) Mr. Prakash Narayanbhai Patel (DIN: 00249210) as Managing Director of the Company and (iii) Mr. Sanjiv Narayanbhai Patel (DIN: 02794095) as Managing Director of the Company at the 23rd Annual General Meeting of the members of the Company held on 19th September, 2015 with payment of salary of ₹ 1,80,000/- per month and perquisites and allowances to each of them for a period of 5 years with effect from 20th May, 2015 upto 19th May, 2020.

However, as per provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule V to the Companies Act, 2013, the remuneration can be paid to the above Whole-time Director & Managing Directors for a period of 3 years only from 20th May, 2015 upto 19th May, 2018 instead of for a period of 5 years as approved by the Shareholders.

Since there has been a considerable increase in the duties and responsibilities performed by them and after considering the prevailing managerial remuneration in industry and their contribution in the overall progress of the Company, the Board of Directors at their meeting held on 14th August, 2015 and on 28th May, 2016, and on the recommendations made by Nomination and Remuneration Committee, has approved the proposal to increase the salary of Mr. Narayanbhai Gangaram Patel, Whole-time Director, (ii) Mr. Prakash Narayanbhai Patel, Managing Director and (iii) Mr. Sanjiv Narayanbhai Patel, Managing Director of the Company from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month as under with perquisites and allowances for the period from 1st August, 2015 to 19th May, 2018, subject to approval of the Shareholders. Except for the aforesaid revision in remuneration, all other terms and conditions

of their respective appointments as Whole-time Director and Managing Directors as approved earlier, shall remain unchanged.

- (A) Salary: ₹ 2,50,000/- per month including Dearness and other allowances.
- (B) Perquisites & Allowances: Perquisites & Allowances are allowed as under in addition to salary. It shall be restricted to an amount equal to the annual salary subject to ceiling prescribed in Part II of Schedule V to the Companies Act, 2013.
- (i) Housing – Rent free furnished residential accommodation or House Rent Allowance as may be decided by the Board or Committee.
 - (ii) Reimbursement of expenses on gas, electricity, water and furnishings.
 - (iii) Reimbursement of medical expenses incurred for self and members of his family as per Rules of the Company.
 - (iv) Leave travel concession for self and members of his family as per Rules of the Company.
 - (v) Fees of clubs subject to maximum of two clubs.
 - (vi) Personal Accident Insurance and Mediclaim Insurance premium as per Rules of the Company.
 - (vii) Provision of car and telephone at residence. The expenditure on use of car for private purpose and long distance calls on telephone shall billed by the Company.
 - (viii) Company's contribution to Provident Fund, Superannuation fund or Annuity Fund, Gratuity and Encashment of Leave, as per Rules of Company.
 - (ix) Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.
- (C) Minimum Remuneration: In the event of any loss, absence or inadequacy of profits of the Company in any financial year during the period of 3 years from 1st August, 2015 to 19th May, 2018, the remuneration as above shall be paid to Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel & Mr. Sanjiv N. Patel as minimum remuneration subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013.
- (D) The terms and conditions of appointment and payment of remuneration, perquisites and allowances specified herein above may be enhanced, enlarged, widened, altered or varied from time to time by Nomination and Remuneration Committee and Board of Directors as they may in their discretion, deem fit, within the maximum amount payable in accordance with Schedule V to the Act and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder from time to time in future and/or such guidelines as may be announced by the Central Government from time to time.
- (E) The Whole-time Directors/Managing Directors shall subject to the supervision, direction and control of the Board of Directors of the Company be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him.
- (F) The appointment may be terminated by either party giving to the other party three months' notice or the Company paying the three months' remuneration in lieu thereof.
- (G) A Statement as per requirement of Schedule V is given to the Shareholders containing following information of the Company and Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel & Mr. Sanjiv N. Patel

I. **GENERAL INFORMATION :**

(1) **Nature of industry**

The Company is operating in one segment i.e. engineering fabrication having different products, such as Heat Exchangers, Air Cooled Heat Exchangers, Pressure Vessels, Air-conditioning & Refrigeration Equipments, Turnkey HVAC projects and other Misc. products

(2) **Date of commencement of commercial production**

The Company commenced its operation in 1993.

(3) **In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus**

The Company is in existence since 1992.

(4) **Financial performance based on given indicators**

Following is the financial performance of the Company since last 3 years :

(₹ in Lacs)

Financial Year	Revenue from Operations (Net)	Profit before Tax	Net Profit after Tax
2013-2014	7075.22	722.41	466.45
2014-2015	11274.64	961.96	620.23
2015-2016	12664.71	1108.73	714.82

(5) **Foreign investments or collaborators, if any.**

The Company does not have foreign investment or collaboration.

II. **INFORMATION ABOUT THE APPOINTEES:**(1) **Background details:**

Name	Narayanbhai G. Patel	Prakash N. Patel	Sanjiv N. Patel
Designation	Chairman & Whole-time Director	Managing Director	Managing Director
Age	76 years	50 years	44 years
Experience	50 years	22 years	12 years

(2) **Past Remuneration:**

The details of managerial remuneration paid to Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel and Mr. Sanjiv N. Patel during the previous financial year ended on 31st March, 2016, are as under:

(₹ in Lacs)

Name	Narayanbhai G. Patel	Prakash N. Patel	Sanjiv N. Patel
Salary	27.20	27.20	27.20
Perquisites/ Allowances	1.69	2.71	0.29
Total	28.89	29.91	27.49

(3) **Recognition or awards:**

The Company's products has ASME "U"/ "U2"/ "S" Stamp authorization, it is expected to improve profitability of the company in the future. For updating Heat Transfer Technology, Company has become member of HTRI (Heat Transfer Research, Inc, U.S.A.).

(4) **Job profile and his suitability**

Mr. Narayanbhai G. Patel holds a Mechanical Engineering degree with specialization in Air-conditioning and Refrigeration, Heat Transfer Equipments and has about 49 years of experience in this field. He is the Chairman of the Group and associated with the Company since inception and play key role in establishing the strategy particularly with respect to the design, development and marketing of the products. He is specialist in the design of Heat Exchangers as per the international codes like TEMA, ASME and BBS.

Mr. Prakash N. Patel, having Bachelor Degree in Mechanical, has vast experience in engineering field since last 22 years and associated with the group and he is a Director of the Company since 2004. He looks after marketing of the Project & A.C. Division of the Company as well as day to day administration of the Project & A.C. Division of the Company.

Mr. Sanjivkumar N. Patel, holding a Degree in B.E. Chemical and MBA. He has worked as a Business Consultant in the field of Management Information System and also worked as a Business Analyst. He has experience of working with ERP System and has more than Twenty years of experience in different areas. He is associated with the group and he is a Director of the Company since 2009.

(5) **Remuneration proposed**

It is proposed to increase the remuneration of Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel and Mr. Sanjiv N. Patel as above for a period from 1-8-2015 to 19-5-2018.

(6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

The proposed remuneration to be paid to Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel and Mr. Sanjiv N. Patel is adequate and at par with the industry scale, size and profitability of the Company.

(7) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.**

Apart from Mr. Narayanbhai G. Patel, who is Chairman & Whole-time Director of the Company and receiving managerial remuneration, he holds 1,20,000 Equity Shares of ₹ 10/- each of the Company in his individual capacity.

Apart from Mr. Prakash N. Patel, who is Managing Director of the Company and receiving managerial remuneration, he holds 1,20,000 Equity Shares of ₹ 10/- each of the Company in his individual capacity.

Apart from Mr. Sanjiv N. Patel, who is Managing Director of the Company and receiving managerial remuneration, he holds 16,000 Equity Shares of ₹ 10/- each of the Company in his individual capacity.

III. OTHER INFORMATION :

(1) **Reasons of loss or inadequate profits**

Due to competition and increase in the cost of materials, the profit of the Company during the year under review is inadequate.

(2) **Steps taken or proposed to be taken for improvement**

The Company is planning to increase the profitability through various initiatives in product development, marketing, distribution and trade promotions.

(3) **Expected increase in productivity and profits in measurable terms**

Due to the aforesaid steps, the Company expects a significant increase in productivity and profits of the Company in next financial years.

IV. DISCLOSURES:

(i) **All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;**

Apart from remuneration payable to Whole-time Directors & Managing Directors, the Company does not pay any remuneration including bonus, stock options, pension, etc. to the other Directors of the Company. The Company only pays sitting fees to the Non-executive Directors of the Company for attending the meeting of Board of Directors.

(ii) Service contracts, notice period, severance fees;

The appointment may be terminated by either party giving to the other party three months' notice or the Company paying the three months' remuneration in lieu thereof.

(iii) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

The Company has not issued any stock options to any Directors of the Company.

The Board therefore recommends approval of increase in the remuneration as above of Mr. Narayanbhai Gangaram Patel, Whole-time Director, (ii) Mr. Prakash Narayanbhai Patel, Managing Director and (iii) Mr. Sanjiv Narayanbhai Patel, Managing Director of the Company.

Your Directors commend passing of the Special Resolutions proposed at Item No. 10, 11 and 12 respectively.

This explanation together with the accompanying notice is and should be treated as an abstract of the terms of revision in payment of remuneration as mentioned above as per Section 190 of the the Companies Act, 2013.

Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel and Mr. Sanjiv N. Patel are interested in the resolutions set out at Item No. 10, 11 & 12 of the Notice. The relatives of Mr. Narayanbhai G. Patel, Mr. Prakash N. Patel and Mr. Sanjiv N. Patel may be deemed to be interested in the said resolutions, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 13

The Board of Directors at their respective meetings held on 14th August, 2015 and 28th May, 2016, on the recommendation of Audit Committee, has appointed M/s. Rajendra Patel & Associates, Cost Accountant, Ahmedabad (Registration No. 29021) as the Cost Auditor to conduct the audit of the cost records of the Company maintained by the Company for the financial year ended 31st March, 2016 (2015-2016) and ending 31st March, 2017 (2016-2017) respectively on a remuneration of ₹ 70,000/- (Rupees Seventy Thousand only) each for both the years (excluding service tax, as applicable) plus reimbursement of out of pocket expenses and conveyance.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Shareholders of the Company.

The Board therefore recommends the Ordinary Resolution as set out at Item No. 13 of the accompanying notice for approval of the members.

None of the Directors of the Company, the Key Managerial Personnel of the Company or their Relatives are concerned or interested financially or otherwise in the aforesaid Ordinary Resolution.

**By Order of the Board
For PATELS AIRTEMP (INDIA) LIMITED**

**NARAYANBHAI G. PATEL
Chairman & Whole-time Director**

Registered Office :

5th Floor, Kalpana Complex,
Nr. Memnagar Fire Station,
Navrangpura,
Ahmedabad – 380009
CIN : L29190GJ1992PLC017801

Dated : 28th May, 2016

DIRECTORS' REPORT

To,
The Members,
Patels Airtemp (India) Ltd.,
Ahmedabad

Your Directors have pleasure in presenting herewith the 24th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2016.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	Year ended on 31-03-2016		Year ended on 31-03-2015	
Revenue from Operations (Net)	12664.72		11274.64	
Other Income	45.78		42.20	
Total Revenue		12710.50		11316.84
Less: Depreciation & Amortisation Expense	239.59		248.63	
Finance Cost	186.77		267.67	
Other Expenses	11176.34		9838.58	
Total Expenses		11602.70		10354.88
		1107.80		961.96
Profit / (Loss) on sale of Fixed Assets		0.93		Nil
Profit before Taxation		1108.73		961.96
Tax Expenses :				
- Net Current Tax Expenses	392.31		324.63	
- Deferred Tax	1.60	393.91	17.10	341.73
Profit after Tax		714.82		620.23
Balance brought forward from previous year		4095.79		3767.02
Less: Adjustment on Account of Change in useful life of Assets		Nil		66.43
Less : Short Provision for Dividend Distribution Tax		Nil		0.78
Profit available for Appropriation		4810.61		4320.04
Less: Proposed Dividend		111.54		111.54
Less: Tax on Dividend		22.71		22.71
Less Transfer to General Reserve		90.00		90.00
Surplus carried forward to Balance Sheet		4586.36		4095.79
Total		4810.61		4320.04
Earning Per Share		14.10		12.23

STATE OF COMPANY'S AFFAIRS:

The Company has earned revenue from operations (net) of ₹ 12664.72 lakhs during the year ended on 31st March, 2016 as against ₹ 11274.64 lakhs earned during the previous year ended on 31st March, 2015, giving a rise of 12.33 % as compared to previous year. Out of the revenue from operations of ₹ 12664.72 lakhs earned by the Company during the year under review, ₹ 11867.51 lakhs represents sale of products (Domestic & Export), ₹ 410.37 lakhs represents sale of Services (Processing Charges) and ₹ 386.84 lakhs represents other operating revenues. The Company has also earned other income of ₹ 45.78 lakhs during the year under review as against ₹ 42.20 lakhs earned during the previous year.

The Company has earned the Profit before Tax of ₹ 1108.73 lakhs during the year ended on 31st March, 2016 as compared to ₹ 961.96 lakhs earned during the previous year ended on 31st March, 2015, showing a rise of 15.26 %.

The Company has earned Net Profit of ₹ 714.82 lakhs for the year ended on 31st March, 2016 after making Provision for Tax Expenses of ₹ 393.91 lakhs and other adjustments, as compared to Net Profit of ₹ 620.24 lakhs earned by the Company during the previous year ended on 31st March, 2015, a rise of 15.25 %.

After adding the Surplus in the Statement of Profit & Loss of ₹ 4095.79 lakhs brought forward from the previous year to the profit of ₹ 714.82 lakhs earned by the Company during the year under review, the total amount of ₹ 4810.61 lakhs is available for appropriation.

DIVIDEND :

The Directors have recommended dividend of ₹ 2.20 per share (@ 22 %) on 50,70,240 Equity Shares of ₹ 10/- each of the Company for the Financial Year ended on 31st March, 2016, as compared to Dividend of ₹ 2.20 per share (@ 22.00%) declared for the previous Financial Year ended on 31st March, 2015. This will absorb ₹ 111.54 lakhs as against ₹.111.54 lakhs absorbed in the previous year. The corporate dividend tax payable by the Company on the said dividend will be ₹ 22.71 lakhs as against ₹ 22.71 lakhs in the previous year.

TRANSFER TO RESERVE :

After making appropriation for Dividend and Dividend Tax and other adjustments, the Company proposes to transfer ₹ 90.00 lakhs to General Reserve and amount of ₹ 4586.36 lakhs is proposed to be retained as the Surplus in the Statement of Profit and Loss.

EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company as required under Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, in the prescribed Form MGT-9, is annexed herewith as **Annexure - A**, to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

In terms of provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report has been enclosed herewith as per **Annexure - B** and forming part of the Directors' Report.

RECOGNITION OR AWARDS:

The Company's products has ASME "U"/ "U2"/ "S" Stamp authorization. It is expected to improve profitability of the company in the future. For updating Heat Transfer Technology, Company has become member of HTRI (Heat Transfer Research, Inc, U.S.A.).

FINANCE:

During the year under review, the Relatives of the Promoters of the Company/Promoters Group brought in unsecured loan/deposits by way of contribution to bring additional long term funds as a part of conditions imposed by Bank of Baroda on the Promoters, while sanctioning additional working capital facilities to the Company vide its letter under Ref. No. NAVRAN:2014-15 dated 3rd April, 2015 and Letter No. NGZ/ACR/SME/JMJ/10 dated 7th July, 2015, which are exempted deposits under Rule 2(1)(c)(xiii) of Companies (Acceptance of Deposits) Rules, 2014.

During the year under review, the Company has also accepted deposits from the Directors of the Company which are exempted deposits under Rule 2(1)(c)(viii) of Companies (Acceptance of Deposits) Rules, 2014, subject to compliance of the said Rules.

During the year under review, the Company has availed additional working capital facilities from Bank of Baroda, Navrangpura Branch, Ahmedabad, against the hypothecation and mortgage of movable and immovable properties of the Company. The Company has made regular repayment of Loan & interest and there is no any overdue payment to the said Bank.

In terms of the provisions of Investor Education and Protection Fund Rules, 2001 (IEPF), during the year under review, the Company has transferred the amount of unclaimed Dividend of ₹ 2,11,138/- for the year 2007-2008 (final dividend) to IEPF established by the Central Government under Section 124 of the Companies Act, 2013 and Rules made thereunder.

ACCEPTANCE OF DEPOSITS:

During the year under review, the Company has not accepted any deposits from the Public and Shareholders of the Company. As such, no amount of principal or interest was outstanding as of the Balance Sheet date.

SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANY:

The Company does not have any subsidiary, joint venture or associate companies within the meaning of Section 2(6) and 2(87) of the Companies Act, 2013. As such, a report in the prescribed Form AOC-1 as per first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rules made thereunder is not required to be attached and a Policy for determining material subsidiaries is not required to be framed by the Company.

CONSOLIDATED FINANCIAL STATEMENTS:

Since the Company does not have any subsidiary, joint venture or associate companies, Consolidated Financial Statements are not required to be prepared and attached with the financial statement of the Company pursuant to the requirements of Section 129 read with Schedule III of the Companies Act, 2013 and Rules made thereunder and Listing Regulations and applicable Accounting Standards.

CORPORATE GOVERNANCE:

Being a Listed Company, the Company has taken necessary measures to comply with the provisions of Listing Regulations regarding Corporate Governance and provisions of Clause 49 of erstwhile Listing Agreement with the Stock Exchange as amended from time to time. A separate report on Corporate Governance for the year ended on 31st March, 2016 is attached herewith as a part of this Annual Report viz **Annexure - C**. A certificate from Statutory Auditors of the Company regarding compliance of the aforesaid provisions of Corporate Governance is obtained by the Company and annexed to the Corporate Governance Report. The Auditors' Certificate for the financial year 2015-2016 does not contain any qualification, reservation or adverse remark.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the confirmation and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(C) and 134(5) of the Companies Act, 2013 and confirm that :

- (a) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts for the financial year ended on 31st March, 2016 on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Particulars of loans given, investments made, guarantees given and securities provided by the Company under Section 186 of the Companies Act, 2013 are not provided, as during the year under review, the Company has not given any loan nor made any investment nor given any guarantee nor provided any security to any person.

RELATED PARTY TRANSACTIONS:

Information on transaction with related party referred to under sub-section (1) of Section 188 of the Companies Act, 2013 in the prescribed Form AOC-2 is attached herewith viz **Annexure - D** and forming

part of the Directors' Report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

Transaction with related parties pursuant to the provisions of Listing Regulations and erstwhile Listing Agreement are disclosed in Note No. 28 of the Notes to the Financial Statements for the year ended on 31st March, 2016, in the Annual Report as required by the Accounting Standard (AS) 18 issued by ICAI.

However, there are no materially significant related party transactions made/entered into by the Company with its related parties including promoters, directors or the management etc. that may have potential conflict with the interests of the Company at large.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website viz. www.patelsairtemp.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Girish N. Desai has resigned from the office of the Director of the Company with effect from 21st December, 2015. He was an Independent Director of the Company. He was also a member of Audit Committee of the Directors of the Company. The Directors placed on record the valuable services and guidance provided by Mr. Girish N. Desai during his tenure as an Independent Director of the Company and also as a member of the Audit Committee.

During the year under review, Mr. Devidas C. Narumalani ceased to be Whole-time Director of the Company w.e.f. 14th July, 2015 and continue as Non-executive & Non-independent Director of the Company.

Pursuant to the provisions of Section 149 and 152 1of the Companies Act, 2013 and Rules made thereunder and Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Company proposes to appoint Mr. Himanshu N. Rawal (DIN: 06631728), who was appointed as Additional Director at the Board Meeting held on 13th February, 2016, as Independent Director of the Company, not liable to retire by rotation. The Company has received requisite notice in writing from a Member proposing his candidature for appointment as a Director of the Company. The aforesaid Independent Director, if appointed, shall hold office for a term of 2 consecutive years up to the conclusion of the 26th Annual General Meeting of the Company in the calendar year 2018.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Narayanbhai G. Patel (DIN: 00023107), Chairman & Whole-time Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment, for which necessary resolution has been incorporated in the notice of the meeting. The Board of Directors recommends re-appointment of Mr. Narayanbhai G. Patel as a Director of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Devidas C. Narumalani (DIN: 00097592), Non-executive & Non-independent Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible, offer himself for re-appointment, for which necessary resolution has been incorporated in the notice of the meeting. The Board of Directors does not recommend re-appointment of Mr. Devidas C. Narumalani as a Director of the Company.

Mr. Narendra G. Patel (DIN: 00023205) has been re-appointed as Whole-time Director of the Company for further period of 3 years w.e.f. 2nd August, 2016 with payment of remuneration. Necessary resolution has been incorporated in the Notice of the Meeting seeking Members approval for the same.

The remuneration payable to (i) Mr. Narayanbhai G. Patel, Chairman & Whole-time Director, (2) Mr. Narendra G. Patel, Whole-time Director, (iii) Mr. Prakash N. Patel, Managing Director and (iv) Mr. Sanjiv N. Patel, Managing Director of the Company, has been increased from ₹ 1,80,000/- per month to ₹ 2,50,000/- per month with perquisites and allowances, subject to the approval of the shareholders, for which, necessary resolutions have been incorporated in the Notice of the Meeting seeking Members approval for the same.

The brief resume/details relating to the said Directors, who are to be re-appointed/appointed are furnished in the Notes to the Notice of the Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company in terms of Section 149(7) of the Act, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations, 2015.

During the year under review, the designation of Mr. Karansingh I. Karki (ACS: 30021) changed from Company Secretary, being KMP to "Asst. Company Secretary" of the Company w.e.f. 13th February,

2016 and Mr. Nikhil M. Patel was appointed as Sr. Company Secretary, being Key Managerial Personnel (KMP) and Compliance Officer of the Company w.e.f. 13th February, 2016, as recommended by Nomination & Remuneration Committee of the Company.

BOARD EVALUATION :

The Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and Directors pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The performance of the Board and committees were evaluated by the Board on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. None of the independent directors are due for re-appointment.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors and assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

COMMITTEES OF DIRECTORS :

The details of various Committees of Directors constituted by the Board of Directors under various provisions of Companies Act, 2013 and Rules made thereunder and Listing Regulations, Meetings & Attendance, terms of reference and other details are provided in the Corporate Governance Report annexed with the Directors' Report.

The composition of various Committees and their terms of references may be accessed on the Company's website viz. www.patelsairtemp.com.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Policy on appointment and remuneration of Directors, KMP and other employees and other matters as required under Section 178(3) of the Companies Act, 2013 is available on the web-site of the Company viz. www.patelsairtemp.com.

NUMBER OF BOARD MEETINGS :

During the financial year 2015-2016, 5 (Five) Board Meetings were held on 20/05/2015, 14/08/2015, 07/11/2015, 12/12/2015, & 13/02/2016. The gap between two Board Meetings did not exceed 120 days as prescribed in the Companies Act, 2013.

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

As required under Section 134(3)(m) of the Companies Act, 2013 and Rules made thereunder, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the **Annexure – E** attached herewith and forming part of the Directors' Report.

RISK MANAGEMENT:

Business risk evaluation and management, covering the business operations of the Company, is an ongoing process within the Company and the management reviewed frequently risk assessment and to minimize them. The ultimate goal of risk management is the preservation of physical and human assets of the organization for successful continuation of its operations.

CORPORATE SOCIAL RESPONSIBILITY:

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, a Committee of the Directors of the Company has been constituted as Corporate Social Responsibility (CSR) Committee. CSR Committee has formulated a policy on the Corporate Social Responsibility measures to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013.

The Company has duly spent the required amount during the financial year ended on 31st March, 2016 towards CSR activities. The Annual Report on CSR activities is annexed herewith marked as **Annexure - F**.

The Corporate Social Responsibility Policy is available on the Company's web-site viz. www.patelsairtemp.com.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

STATUTORY AUDITORS:

Section 139(2) of the Companies Act, 2013 (effective 1st April, 2014), mandates that a listed company or such other prescribed class of companies shall not appoint or re-appoint an audit firm as Statutory Auditors for more than two terms of five consecutive years each.

Further, the companies as aforesaid, whose Statutory Auditors has held office for a period of ten years or more are required to comply with these provisions, within three years from the date of commencement of these provisions i.e. 1st April, 2014. For this purpose, the term of the audit firm before the commencement of these provisions shall be taken into account for calculating the period of ten consecutive years.

Our auditors, M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad are holding the office as Statutory Auditors for more than ten years. Hence, they can only be re-appointed for a period up to three years i.e. up to Financial Year- 2016-2017.

The Audit Committee and the Board of Directors recommend the re-appointment of M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad as Statutory Auditors of the Company for the Financial year 2016-2017 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

The Company has received a certificate from the said Auditors under Section 139 of the Companies Act, 2013 to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Act and they are not disqualified under the Act. The Members are requested to consider their appointment as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

The Auditors' Report for the financial year 2015-2016 does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR:

Section 204 of the Companies Act, 2013 and Rules made thereunder inter alia requires every listed companies to annex with its Board Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form. The Board has appointed Mr. Punit Lath, Practising Company Secretary, Ahmedabad to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as **Annexure -G** to this Report.

The Secretarial Audit Report for the financial year 2015-2016 does not contain any qualification, reservation or adverse remark.

COST AUDIT:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 and as recommended by Audit Committee, the Board of Directors appointed M/s. Rajendra Patel & Associates, Cost Accountant, Ahmedabad, having Membership No. 29021 as the Cost Auditor of the Company to conduct audit of cost accounting records maintained by the Company for the current financial year 2016-2017 ending on 31st March, 2017. Further, the remuneration payable to M/s. Rajendra Patel & Associates for conducting the audit of cost records for the year ended 31st March, 2016 (2015-2016) and ending 31st March, 2017 (2016-2017) is required to be ratified by the Shareholders of the Company and resolution for the said ratification is placed for approval of the members at the ensuing AGM.

INSURANCE:

All insurable interests of the Company including buildings, plant and machinery, furniture & fixtures and other insurable interest are adequately insured.

LISTING AGREEMENT WITH STOCK EXCHANGES:

Pursuant to the provisions of Listing Regulations, the Company declares that the Equity Shares of the Company are listed on the BSE Limited (BSE). The Company has entered into new Listing Agreement with BSE Ltd. in terms of provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 within the prescribed time limit.

The Company confirms that it has paid Annual Listing Fees to BSE upto the Financial Year 2016-2017.

PARTICULARS OF EMPLOYEES:

The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed with this report as **Annexure - H.**

The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company including Whole-time Directors and Managing Directors were in receipt of remuneration in excess of the limits set out in the said rules.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report any act of serious misconduct or wrongful activity being occurred or suspected to occur within the organization, to his immediate HOD or the HR Head or directly to the concern Whole-time Directors or Managing Directors of the Company, as he may desire. No employee of the Company is denied access to the Audit Committee. The vigil mechanism/whistle blower policy is also available on the website of the Company viz. www.patelsairtemp.com.

GENERAL:

- During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31st March, 2016 till the date of this report.
- During the year under review, there was no significant and/or material order passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.
- The Company does not provide any loan or other financial arrangement to its employees or Directors or Key Managerial Personnel for purchase of its own shares and hence, the disclosure under Section 67(3)(c) of the Companies Act, 2013 does not require.
- The disclosure in terms of Rule 4 of Companies (Share Capital and Debenture) Rules, 2014 is not provided, as the Company does not have any equity shares with differential voting rights.
- The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

ACKNOWLEDGEMENT:

The Directors place on record the appreciation and gratitude for the co-operation and assistance extended by various departments of the Union Government, State Government, Bankers and Financial Institutions.

The Directors also place on record their appreciation of dedicated and sincere services of the employees of the Company at all levels.

The Company will make every effort to meet the aspirations of its Shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

By order of the Board of Directors

NARAYANBHAI G. PATEL
Chairman & Whole-time Director

Date : 28th May, 2016
Place : Ahmedabad

ANNEXURE-A TO DIRECTORS' REPORT**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS**REGISTRATION DETAILS**

1.	CIN No.	L29190GJ1992PLC017801
2.	Registration Date	10-06-1992
3.	Company Name	PATELS AIRTEMP (INDIA) LIMITED
4.	Category/ Sub Category of the Company	Public Limited Company. An Engineering Company.
5.	Address of the Registered Office & contact details	5 th Floor, Kalpana Complex, Near Memnagar Fire Station, Navrangpura, Ahmedabad-380 009, Gujarat, India Tel. No.: 079-27913694-95-96
6.	Whether Listed Company	Yes. Listed at BSE Ltd.
7.	Name, Address and Contact details of Registrar and Transfer	Bigshare Services Pvt. Ltd., Regd. Office : E-2/3, Ansa Industrial Estate, Sakivihar, Saki Naka, Andheri(E), Mumbai-400 072. Tele. No. (022) 40430200/ 28470652 Fax No. (022) 28475207 E-mail: investor@bigshareonline.com Website: www.bigshareonline.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 :-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Air Cooled Heat Exchangers & Accessories	359.6 (NIC - 1997)	55.08
2	Heat Exchangers & Accessories	359.6 (NIC - 1997)	16.87
3	Pressure Vessels & Accessories	359.6 (NIC - 1997)	10.54

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
Not Applicable					
The Company does not have any Holding/Subsidiary/Associate Companies					

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2015]				No. of Shares held at the end of the year [As on March 31, 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									
A1 Indian									
(A) Individual / Huf	968121	0	968121	19.0942	968421	0	968421	19.1001	0.0059
(B) Central / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(C) Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(D) Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(E) Any Others (Specify)									
(i) Directors Relatives	0	0	0	0.0000	0	0	0	0.0000	0.0000
(ii) Group Companies	1364512	0	1364512	26.9122	1433954	0	1433954	28.2818	1.3696
(iii) Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub Total (A)(1):	2332633	0	2332633	46.0064	2402375	0	2402375	47.3819	1.3755
A 2 Foreign									
(A) Individual	0	0	0	0.0000	0	0	0	0.0000	0.0000
(B) Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(C) Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(D) Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(E) Any Others (Specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub Total (A)(2):	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Holding For Promoters And Promoter Group (A)=(A)(1)+(A)(2)	2332633	0	2332633	46.0064	2402375	0	2402375	47.3819	1.3755
B Public Share Holding									
B 1 Institution									
(A) Mutual Funds / Uti	0	0	0	0.0000	0	0	0	0.0000	0.0000
(B) Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(C) Central/State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(D) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(E) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000

(F) Fii's	0	0	0	0.0000	0	0	0	0.0000	0.0000
(G) Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(H) Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(I) Any Others (Specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub Total (B)(1):	0	0	0	0.0000	0	0	0	0.0000	0.0000
B2 Non Institution									
(A) Bodies Corporate	150554	2850	153404	3.0256	91585	2850	94435	1.8625	(1.1630)
(B) Individual									
(I) (Capital Upto to ₹ 1 Lakh)	1747382	153184	1900566	37.4847	1693689	149959	1843648	36.3621	(1.1268)
(II) (Capital in Excess ₹ 1 Lakh)	571769	0	571769	11.2770	615045	0	615045	12.1305	(0.8535)
(C) Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(D) Any Others (Specify)									
(I) Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
(II) Clearing Member	9808	0	9808	0.1934	786	0	786	0.0155	(0.1779)
(III) Directors Relatives	0	0	0	0.0000	0	0	0	0.0000	0.0000
(IV) Employee	0	0	0	0.0000	0	0	0	0.0000	0.0000
(V) Foreign Nationals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(VI) Non Resident Indians (Nri)	102060	0	102060	2.0129	113951	0	113951	2.2474	0.2345
(VII) Overseas Bodies Corporates	0	0	0	0.0000	0	0	0	0.0000	0.0000
(VIII) Unclaimed Suspense Account	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub Total (B)(2):	2581573	156034	2737607	53.9936	2515056	152809	2667865	52.6181	(1.3755)
Total Public Shareholding (B)=(B)(1)+(B)(2)	2581573	156034	2737607	53.9936	2515056	152809	2667865	52.6181	(1.3755)
Total (A) + (B) :	4914206	156034	5070240	100.0000	4917431	152809	5070240	100.0000	00.0000
(C) Shares Held By Custodians And Against Which Depository Receipts Have Been Issued	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A) + (B) + (C)	4914206	156034	5070240	100.0000	4917431	152809	5070240	100.0000	0.0000

(ii) Shareholding of Promoters

Sr. No.	Name of Shareholder's	Shareholding at the beginning of the year 01-04-2015			Share holding at the end of the year 31-3-2016			% change holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Therm Flow Engineers Pvt Ltd	1364512	26.91	0.00	1364512	26.91	0.00	0.00
2	Devidas Chelaram Narumalani	290145	5.72	0.00	290145	5.72	0.00	0.00
3	Patel Prakash Narayanbhai	120000	2.37	0.00	120000	2.37	0.00	0.00
4	Narendrabhai Gopalbhai Patel	268500	5.30	0.00	268500	5.30	0.00	0.00
5	Patel Narayanbhai Gangaram	120000	2.37	0.00	120000	2.37	0.00	0.00
6	Shiv Fintrade Pvt. Ltd.	0	0	0	69442	1.37	0.00	1.37
7	Patel Sitaben Narayanbhai	55000	1.08	0.00	55000	1.08	0.00	0.00
8	Narendra Gopal Patel	35301	0.70	0.00	35301	0.70	0.00	0.00
9	Patel Narayanbhai Gangaram-HUF	17700	0.35	0.00	17700	0.35	0.00	0.00
10	Sanjiv Narayanbhai Patel	16000	0.32	0.00	16000	0.32	0.00	0.00
11	Aarty P. Patel	14000	0.28	0.00	14000	0.28	0.00	0.00
12	Zinnia Narendra Patel	6675	0.13	0.00	6675	0.13	0.00	0.00
13	Rashmika Narendra Patel	6525	0.13	0.00	6525	0.13	0.00	0.00
14	Pushpa D Narumalani	5775	0.11	0.00	5775	0.11	0.00	0.00
15	Prakash N. Patel - HUF	5000	0.10	0.00	5000	0.10	0.00	0.00
16	Kanayalal Gagandas Narumalani	3750	0.07	0.00	3750	0.07	0.00	0.00
17	Khushal Gagandas Narumalani	3750	0.07	0.00	3750	0.07	0.00	0.00
18	Jalpa Sanjiv Patel	0.00	0.00	0.00	100	0.00	0.00	0.00
19	Sanjivkumar N Patel - HUF	0.00	0.00	0.00	100	0.00	0.00	0.00
20	Shivang Prakash Patel	0.00	0.00	0.00	100	0.00	0.00	0.00
	Total	2332633	46.01	0.00	2402375	47.38	0.00	1.37

(iii) Change in Promoters' Shareholding

Sr. No.	Name of the Promoters	Shareholding Beginning of the year 01.04.15 End of the Year 31.03.16		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding During the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
At the beginning of the year 01.04.2015		2332633	46.01					
1	Shiv Fintrade Pvt. Ltd.	0	0.00	12.05.15	100	Transfer	100	0.0020
				21.09.15	5000		5100	0.1006
				22.09.15	160		5260	0.1037
				23.09.15	5228		10488	0.2069
				24.09.15	4000		14488	0.2857
				28.09.15	25512		40000	0.7889
				29.09.15	5354		45354	0.8945
				30.09.15	88		45442	0.8962
				27.11.15	6000		51442	1.0146
				23.03.16	17000		68442	1.3499
		28.03.16	1000	69442	1.3696			
		69442	1.3696					
2	Jalpa Sanjiv Patel	0	0.00	12.05.15	100	Transfer	100	0.0020
		100	0.0020					
3	Sanjivkumar N Patel-HUF	0	0.0000	12.05.15	100	Transfer	100	0.0020
		100	0.0020					
4	Shivang Prakash Patel	0	0.0000	12.05.15	100	Transfer	100	0.0020
		100	0.0020					
At the end of the year 31.03.16		2402375	47.38					

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

Sr. No	NAME	No. of Shares held Beginning of the year 01.04.15 End of the Year 31.03.16	% of total shares of the company	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
1	AMIT S SHAH	65,000	1.28	31/03/2015	0	Transfer	65,000	1.28
				15/05/2015	-47363		17,637	0.35
				22/05/2015	-12637		5,000	0.10
				31/03/2016			5,000	0.10
2	SHARAD KANAYALAL SHAH	61,000	1.20	31/03/2015	0	No Change	61,000	1.20
				31/03/2016	0		61,000	1.20
3	SNEHAL BHUPENDRA SHAH	30,000	0.59	31/03/2015	0	Transfer	30,000	0.59
				28/08/2015	20000		50,000	0.99
				30/09/2015	3000		53,000	1.05
				09/10/2015	1000		54,000	1.07
				31/03/2016			54,000	1.07

Sr. No	NAME	No. of Shares held Beginning of the year 01.04.15 End of the Year 31.03.16	% of total shares of the company	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
4	DEENAR KRISHNARAO TORASKAR	0	0.00	31/03/2015			0	0.00
				19/06/2015	11986	Transfer	11,986	0.24
				26/06/2015	5023		17,009	0.34
				03/07/2015	3130		20,139	0.40
				18/09/2015	6682		26,821	0.53
				22/01/2016	1648		28,469	0.56
				29/01/2016	2000		30,469	0.60
				19/02/2016	14613		45,082	0.89
		45,082	0.89	31/03/2016			45,082	0.89
5	PATEL BHARAT CHHABILDAS	38,815	0.77	31/03/2015	0		38,815	0.77
				22/05/2015	200		39,015	0.77
				05/06/2015	400		39,415	0.78
				10/07/2015	140		39,555	0.78
				31/07/2015	100		39,655	0.78
				21/08/2015	300		39,955	0.79
				04/09/2015	773		40,728	0.80
				20/11/2015	1267	Transfer	41,995	0.83
				18/12/2015	350		42,345	0.84
				15/01/2016	208		42,553	0.84
				11/03/2016	1505		44,058	0.87
		44,058	0.87	31/03/2016			44,058	0.87
6	GAUTAM JAIN	0	0.00	31/03/2015			0	0.00
				15/05/2015	40828	Transfer	40,828	0.81
		40,828	0.81	31/03/2016			40,828	0.81
7	SANGEETA JAIN	40,828	0.81	31/03/2015			40,828	0.81
				15/05/2015	-40828	Transfer	0	0.00
				31/03/2016			0	0.00
8	ZAKI ABBAS NASSER	0	0.00	31/03/2015			0	0.00
				17/07/2015	10000		10,000	0.20
				24/07/2015	20000	Transfer	30,000	0.59
				07/08/2015	10000		40,000	0.79
				31/03/2016			40,000	0.79
9	SUNIL KUMAR GUPTA	30,000	0.59	31/03/2015	0	No Change	30,000	0.59
		30,000	0.59	31/03/2016	0		30,000	0.59
10	GOVARDHAN RAO MUTHINENI	26,979	0.53	31/03/2015	0		26,979	0.53
				15/05/2015	4000		30,979	0.61
				22/05/2015	400		31,379	0.62
				31/07/2015	4000		35,379	0.70
				28/08/2015	-3522		31,857	0.63
				04/09/2015	-2500		29,357	0.58
				09/10/2015	-9000	Transfer	20,357	0.40
				20/11/2015	226		20,583	0.41
				08/01/2016	-1000		19,583	0.39
				22/01/2016	4400		23,983	0.47
				26/02/2016	4000		27,983	0.55
				31/03/2016			27,983	0.55
				11	KIRTIDA CHHABILDAS PATEL	27,045	0.53	31/03/2015
		26/02/2016	400			Transfer	27,445	0.54
27,445	0.54	31/03/2016					27,445	0.54
12	PANKAJ JAJU	26,000	0.51	31/03/2015	0	No Change	26,000	0.51
		26,000	0.51	31/03/2016	0		26,000	0.51
13	KAYZAD SIRUS EGHLM	25,000	0.49	31/03/2015	0	No Change	25,000	0.49
		25,000	0.49	31/03/2016	0		25,000	0.49

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors & KMP	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding During the year	
		Beginning of the year 01.04.15 End of the Year 31.03.16					No. of shares	% of total shares of the company
		No. of shares	% of total shares of the company					
1	PATEL NARAYANBHAI GANGARAM	120000 120000	2.37 2.37	No transaction	-	120000	2.37	
2	#DEVIDAS CHELARAM NARUMALANI	290145 290145	5.72 5.72	No transaction	-	290145	5.72	
3	NARENDRABHAI GOPALBHAI PATEL	303801 303801	5.99 5.99	No transaction	-	303801	5.99	
4	PATEL PRAKASH NARAYANBHAI	120000 120000	2.37 2.37	No transaction	-	120000	2.37	
5	SANJIV NARAYANBHAI PATEL	16000 16000	0.32 0.32	No transaction	-	16000	0.32	
6	HARESHKUMAR ISHWARLAL SHAH	NIL	NIL	NIL	-	NIL	NIL	
7	VINODKUMAR CHOTUBHAI PATEL	NIL	NIL	NIL	-	NIL	NIL	
8	RAMANBHAI RAMDAS PATEL	NIL	NIL	NIL	-	NIL	NIL	
9	*GIRISH NATUBHAI DESAI	NIL	NIL	NIL	-	NIL	NIL	
10	VEENABEN BHUPENDRABHAI PATEL	1079 1079	0.02 0.02	No transaction	-	1079 1079	0.02 0.02	
11	**HIMANSHU N. RAWAL	NIL	NIL	NIL	-	NIL	NIL	
12	KAMLESH RASIKLAL SHAH (CFO)	1050 1050	0.02 0.02	NIL	-	1050	0.02	
13	@KARANSINGH I.KARKI (CS)	NIL	NIL	NIL	-	NIL	NIL	
14	@@NIKHIL M. APTEL (CS)	NIL	NIL	NIL	-	NIL	NIL	

Devidas C. Narumalani ceased to be Executive Director (Whole-time Director) of the Company w.e.f.14/07/2015 & continue as Non-executive Director.

* Girish N. Desai has resigned as an Independent Director of the Company w.e.f. 21/12/2015.

** Himanshu N. Rawal appointed as an Additional Director of the Company w.e.f. 13/02/2016.

@ Mr. Karansingh I. Karki ceased to be Company Secretary, being Key Managerial Personnel (KMP) and Compliance Officer of the Company and appointed as Assistant Company Secretary of the Company w.e.f. 13/02/2016.

@@ Mr. Nikhil M. Patel appointed as Sr. Company Secretary, being Key Managerial Personnel (KMP) and Compliance Officer of the Company w.e.f. 13/02/2016.

V. INDEBTEDNESS

(Amount in Rs.)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.15				
i) Principal Amount	223117831	27175000	Nil	250292831
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	223117831	27175000	Nil	250292831
Change in Indebtedness during the financial year				
- Addition	Nil	29450000	Nil	29450000
- Reduction	177244398	Nil	Nil	177244398
Net Change	(177244398)	29450000	Nil	(147794398)
Indebtedness at the end of the financial year 31.03.16				
i) Principal Amount	45873433	56625000	Nil	102498433
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	45873433	56625000	Nil	102498433

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
		Narayanbhai G. Patel (Chairman & WTD) #	Devidas C. Narumalani (Non Executive Director)*	Narendra bhai G. Patel (WTD)#	Prakashbhai N. Patel (MD)#	Sanjivkumar N. Patel (MD)#	
1.	Gross salary	2720000	630000	2720000	2720000	2720000	11510000
	(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	169310	13854	83076	270899	29246	566385
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL
2.	Stock Option	NA	NA	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA	NA	NA
4.	Commission	NA	NA	NA	NA	NA	NA
	- as % of profit						
	- others, specify...						
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total	2889310	643854	2803076	2990899	2749246	12076385

Note: # increase in the Remuneration from ₹ 180000/- pm. to ₹ 250000/- pm. w.e.f. 01/08/2015 as approved by the Board Directors and NRC Committee, subject to the approval of the Shareholders at the ensuing AGM.

*Devidas C. Narumalani ceased to be Executive Director (Whole-time Director) of the Company w.e.f.14/07/2015 & continue as Non-executive Director.

B. Remuneration to other directors :**(Amount in Rs.)**

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount (₹)
		Hareesh kumar I Shah	*Girish N. Patel	Vinod kumar C. Desai	Raman bhai R. Patel	**Himan-shu N. Rawal	Veena ben B. Patel	#Devidas C. Narum-alani	
1.	Independent Directors								
	- Fee for attending Board Meetings	7,500	6,000	6,000	7,500	1,500	6,000	NA	34,500
	- Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	7,500	6,000	6,000	7,500	1,500	6,000	Nil	34,500
2.	Other Non-Executive Directors								
	- Fee for attending Board Meetings	NA	NA	NA	NA	NA	NA	6,000	6,000
	- Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil	6,000	6,000
	Total (B)=(1+2)	7,500	6,000	6,000	7,500	1,500	6,000	6,000	40,500

Note :

* Girish Nathubhai Desai has resigned as an Independent Director from the Board w.e.f. 21/12/2015.

** Himanshu N. Rawal appointed as an Additional Director of the Company w.e.f. 13/02/2016.

Devidas C. Narumalani ceased to be Executive Director (Whole-time Director) of the Company w.e.f. 14/07/2015 & continue as Non-executive Director.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**(Amount in Rs.)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		*Karan I. Karki (CS)	**Nikhil M. Patel	Kamlesh R. Shah	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	207933*	217060**	788135	1213128
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission	NA	NA	NA	NA
	- as % of profit				
	- others, specify...				
5.	Others, please specify	NA	NA	NA	NA
	Total	207933	217060	788135	1213128

* For the Period of 9 Months from 1/04/2015 to 31/12/2015.

** For the Period of 3 Months from 1/01/2016 to 31/03/2016.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences on Company, Directors and other Officers in Default for the Financial Year ended on 31st March, 2016.

ANNEXURE-B TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OUTLOOK

India continues to remain a bright spot in the otherwise bleak global economic forecast of the International Monetary Fund (IMF). India will be the fastest growing major economy in 2016-17 growing at 7.5%, ahead of China, at a time when global growth is facing increasing downside risks, as per the World Economic outlook released by IMF.

The improvement in India's economic fundamentals has accelerated in the year 2016 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Prime Minister of India has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power, which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy. Finance Minister stated that the government is looking at a number of reforms and resolution of pending tax disputes to attract investments.

FINANCIAL AND OPERATIONAL PERFORMANCE

Your Company is operating in single segment namely engineering fabrication. Therefore, Company has been reporting Standalone Results. This discussion, therefore, covers the financial results and other developments during April 2015 to March 2016, in respect of the Company.

The Company has earned revenue from operations (net) of ₹ 12664.72 lakhs during the year ended on 31st March, 2016 as against ₹ 11274.64 lakhs earned during the previous year ended on 31st March, 2015, giving a rise of 12.33 % as compared to previous year. Out of the revenue from operations of ₹ 12664.72 lakhs earned by the Company during the year under review, ₹ 11867.51 lakhs represents sale of products (Domestic & Export), ₹ 410.37 lakhs represents sale of Services (Processing Charges) and ₹ 386.84 lakhs represents other operating revenues. The Company has also earned other income of ₹ 45.78 lakhs during the year under review as against ₹ 42.20 lakhs earned during the previous year.

Although tough economic conditions continued in the year under review, your Company was able to record significant improvement in performance owing to growth in the areas of Manufacturing of Industrial Machineries and fabrication. Manufacturing of Industrial Machineries and fabrication having different products maintained its performance while protective coatings continued to face tough market demand conditions.

The Company has earned the Profit before Tax of ₹ 1108.73 lakhs during the year ended on 31st March, 2016 as compared to ₹ 961.96 lakhs earned during the previous year ended on 31st March, 2015, showing a rise of 15.26 %.

The Company has earned Net Profit of ₹ 714.82 lakhs for the year ended on 31st March, 2016 after making Provision for Tax Expenses of ₹ 393.91 lakhs and other adjustments, as compared to Net Profit of ₹ 620.24 lakhs earned by the Company during the previous year ended on 31st March, 2015, a rise of 15.25 %.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Company is engaged in the manufacture and sale of extensive range of Heat Exchangers such as Shell & Tube Type, Finned Tube Type and Air Cooled Heat Exchangers, Pressure Vessels, Air-conditioning and Refrigeration equipments and Turnkey HVAC Projects in India & marketing of equipments even outside India. All these products are supplied to leading Industrial Sections like Power Projects, Refineries, Fertilizers, Cements, Petrochemicals, Pharmaceuticals, Textile and Chemical Industries.

With the highly innovative environment, the Company could sustain its sales even in highly cut-thought competition and the prevailing market conditions.

PRODUCT – WISE PERFORMANCE

The Company is operating in one segment i.e. engineering fabrication having different products, such as Heat Exchangers, Air Cooled Heat Exchangers, Pressure Vessels, Air-conditioning & Refrigeration Equipments, Turnkey HVAC projects and other Misc. products, the turnover of which are given in Notes on Accounts portion of the Annual Report. Your company has decided to stick to high value added engineering products. These products are regularly procured by the Industrial Process Plants / Units. These products has ASME "U"/ "U2"/ "S" Stamp authorization, it is expected to improve profitability of the company in the future. For updating Heat Transfer Technology, Company has become member of HTRI (Heat Transfer Research, Inc, U.S.A.).

FUTURE OUTLOOK

The long-term fundamentals of the Indian economy which is expected to remain strong. Key fundamentals generally include demographics, rising income and purchasing power of population and large investment in pipeline. The

growth of the economy is being driven primarily by domestic investment and consumption, with limited dependence on exports or the demand situation in other economies. At the same time, there are some concerns, particularly with regard to inflation. Inflationary pressures emerging from commodity and food prices have shown signs of becoming more generalised, leading to the containing of inflation becoming the key priority of policy makers. In addition, the global economic environment continues to remain uncertain with slow recovery and fiscal concerns in developed markets. Keeping in mind the aforesaid factors, your company will make all efforts to encash the opportunities which come across.

OPPORTUNITIES

Export in the developed countries like USA, Canada & Europe and other countries like Nigeria, Indonesia, Zambia etc. is to be developed and it is expected to provide large impetus to engineering exports to these countries after obtaining the ASME “U”/ “U2”/ “S” Stamp Authorisation. Your company is preparing itself to meet the increased demand in the years to come through efficient production management system which will enable to minimize the risk of raw materials price fluctuations.

RISK FACTORS

Risk is an integral part of every business and your company always tries to deliver superior shareholder value by achieving an appropriate trade-off between risk and returns. Our risk management strategy is based on a clear understanding of various risks i.e. operational risk, marketing risk involved, systematic risk assessment and taking steps to overcome risks and continuous monitoring.

The industry is facing stiff competition from big players who are producing on large scale production and have the advantage of economies in cost, facing challenges from cheaper imports and the industry is also facing risks from unorganized sector particularly from the marketing in the state and nearby states which have major thrust on Air-conditioning and Refrigerator parts. However, Your Company does not foresee any risk due to its concentration on quality commitment for better products and prompt after sales and service. The Government of India’s measures to curb cheaper imports imposing anti dumping duties and other restrictions will give much needed relief to the domestic industry.

QUALITY CONTROL

The Company features its achievements to adherence to strict quality standards. This has been achieved through our efforts to strike the balance between resources and technology to develop products at same level in excellence with international standards. The quality standard is taken care from the initial stage of production to ensure high end product quality.

INTERNAL CONTROL SYSTEM

The Company has adequate internal control system in operation commensurate with the size and nature of its business for enduring efficiency of operation and protection of Company’s assets. The Audit Committee formed by the company review on periodical basis the compliance with the Company’s policies, procedures and prevailing laws.

INDUSTRIAL RELATION & HUMAN RESOURCES

To praise the sophisticated production process, we have a team of experienced workers who are skilled and trained to get best out of it. Regular orientation programs are being conducted by the company wherein workers are directly exposed to the experts, which keep them with the latest technology and development.

The Company’s philosophy is to provide to its employees friendly working environment and a performance oriented work culture. The company believes that human resources are important asset for giving Company a competitive edge in a competitive environment.

To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculty.

CAUTIONARY STATEMENT

The statement given in this report, describing the Company’s objectives, estimates and expectations and future plans may contribute towards forward looking statement within the meaning of applicable laws and / or regulations. Actual performance may differ materially from those either expressed or implied. Some statements in this discussion describing the projections, estimates, expectations or outlook may be forward looking. Actual results may, however, differ materially from those stated on account of various factors such as changes in government regulations, tax regimes, economic developments, exchange rates and interest rates fluctuations, impact of competition, demand and supply constraints.

**ANNEXURE-C TO DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT**

**Report on Corporate Governance for the year ended on 31st March, 2016 (2015-2016)
Pursuant to SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015**

In September, 2015, the Securities and Exchange Board of India (SEBI) introduced comprehensive Regulations, namely, SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015 (herein after referred to as “**LODR**” or “**Listing Regulations**”), in place of Listing Agreement with Stock Exchanges, which have come into force from 1st December, 2015 and detailed report on Corporate Governance is set out below as per Listing Regulations complying with Clause 49 of Listing Agreement and Regulation 17 to 27 read with Schedule V and Clause (b) to (i) of Regulation 46(2) of Listing Regulations.

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company's philosophy on Corporate Governance envisages the attainment of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, consumers and institutional and other lenders and places due emphasis on regulatory compliance.

Traditional views of governance as a regulatory and compliance requirement have given a way for adoption of governance as an integral part of the Company. The Company in pursuance of Code of Corporate Governance, strongly believe that it must organize its affairs to the utmost satisfaction of all the concerned. The Company endeavor to ensure transparency, control and accountability, in all areas of its operations.

2. BOARD OF DIRECTORS

(i) Composition and category of Directors:

As per Listing Regulations, the Board of Directors of the Company comprises of the combination of Executive and Non-Executive Directors. Out of total strength of 10 Directors as on 31st March, 2016 and as on the date of this report, 4 Directors are Executive Directors, 1 Director is Non-Executive Director and 5 Directors are Independent Directors. The majority Directors are Non-Executive Directors and one half of the total Directors are Independent Directors including one woman Director. The Chairman of the Board is Promoter-Executive Director. The members of the Committees like Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility (CSR) Committee comprise majority of Independent Directors with Chairman, being Independent Director. The composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulation read with Section 149 of the Companies Act, 2013

The composition of the Board as on 31st March, 2016 and as on the date of this report, details of other Directorship and Committee Membership/Chairmanship held by them in other Public Companies, their attendance at the Board Meetings held during the financial year 2015-2016 and also at the last Annual General Meeting (AGM) held are given below :

Name of Directors and Category		Designation	Attendance Particulars			No. of Directorship and Committee Membership / Chairmanship held in other Public Companies		
			Board Meetings Held	Board Meeting Attended	Last Annual General Meeting	Other Directorship	Committee Membership	Committee Chairman
Promoters & Executive Directors								
1.	Mr. Narayanbhai G. Patel	Chairman & Whole-time Director	5	5	Yes	NIL	NIL	NIL
2.	Mr. Narendra G. Patel	Whole-time Director	5	5	Yes	NIL	NIL	NIL
3.	Mr. Prakash N. Patel	Managing Director	5	5	Yes	NIL	NIL	NIL
4.	Mr. Sanjiv N. Patel	Managing Director	5	5	Yes	NIL	NIL	NIL
Promoter & Non-Executive Director								
5	Mr. Devidas C. Narumalani *	Director	5	5	Yes	NIL	NIL	NIL

Name of Directors and Category		Designation	Attendance Particulars			No. of Directorship and Committee Membership / Chairmanship held in other Public Companies		
			Board Meetings Held	Board Meeting Attended	Last Annual General Meeting	Other Directorship	Committee Membership	Committee Chairman
Independent Directors								
6.	Mr. Girish N. Desai **	Director	4	4	No	NIL	NIL	NIL
7.	Mr. Hareshkumar I. Shah	Director	5	5	No	NIL	NIL	NIL
8.	Mr. Vinodkumar C. Desai	Director	5	4	No	NIL	NIL	NIL
9.	Mr. Ramanbhai R. Patel	Director	5	5	No	NIL	NIL	NIL
10.	Mrs. Veenaben B. Patel	Director	5	4	No	NIL	NIL	NIL
11.	Mr. Himanshu N. Rawal #	Director	1	1	NA	NIL	NIL	NIL

- * Ceased to be Whole-time Director of the Company w.e.f. 14th July, 2015
- **Resigned as a Director of the Company w.e.f. 21st December, 2015 and consequently as a Member of Audit Committee.
- #Appointed as an Additional Director, being Independent Director, on the Board of the Company w.e.f.13th February, 2016

None of the Directors of the Company is a member of Board of more than 20 Companies and more than 10 Public Limited Companies in terms of Section 165 of the Companies Act, 2013. None of the Directors is a member of more than 10 Board level Committees or a Chairman of more than 5 such Committees in Public Companies as required under Regulation 26(1) of Listing Regulations. None of the Directors of the Company is a Director in other Public Companies.

As required by Listing Regulations, the particulars of Directors seeking appointment/re-appointment are given in the Notes under Notice of AGM of the Company.

(ii) Relationship between the Directors

Mr. Prakash N. Patel and Mr. Sanjiv N. Patel, Managing Directors, are the son of Mr. Narayanbhai G. Patel, Chairman & Whole-time Director of the Company.

None of the other Directors are related to any other Director on the Board.

(iii) Shares held by Non-Executive Directors

Mr. Devidas C. Narumalani, Non-Executive and Non-Independent Director, holds 2,90,145 Equity Shares of ₹ 10/- each of the Company. Mrs. Veenaben B. Patel, Independent Director, holds 1,079 Equity Shares of ₹ 10/- each of the Company. None of the other Non-Executive Directors held the Shares of the Company.

(iv) Number of Board Meetings held and the dates on which held :

During the financial year 2015-2016, 5 (Five) Board Meetings were held on 20/05/2015,14/08/2015, 07/11/2015, 12/12/2015, & 13/02/2016. The gap between two Board Meetings did not exceed 120 days. The Board Meetings were generally held at the Registered Office of the Company.

(v) Performance Evaluation of the Board as a whole and its Committees

The Board has carried out an evaluation of its own performance and that of its Committees and Directors in terms of Section 134(3)(p) of the Companies Act, 2013 and Rules made thereunder and Listing Regulations. The Board has approved a policy (NRC Policy) for criteria of determining qualifications, selection, appointment and remuneration of Directors, KMP and Senior Management and the same has been uploaded on the Company's web-site www.patelsairtemp.com.

(vi) Minimum Information

Board members are informed well in advance about the schedule of the Meetings. Appropriate information/details and documents are sent in advance to each Director and normally submitted as a part of Agenda papers, except in case of matters/documents which are Unpublished Price Sensitive Information (UPSI), in order to enable the Board to discharge its responsibilities effectively. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted and place before the Board under other business with the permission of the Chairman and with the consent of the majority Directors including Independent Directors. The Company observed the Secretarial Standards – 1 related to Board & Committee meetings which are effective from 1st July, 2015.

(vii) Independent Directors & Separate Meeting

All Independent Directors so far have been appointed for a term of 5 years. The terms & conditions of their appointment as Independent Directors is available on the web-site of the Company www.patelsairtemp.com.

None of the Independent Directors hold Directorship in more than 7 Listed Companies. None of the Whole-time Directors of the Company serve as an Independent Directors in more than 3 listed companies.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law. The Company has obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013. Every Independent Director is abide by the provisions specified in Schedule – IV to the Companies Act, 2013 related to Code of Conduct for Independent Directors.

The policy decisions are considered by the Nomination and Remuneration Committee for appointment of Independent Director on the Board. The Board considers the committee's recommendation and takes appropriate decision/action.

As per Regulation 25(3) of Listing Regulations and under the Companies Act, 2013 and Rules made thereunder read with Schedule IV (VII), the Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors, Non-Independent Directors or management personnel. Such meeting was held on 21st March, 2016 and all Independent Directors were present at the meeting. The following issues were discussed in detail:

- Reviewed the performance of non-independent directors and the Board as a whole.
- Reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
- Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(viii) Familiarization programme for Independent/Non-Executive Directors

As per Regulation 25(7) of Listing Regulations, whenever new Non-executive and Independent Directors are inducted in the Board, they are introduced to the Company's organization structure, business and nature of industry, constitution, board procedures and roles, rights and responsibilities of Independent Directors, etc.

As per Regulation 46 of Listing Regulations, details of familiarization programmes for Independent Directors of the Company is uploaded on the Company's website www.patelsairtemp.com.

(ix) Remuneration/Sitting Fees to the Directors:

The Policy (NRC Policy) on appointment and remuneration of Directors is uploaded on the Company's website www.patelsairtemp.com.

The remuneration of Executive Directors is decided by the Board on the recommendation of Nomination & Remuneration Committee, subject to approval of the Shareholders in General Meeting.

The aggregate amount of salary and perquisites & allowances paid to the following Whole-time Directors & Managing Directors of the Company during the year ended on 31-03-2016 (i.e. from 1-4-2015 to 31-3-2016) are as under :-
(Amount in Rs.)

Name of Whole-time & Managing Directors	Designation	Salary	Perquisites & Allowances	Total
Mr. Narayanbhai G. Patel	Whole-time Director	27,20,000	1,69,310	28,89,310
Mr. Prakash N. Patel	Managing Director	27,20,000	2,70,899	29,90,899
Mr. Sanjiv N. Patel	Managing Director	27,20,000	29,246	27,49,246
Mr. Narendra G. Patel	Whole-time Director	27,20,000	83,076	28,03,076
Mr. Devidas C. Narumalani #	Whole-time Director	6,30,000	13,854	6,43,854

#Ceased to be Whole-time Director of the Company w.e.f. 14th July, 2015

Besides this, the above Whole-time Directors & Managing Directors are also entitled to Superannuation or Annuity Fund, to the extent not taxable and Gratuity and encashment of Leave as per Rules of the Company.

The appointment of Whole-time Directors & Managing Directors may be terminated by either party giving to the other party three months' notice or the Company paying three months' remuneration in lieu thereof. The Company does not have a scheme for grant of stock options either to the Whole-time Directors & Managing Directors or Employees. None of the other Directors are paid remuneration except sitting fees for attending Board Meetings.

The Company has paid sitting fees as under to Non-executive Director and Independent Directors of the Company apart from travelling expenses for attending Board Meetings held during the year ended on 31-03-2016.

Sr. No.	Name of the Director	Amount in (Rs.)
1	Mr. Devidas C. Narumalani *	6,000
2	Mr. Girish N. Desai **	6,000
3	Mr. Hareshkumar I. Shah	7,500
4	Mr. Vinodkumar C. Desai	6,000
5	Mr. Ramanbhai R. Patel	7,500
6	Mrs. Veenaben B. Patel	6,000
7	Mr. Himanshu N. Rawal #	1,500

- * Ceased to be Whole-time Director of the Company w.e.f. 14th July, 2015
- ** Resigned as a Director of the Company w.e.f. 21st December, 2015 and consequently as a Member of Audit Committee.
- # Appointed as Additional Director, being Independent Director, on the Board of the Company w.e.f. 13th February, 2016

There were no pecuniary relationship or transactions by Independent Directors with the Company, its promoters or its management.

Criteria of making payments to Independent and /or Non-executive Directors are uploaded on the Company website at www.patelsairtemp.com.

3. COMMITTEES OF THE BOARD

The Board of Directors of the Company has constituted the following Committees in terms of the provisions of Listing Regulations and Companies Act, 2013 and Rules made thereunder :

1. Audit Committee
2. Nomination and Remuneration Committee (NRC)
3. Stakeholders' Relationship Committee (SRC)
4. Corporate Social Responsibility Committee (CSR)

The composition, meetings, attendance and terms of reference of the said Committees formed as per Companies Act, 2013, Rules made thereunder and Listing Regulations are as under:

A) AUDIT COMMITTEE

i) Composition of Committee and Meetings and Attendance:

As on 31st March, 2016 and as on the date of this report, the Audit Committee consists of 3 members, out of which, 2 are Independent Directors and 1 is Executive Director as under. Independent Director is the Chairman of the Audit Committee and all members are financially literate and ability to read and understand the financial statements and one member has accounting or related financial management expertise. The constitution of the Audit Committee fulfills the requirements of Section 177 of the Companies Act, 2013, Rules made thereunder and Regulation 18 of Listing Regulations.

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to the Audit Committee w.e.f. 13th February, 2016.

During the year under review, Audit Committee met 5 times on 20/05/2015, 14/08/2015, 07/11/2015, 12/12/2015 & 13/02/2016. The maximum gap between any two meetings was not more than 120 days.

The presence of the Members at the meeting are as under :

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr.Hareshkumar I. Shah	Chairman	Independent Director	5	5
Mr.Narayanbhai G. Patel	Member	Executive Director	5	5
Mr.Ramanbhai R. Patel	Member	Independent Director	5	5
Mr.Girish N. Desai *	Member	Independent Director	4	4

- * Ceased to be a Member of Audit Committee w.e.f. 21st December, 2015.

Whole-time Directors, Managing Directors and Chief Financial Officer (CFO) of the Company were generally invited to attend the Audit Committee meetings. The Minutes of the Audit Committee Meetings are placed before the Board in the next Board Meeting and noted the same.

ii) Terms of reference:

The terms of reference of Audit Committee are to cover the matters specified under Listing Regulations and the Companies Act, 2013 and Rules made thereunder and the functions of the Committee *inter alia* include the overview of the Company's financial reporting processes, review of the quarterly, half yearly and yearly financial statements, review of adequacy of internal control system, review of the financial and risk management policies and review of significant findings and adequacy of internal audit function, approval of related party transactions.

B) NOMINATION & REMUNERATION COMMITTEE (NRC)

The erstwhile Remuneration Committee of the Directors of the Company was re-nomenclature as “Nomination and Remuneration Committee” at the meeting of the Board of Directors held on 9th August, 2014, pursuant to the provisions of Clause – 49 (IC) of erstwhile Listing Agreement with Stock Exchange and Section 178 of the Companies Act, 2013 and Rules made thereunder.

i) Composition of Committee and Meeting and Attendance:

As on 31st March, 2016 and as on the date of this report, NRC Committee consists of 3 Independent Directors and 1 Executive Director as under. Independent Director is the Chairman of NRC Committee and Executive Director, who is a Chairman of the Company, is not a Chairman of NRC Committee. The constitution of NRC Committee fulfills the requirements of Section 178 of the Companies Act, 2013, Rules made thereunder and Regulation 19 of Listing Regulations.

During the year under review, NRC Committee met 3 times on 20/05/2015, 14/08/2015 & 13/02/2016. The presence of the Members at the meeting are as under. NRC Committee normally meets for considering proposal related to appointment and/or remuneration of Key Managerial Personnel and Directors of the Company and for considering any other matter as may be specified under the terms of reference of the committee.

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr.Hareshkumar I. Shah	Chairman	Independent Director	3	3
Mr.Ramanbhai R. Patel	Member	Independent Director	3	3
Mr.Vinodkumar C. Desai	Member	Independent Director	3	2
Mr.Narayanbhai G. Patel	Member	Executive Director	3	3

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to the NRC Committee e.f. 13th February, 2016.

ii) Terms of reference:

NRC Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every Director’s performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees and such other things prescribed as per Section 178 of the Companies Act, 2013, Rules made thereunder and Listing Regulations.

The Policy on appointment and remuneration of Directors, KMP and other employees of the Company and other matters is uploaded on the Company’s website www.patelsairtemp.com.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

i) Composition of Committee and Meeting and Attendance:

The erstwhile Share Transfer and Investors’ Grievance Committee of the Directors of the Company was re-nomenclature as a Stakeholders’ Relationship Committee, at the meeting of Board of Directors held on 9th August, 2014.

The Committee consists of 3 Independent Directors and 1 Executive Director as under. Independent Director is the Chairman of the Committee. The constitution of Stakeholders' Relationship Committee fulfills the requirements of Regulation 20 of Listing Regulations and Section 178 of the Companies Act, 2013 and Rules made thereunder.

During the year under review, the Stakeholders Relationship Committee met 7 times on 20/05/2015, 14/08/2015, 07/11/2015, 13/11/2015, 01/03/2016, 03/03/2016 and 18/03/2016. The presence of the Members at the meeting are as under :

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr.Hareshkumar I. Shah	Chairman	Independent Director	7	7
Mr.Ramanbhai R. Patel	Member	Independent Director	7	7
Mr.Vinodkumar C. Desai	Member	Independent Director	7	6
Mr.Narayanbhai G. Patel	Member	Executive Director	7	7

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to Stakeholders' Relationship Committee w.e.f. 13th February, 2016.

ii) Terms of Reference:

Pursuant to Section 178 of the Companies Act, 2013, Rules made thereunder and Listing Regulations, the Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also functions in an efficient manner that all issues / concerns stakeholders are addressed / resolved promptly.

The Committee, inter alia, approves the transfer of Shares, issue of duplicate Share Certificates, splitting and consolidation of Shares etc. The Committee also looks after redressal of Shareholder's complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends, etc. The Board of Directors has delegated the power of approving transfer of Shares etc. to the Stakeholders' Relationship Committee.

iii) Name and designation of Compliance Officer:

The Board has appointed Mr. Nikhil Patel, being Company Secretary, as Compliance Officer of the Company pursuant to Listing Regulations w.e.f. 13th February, 2016.

iv) No. of Shareholders complaints received and not resolved to the satisfaction of the Shareholders:

The total number of complaints received and resolved to the satisfaction of Shareholders during the year under review were as under :

No. of Complaints outstanding as on 31-03-2015	-	Nil
No. of complaints received during the year under review	-	14
No. of complaints disposed off during the year under review	-	14
No. of complaints outstanding as on 31-03-2016	-	Nil

The Company interacts with Bigshare Services Pvt. Ltd., Registrar & Transfer Agent and takes effective steps/actions for resolving queries/complaints of the shareholders.

v) Number of pending transfers :

No requests for transfer and dematerialisation of shares were pending for approval as on 31st March, 2016.

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

i) Composition of Committee and Meeting and Attendance:

In terms of provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, a committee of the Directors of the Company has been constituted as Corporate Social Responsibility Committee (CSR). CSR Committee consists of 2 Independent Directors and 1 Executive Director with Chairman, being Independent Director. CSR Committee fulfills the requirements of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

During the year under review, CSR Committee met 2 times on 20/05/2015 & 13/02/2016. The presence of the members at the meeting are as under.

Name of the Member	Position	Category	No. of Meetings Held	No. of Meetings Attended
Mr. Hareshkumar I. Shah	Chairman	Independent Director	2	2
Mr. Ramanbhai R. Patel	Member	Independent Director	2	2
Mr. Narayanbhai G. Patel	Member	Executive Director	2	2

ii) Terms of reference :

The Committee formulate and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities as per Section 135, read with Schedule VII of the Companies Act, 2013 and Rules made thereunder. Committee framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company, recommend the amount of expenditure to be incurred on the activities and also monitors CSR policy from time to time.

Mr. Nikhil Patel, who is a Company Secretary of the Company, is the Secretary to CSR Committee w.e.f. 13th February, 2016.

iii) Corporate Social Responsibility Policy:

CSR Committee has formulated a policy on the Corporate Social Responsibility measures to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and is available on the web-site of the Company i.e. www.patelsairtemp.com.

Annual Report on CSR activities for the financial year 2015-2016 is attached with the Directors' Report.

4. GENERAL BODY MEETINGS

Details of Annual General Meetings / Extra Ordinary General Meetings of the members of the Company held in last three years are as under :-

Financial Year	Date and Time	Venue	No. of Special Resolution Passed
2012-13 21st AGM	28th September, 2013 at 10.00 a.m.	5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad – 380 009.	No
2013-14 22nd AGM	30th August, 2014 at 10.00 a.m.	5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad – 380 009.	No
2014-15 23rd AGM	19th September, 2015 at 10.00 a.m.	5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad – 380 009.	3 #

- # 1) For appointment of Mr. Narayanbhai G. Patel as Whole-time Director of the Company for a period of 5 years w.e.f. 20th May, 2015 with payment of remuneration.
- 2) For appointment of Mr. Prakash N. Patel as Managing Director of the Company for a period of 5 years w.e.f. 20th May, 2015 with payment of remuneration.
- 3) For appointment of Mr. Sanjiv N. Patel as Managing Director of the Company for a period of 5 years w.e.f. 20th May, 2015 with payment of remuneration.

No Extra Ordinary General Meeting was held during last three years.

No postal ballots were used/invited for voting at the above meetings in respect of Special Resolutions passed in the above said meetings.

At the forthcoming 24th AGM, no resolution is proposed to be passed through Postal Ballot.

5. **DISCLOSURES**

i) **Related Party transaction**

Policy on materiality of related party transactions and dealing with related party transactions has been uploaded on Company website www.patelsairtemp.com.

Transaction with related parties are disclosed in Note No. 28 of the Notes on Accounts for the year ended on 31st March, 2016, in the Annual Report as required by the Accounting Standard (AS) 18 issued by ICAI.

However, there are no materially significant related party transactions made/entered into by the Company with its related parties including promoters, directors or the management etc. that may have potential conflict with the interests of the Company at large.

The Independent Directors, who apart from receiving sitting fees for attending Board Meetings, do not have any other material pecuniary relationship or transactions with the company, its promoters or its management, which in the judgment of the Board may affect independence of the judgment of the Directors.

The Directors as and when required make full disclosures to the Board regarding nature of their interest in other Companies, firms etc. in which they are Directors or Members or Partners. Full particulars of contract, if any, entered with the Companies / Partnership Firms, in which the Directors are directly or indirectly concerned or interested, if any, are entered in the Register of Contract maintained under Section 189 of the Companies Act, 2013 and the same, as and when required, is placed in the Board Meeting for the noting and signature of the Directors present in the meeting.

ii) **Risk Management :**

Business risk evaluation and management covering the business operations of the Company is an ongoing process within the Company and the management reviewed frequently risk assessment and to minimize them.

iii) **CEO/CFO Certification :**

In terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Chairman & Whole-time Director and CFO of the Company have furnished certificate on the financial statements and internal controls relating to financial reporting of the Company to the Board for the year ended on 31st March, 2016 and attached to this Report.

- iv) No penalties have been imposed on the Company by the Stock Exchange/s or SEBI or any statutory authority, on the matter related to capital market during the last three years.
- v) The Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this report.
- vi) Pursuant to Listing Regulations, the Senior Management has made disclosures to the Board that during the year ended on 31st March, 2016, they have not entered into any material financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company.

vii) Code of Conduct :

In compliance with Regulation 26(3) of SEBI LODR Regulations, 2015, the Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management Personnel (Chief Financial Officer & Company Secretary, being KMP). The said Code has been communicated to all the Directors and Senior Management Personnel as above. They have also affirmed to the Company about the compliance of the said Code during the Financial Year ended on 31st March, 2016. The Code has also been posted on the Company's website - www.patelsairtemp.com. The declaration from Chairman & Whole-time Director & Managing Director of the Company, affirming compliance of the said Code of Conduct by all the Board Members and the above Senior Management Personnel is annexed separately to this Report.

viii) Whistle Blower policy / Vigil Mechanism:

The Company has a Vigil Mechanism and Whistle Blower policy under which the employees are free to report any act of serious misconduct or wrongful activity being occurred or suspected to occur within the organization, to his immediate HOD or the HR Head or directly to the concern Whole-time Directors/Managing Directors of the Company, as he may desire. No employee of the Company is denied access to the Audit Committee. The Whistle blower policy has been placed on the web-site of the Company www.patelsairtemp.com.

ix) Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 1992/2015:

The Company has formulated Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders including therein Code of Conduct for fair disclosures of price sensitive information of the Company, in terms of provisions of SEBI (Prohibition of Insider Trading) Regulation, 1992/2015. The same has also been uploaded on the web-site of the Company viz. www.patelsairtemp.com. The policy lays down guidelines and procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

6. MEANS OF COMMUNICATION

The Company's quarterly, half yearly and yearly financial results were taken on record and approved by the Board of Directors after reviewed by Audit Committee and submitted to the Stock Exchange in terms of the requirements of Clause 41 of erstwhile Listing Agreement and as per Listing Regulations. These were published in the newspapers as per prescribed guidelines and uploaded on the web-site of the Company. In pursuance of Regulation 33 (3) read with Schedule V of Listing Regulations, the company is maintaining its website www.patelsairtemp.com containing basic information about the company e.g. details of its business, financial information, shareholding pattern, compliance with corporate governance etc. The company also agrees to ensure that the contents of the said website are updated at any given point of time.

The Company has total 6,653 Shareholders as on 31st March, 2016. The main channel of communication to the shareholders is through its web-site as mentioned above and Annual Report, which includes inter alia, the Director's Report, Management Discussions & Analysis and Report on Corporate Governance and Audited Financial Results. The Annual Report is also posted on the web-site of the Company viz. www.patelsairtemp.com.

BSE CORPORATE COMPLIANCE & LISTING CENTRE (LISTING CENTRE)

BSE's Listing Centre viz. www.listing.bseindia.com is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, financial results, corporate governance report, investors & shares related matters, among others are also filed electronically on the Listing Centre.

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

USAGE OF ELECTRONIC PAYMENT MODES FOR MAKING PAYMENTS TO INVESTORS

In view of SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details such as Bank & Branch Name, MICR, IFSC codes etc. to the Company or its Registrar and Share Transfer Agents (R&T).

DESIGNATED EXCLUSIVE EMAIL-ID:

The Company has designated email-id viz. share@patelsairtemp.com exclusively for resolving investor grievance.

GREEN INITIATIVE IN CORPORATE GOVERNANCE: GO PAPERLESS

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling annual general meeting, Corporate Governance Report, Directors Report, audited Financial statements, auditors report, dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with **Bigshare Services Pvt. Ltd.** Registrar and transfer agent / **concerned depository** to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

7. GENERAL SHAREHOLDERS INFORMATION

i) **Annual General Meeting:**

Date : Saturday, 30th July, 2016

Time : 10.00 a.m.

Venue : At the Registered Office of the Company situated at 5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad – 380 009.

ii) **Financial Calendar (from 01-04-2016 to 31-03-2017) (Tentative) :**

Results for quarter ended on 30-06-2016	: on or before 14th August, 2016
Results for quarter ending on 30-09-2016	: On or before 14th November, 2016
Results for quarter ending on 31-12-2016	: On or before 14th February, 2017
Audited Results for the year ending on 31-03-2017	: On or before 30th May, 2017
AGM for the year ending on 31-03-2017	: In the month of September, 2017

iii) **Book Closure Date(s):**

Book-closure shall be on 23rd July, 2016 for the purpose of payment of dividend on Equity Shares for the year ended on 31st March, 2016.

iv) **Dividend payment date :**

The Dividend of ₹ 2.20 per share (@ 22 %) on Equity Shares for the year ended on 31st March, 2016, if approved and declared, will be paid within the prescribed time limit.

v) **Listing on Stock Exchange :**

The equity shares of the company are listed on BSE Ltd. (BSE).

Listing fees upto the Financial Year 2016-2017 has already been paid to the Stock Exchange. The Annual Custody/Issuer fee for the year 2016-2017 has also been paid by the Company to NSDL and CDSL.

vi) **Stock Code / Name:**

BSE 517417. Script Name: PATELSAI.

The ISIN Number of the Company on both the depositories, NSDL and CDSL is INE082C01024.

vii) **Corporate Identity Number (CIN)**

Our Corporate Identity Number as allotted by Ministry of Corporate Affairs is L29190GJ1992PLC017801 and our Company is registered in the state of Gujarat.

viii) **Stock Market Data :**

The monthly High, Low and Closing Price of Shares of the Company at BSE Limited, (BSE), during the financial year 2015-2016 are as under:

Months	High (Rs.)	Low (Rs.)	Closing (Rs.)
April, 2015	163.20	134.00	144.40
May, 2015	149.90	128.00	128.40
June, 2015	152.90	120.40	136.60
July, 2015	159.50	135.00	137.40
August, 2015	155.00	126.50	144.20
September, 2015	154.00	128.20	146.60
October, 2015	169.80	146.20	148.00
November, 2015	163.40	143.00	159.10
December, 2015	172.00	145.00	159.20
January, 2016	163.00	135.00	144.50
February, 2016	148.50	115.00	121.80
March, 2016	138.00	117.10	121.60

ix) **Share price performance in comparison to BSE Sensex based on share price on 31-03-2016:**

Market - Price data : The monthly high, low and closing prices of the shares of the Company, during the financial year under review and performance of the same in comparison to BSE Sensex are given below :

Months	BSE			SENSEX		
	High (Rs.)	Low (Rs.)	Closing (Rs.)	High (Rs.)	Low (Rs.)	Closing (Rs.)
April, 2015	163.20	134.00	144.40	29094.61	26897.54	27011.31
May, 2015	149.90	128.00	128.40	28071.16	26423.99	27828.44
June, 2015	152.90	120.40	136.60	27968.75	26307.07	27780.83
July, 2015	159.50	135.00	137.40	28578.33	27416.39	28114.56
August, 2015	155.00	126.50	144.20	28417.59	25298.42	26283.09
September, 2015	154.00	128.20	146.60	26471.82	24833.54	26154.83
October, 2015	169.80	146.20	148.00	27618.14	26168.71	26656.83
November, 2015	163.40	143.00	159.10	26824.30	25451.42	26145.67
December, 2015	172.00	145.00	159.20	26256.42	24867.73	26117.54
January, 2016	163.00	135.00	144.50	26197.27	23839.76	24870.69
February, 2016	148.50	115.00	121.80	25002.32	22494.61	23002.00
March, 2016	138.00	117.10	121.60	25479.62	23133.18	25341.86

x) **Registrar & Share Transfer Agent:**

In terms of SEBI Circulars dated 27.12.2002 & dated 12.02.2003 on appointment of common agency for share registry works, the Company has appointed the below mentioned agency as Registrar & Share Transfer Agent (RTA), for both physical and demat segment of equity shares of the company, which provides all shareholders related services :

Bigshare Services Pvt. Ltd.,

Regd. Office : E-2/3, Ansa Industrial Estate,
Sakivihar, Saki Naka, Andheri(E),

Mumbai – 400 072 Tele. No. (022) 40430200/ 28470652, Fax No. (022) 28475207,

E-mail : investors@bigshareonline.com, Website: www.bigshareonline.com

The Company has submitted to BSE Ltd. Compliance Certificate for half-yearly ended on 31st March, 2016 issued by RTA and Company Secretary that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar as per Regulation 7(3) of Listing Regulations.

xi) **Share Transfer System:**

The transfer of shares in physical form is processed and completed by M/s.Bigshare Services Pvt. Ltd.within a period of 15 days from the date of receipt all concern documents thereof. In case of shares in electronic form, the transfer is processed by NSDL/CDSL through the respective Depository Participants.

Pursuant to Clause 47(c) of erstwhile Listing Agreement and Regulation 40(9) of Listing Regulations, certificates, on half-yearly basis, have been issued by the Company for due compliance of share transfer formalities by the Company.

xii) **Shareholding Details:**

(a) **Distribution of Shareholding as on 31st March, 2016 :**

No. of Equity Shares held	No. of Shareholders	% of total Shareholders	No. of Shares	% of Shareholding
1-500	5803	87.22	7,20,761	14.22
501-1000	445	6.69	3,58,786	7.08
1001-2000	194	2.92	2,90,091	5.72
2001-3000	80	1.20	2,01,424	3.97
3001-4000	38	0.57	1,36,646	2.70
4001-5000	20	0.30	92,348	1.82
5001-10000	35	0.53	2,48,825	4.91
10001& above	38	0.57	30,21,359	59.59
Total:	6653	100.00	50,70,240	100.00

(b) **Categories of Shareholders as on 31st March, 2016 :**

Category of Shareholders	No. of Equity Shares held	Percentage of total paid-up capital
A : Promoters and Promoters' Group :		
Directors	8,49,946	16.76
Directors' relatives	95,675	01.89
Group Companies	14,33,954	28.28
HUFs	22,800	00.45
Total (A) :	24,02,375	47.38

Category of Shareholders	No. of Equity Shares held	Percentage of total paid-up capital
B : Public :		
Mutual Funds / UTI	0	00.00
Banks / Financial Institutions	0	00.00
Foreign Institutional Investors	0	00.00
Bodies Corporate	94,435	01.86
NRIs	1,13,951	02.25
Clearing Members	786	00.02
Trust	0	00.00
Indian Public	24,58,693	48.49
Total (B) :	26,67,865	52.62
Total (A+B)	50,70,240	100.00

xiii) **Dematerialization of Shares:**

The Company's shares are under demat mode. The ISIN No. of the Company is INE082C01024. Members who are desirous of holding their shares in demat form are requested to apply to their Depository Participants in prescribed demat requisition form along with original share certificate. About 96.99 % of the total Equity capital of the Company is held in demat form as on 31st March, 2016. 100 % shares held by the Promoters & Promoters' Group have been dematerialized.

xiv) **Reconciliation of Share Capital Audit:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchange and is placed before the Board of Directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

(xv) **Dividend History for last 10 years :**

Financial year	Dividend Per Share (Rs.)
2006-07	Rs. 1.00 (10%)
2007-08	Rs. 0.50 (5% Interim) and Rs. 1.50 (15% Final Dividend)
2008-09	Rs. 1.80 (18%)
2009-10	Rs. 2.00 (20%)
2010-11	Rs. 2.00 (20%)
2011-12	Rs. 2.00 (20%)
2012-13	Rs. 2.00 (20%)
2013-14	Rs. 2.00 (20%)
2014-15	Rs. 2.20 (22%)
2015-16	Rs. 2.20 (22%)

xvi) **Plant Location(s):**

The Company's plants/offices are located at:

Plant:

Plot 805, 806, 807, 810 Rakanpur, Via: Sola-Bhadaj Village, Ta: Kalol, Dist. Gandhinagar, Gujarat.

AC. Division Office:

5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad-380 009

xvii) **For any assistance regarding dematerialization of shares, share transfers, change of address, non-receipt of dividend or any other query, relating to shares for both physical & Electronic form:**

- i) M/S. Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400 072
Tel: 022-28470652 Fax No: 022-2875207
Email: investor@bigshareonline.com, Website: www.bigshareonline.com
- ii) Patels Airtemp (India) Ltd.
Plot 805, 806,807, 810 Rakanpur, Via: Sola-Bhadaj Village, Ta: Kalol, Dist. Gandhinagar, Gujarat.
Contact Person : Nikhil M. Patel, Company Secretary
Tel No.022-28470652, 40430200, Fax No. 022-28475207, Website: www.patelsairtemp.com

xviii) **Nomination facility :**

As per provisions of Section 72 of the Act, your Company has already offered the facility of nomination to the members. Individual Shareholders can avail of the facility of nomination and may submit to the Company the prescribed Form SH-13 at the above mentioned address. It is advisable to avail of this facility especially by Shareholders who currently hold Shares in single name.

xix) **Corporate Governance Certificate of the Auditors :**

The Certificate from the Company's Auditors, M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad, confirming compliance with conditions of Corporate Governance as stipulated under old Listing Agreement and Listing Regulations, is attached to this Report.

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance, we hereby confirm that all Board Members and Senior Management Personnel (Chief Financial Officer & Company Secretary, being KMP) of Patels Airtemp (India) Ltd. have affirmed the compliance of Code of Business Conduct and Ethics during the year ended on 31st March, 2016.

Place : Rakanpur	Sd/- (Narayanbhai G. Patel)	Sd/- (Sanjiv N. Patel)
Date : 9 th May, 2016	Chairman & Whole-time Director	Managing Director

CEO AND CFO CERTIFICATION

We, Mr. Narayanbhai G. Patel, Chairman & Whole-time Director and Mr. Kamlesh R. Shah, Chief Financial Officer (CFO) of the Company certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2016 and to the best of our Knowledge and belief:
- i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- ii) These Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- b) To the best of our Knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) i) There has not been any significant change in internal control over financial reporting during the year under reference.
- ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
- iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Rakanpur	Sd/- (Narayanbhai G. Patel)	Sd/- (Kamlesh R. Shah)
Date : 28 th May, 2016	Chairman & Whole-time Director	Chief Financial Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Patels Airtemp (India) Limited,
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by PATELS AIRTEMP (INDIA) LIMITED ("the Company"), for the year ended on 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with Stock Exchange for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities 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 1st December, 2015 to 31st March, 2016.

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

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

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 Parikh & Majmudar
Chartered Accountants
FR No. 107525W

[C.A (Dr) Hiten M. Parikh]
PARTNER
Membership No. 40230

Place: Ahmedabad
Date : 28/05/2016

ANNEXURE – D TO THE DIRECTORS’ REPORT

FORM NO. AOC -2

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

Form for 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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm’s length basis.

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	The Company sold Air Conditioners to Mr. Narendra G. Patel, Whole-time Director of the Company, being KMP amounting to Rs. 3,39,127/- during the financial year 2015-2016. The Company is doing trading business of Air Conditioners. The transaction has been approved by the Audit Committee and Board at its meeting held on 28 th May, 2016.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions’	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at Arm’s length basis.

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	There were no material contracts or arrangements or transactions at arm’s length basis entered into by the Company with related parties during the year ended on 31 st March, 2016.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

ANNEXURE-E TO DIRECTORS' REPORT

Details of particulars under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the year ended on 31st March, 2016 are given as under

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

A) CONSERVATION OF ENERGY

The main source of energy is power. Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. We are also look forward, in adopting the technology by which consummation of energy can reduce and also promote the natural sources of energy. Uses of natural lights are resorted at factory premises to save energy.

B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

The particulars as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3)(A) of the Companies (Accounts) Rules, 2014 with respect to Research & Development and Technology Absorption are given hereunder :

Technology Absorption

(1) Research & Development (R & D)

The Company has established a well equipped testing & NDE laboratory with the number of sophisticated instruments for testing and non destructive examination related to the product being manufactured. To upgrade the technology and technical qualifications, your Company has renewed ASME "U" and "NB"/'R' Stamp of National Board of USA and added ASME "U2"/ "S" Stamp authorization for improving the system and quality. Your Company is ISO 9001-2008 certified. Various technical software's like PVElite, Auto Desk Mechanical, Microprotol, Paulin Research Group etc were updated for design & development of various products.

(2) Technology Absorption, Adaptation & Innovation

Updation of Technology is a Continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Engineering Industry.

The Company has invested about ₹ 2.08 Crore for Plant & Machineries to upgrade Hi-tech equipments. The Company has HTRI Membership agreement for Catagory - II and Licence agreement for EHT (for enhanced heat transfer) and Honeywell UniSim UHX (for feed water heater) for latest technology in Heat Transfer from U.S.A. For Air cooled Heat Exchangers, another finning machine is added for fast delivery period. In-house, systems and operations are being innovated for better quality and to perform up to customers' requirement.

C) FOREIGN EXCHANGE EARNING AND OUTGO

The details of Foreign Exchange Earnings and Outgo by the Company during the year under review are given in Note No. 37, 38 and 39 of Notes on Financial Statements.

Annexure-F to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2015-2016

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	Refer Section on Corporate Social Responsibility in Corporate Governance Report and Directors' Report The Company has framed CSR policy and available on the web-site of the Company viz. www.patelsairtemp.com .
2.	Composition of CSR Committee as on 31 st March, 2016 and as on the date of this report	Mr. Hareshkumar I. Shah – Chairman Mr. Ramanbhai R. Patel Mr. Narayanbhai G. Patel
3.	Average net profit of the Company for last three financial years	Rs. 8,08,03,724/-
4.	Prescribed CSR expenditure (2 % of the amount mentioned in item 3 above)	Rs. 16,16,075/-
5.	Details of CSR spent during the financial year:	
	a. Total amount spent during the financial year	Rs. 17,17,000/-
	b. Amount unspent, if any	NIL
	c. Manner in which the amount spent during the financial year	As under

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2015-2016:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or Activity Identified	Sector in which the project is covered (clause no. of Schedule VII to the Companies Act, 2013, as amended)	Project of Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Program wise (Rs. in lacs)	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (Rs.in lacs)	Cumulative Expenditure upto the reporting period i.e. FY 2015-2016 (Rs. in lacs)	Amount Spent Direct or through Implementing Agency
1	Contribution to Educational Trust	Promoting Education and Vocational Skilled	Ahmedabad, Gujarat	Rs. 20 Lacs	Rs. 17.17 Lacs	Rs. 17.17 Lacs	Direct

REASONS FOR NOT SPENDING THE TWO PER CENT OF THE AVERAGE NET PROFIT OF THE LAST THREE FINANCIAL YEARS OR ANY PART THEREOF : Not Applicable

RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Sd/-
(NARAYANBHAI G. PATEL)
Chairman & Whole-time Director

Sd/-
(HARESHKUMAR I. SHAH)
Chairman of CSR Committee

Date : 28th May, 2016. Place : Ahmedabad.

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2016

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

To,
 The Members,
 Patels Airtemp (India) Limited
 CIN : L29190GJ1992PLC017801
 5th Floor, Kalpana Complex,
 Nr. Memnagar Fire Station,
 Navrangpura,
 Ahmedabad – 380009.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Patels Airtemp (India) Limited (herein after called "the Company") for the year ended 31st March, 2016.**

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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 herein after:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the Rules made there under;
 - (ii) The Securities Contract (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 – Provisions of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
 - (vi) Looking to the nature of business of the company and also as informed to us, we herewith report that there are no laws which have specific applicability to the Company.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company during the financial year under report, due to the reasons mentioned against each Regulations:
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not applicable, as the Company has not issued any shares during the year under review;
 - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) - Not applicable, as the Company has not issued any shares/ options to directors/ employees under the said guidelines / regulations during the year under review;

- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable, as the Company has not issued any debt securities which were listed during the year under review;
 - (d) 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 - Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review; and
 - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.
3. I have also examined compliance with the applicable clauses of the following:
- (a) Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015).
 - (b) The Listing Agreement entered into by the Company with BSE Limited and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (effective 1st December, 2015).
4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above alongwith following observations and events carried out:

OBSERVATIONS :

- (a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of:
 - (i) External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - (ii) Foreign Direct Investment (FDI) were not attracted to the company under the financial year under report;]
 - (iii) Overseas Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary abroad were not attracted to the company under the financial year under report.
 - (iv) As per the information and explanations provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
 - (b) I further report that during the audit period, the Company has passed resolutions through postal ballot under section 180 (a) and 180 (c) of the Companies Act, 2013 and the Rules made thereunder and the Special Resolutions for the same were considered passed on 28th April, 2015, being the date on which the Chairman declared the said resolutions passed.
 - (c) I further report that the Secretarial Standards on Meetings of the Board of Directors and Committees (SS-1) and General Meetings (SS-2), as approved by the Central Government, have been issued by the Institute of Company Secretaries of India (ICSI) which come into force w.e.f. 1st July 2015 are being observed by the Company.
 - (d) During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, mentioned hereinabove and there is adequate compliance management system for the purpose of other laws.
5. We further report that :
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at leasts even day sin 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.
 - (iii) Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.
6. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.
 7. We further report that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, standards etc.

**Signature : Sd/-
Punit Santosh Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139**

Date : 13/05/2016
Place : Ahmedabad

Please note that the Secretarial Audit report is to be read with our letter of even date attached as Annexure A to the report and letter also forms the integral part of report.

ANNEXURE A

To,
The Members,
Patels Airtemp (India) Limited
CIN : L29190GJ1992PLC017801
5th Floor, Kalpana Complex,
Nr. Memnagar Fire Station,
Navrangpura, Ahmedabad – 380009.

Dear Sir,

Our Secretarial Audit Report of even date for the Financial Year ended on 31st March, 2016 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
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.

**Signature : Sd/-
Punit Santosh Lath
Practicing Company Secretary
ACS No. 26238, COP No. 11139**

Date : 13/05/2016
Place : Ahmedabad

Annexure-H to Directors' Report

PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	Remuneration paid during the financial year 2015-2016 (Rs. In lacs)	Remuneration paid during the financial year 2014-2015 (Rs. In lacs)	Increase in Remuneration from previous year (Rs. In lacs)	Ratio/Times per Median of Employee Remuneration
1	Narayanbhai G. Patel	Chairman & Whole-time Director	28.89	23.57	5.60	1 : 13.96
2	Devidas C. Narumalani	Non-executive Director #	6.44	22.19	NA #	NA #
3	Narendra G. Patel	Whole-time Director	28.03	22.09	5.60	1 : 13.54
4	Prakash N. Patel	Managing Director	29.91	24.04	5.60	1 : 14.44
5	Sanjiv Patel	Managing Director	27.49	21.99	5.60	1 : 13.28
6	Kamlesh R. Shah	Chief Financial Officer	7.88	7.03	0.85	1 : 3.81
7	Karansingh I. Karki	Company Secretary @	2.08	2.51	NA @	NA @
8	Nikhil Patel	Company Secretary \$	2.17	NA	NA \$	NA \$

- # Ceased to be Whole-time Director of the Company w.e.f. 14th July, 2015
- @ Designation changed from Company Secretary to Asst. Company Secretary of the Company w.e.f. 13th February, 2016
- \$ Appointed as Company Secretary of the Company w.e.f. 13th February, 2016

Note : The increase in remuneration as mentioned in column 6 above reflect increase in salary and does not include the increase in value of perquisites.

The Company does not pay any remuneration to the Non-executive Directors except sitting fees for attending Board Meetings.

B) The number of permanent employees on the rolls of Company: 155

C) Market capitalisation of the Company & price earnings ratio:

Date	Market Price – Closing (Rs.)	EPS (inRs.)	Market Capitalisation (Rs. in Crores)	% change in Market Capitalisation
March 31, 2016	121.60	14.10	61.65	(18.67 %)
March 31, 2015	149.50	12.23	75.80	

The Company has made initial public offer in the year 1994 for ₹ 10/- per share (at par). The market price of the Company share as on March 31, 2016 ₹ 121/-.

D) Affirmation:

The Company affirms that the remuneration of the Whole-time Directors and Managing Directors and Employees of the Company are as per the remuneration policy of the Company.

E) The statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company including Whole-time Directors & Managing Directors was in receipt of remuneration in excess of the limits set out in the said rules.

INDEPENDENT AUDITORAS' REPORT

TO
THE MEMBERS OF
PATELS AIRTEMP (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s PATELS AIRTEMP (INDIA) LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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 financial statements are free from material misstatement.

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. During the year, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Parikh & Majmudar
Chartered Accountants
FR No. 107525W

[C.A (Dr) Hiten M. Parikh]
PARTNER
Membership No. 40230

Place: Ahmedabad
Date : 28/05/2016

ANNEXURE – A, ANNEXURE TO INDEPENDENT AUDITORS’ REPORT

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets are verified in a phased manner by the management, during the year which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. The discrepancies noticed on verification between physical stocks and the books of accounts were not material.
- (iii) The company has not granted any loans secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.(the Act).
- (iv) According to the information and explanations given to us, the company has not made any investment or given any loans during the year. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of accounts maintained by the company in respect of products where pursuance to the rules made by the Central Government of India, the maintenance of Cost records has been prescribed sub section (1) of section 148 of Companies Act 2013 and we are of the opinion that prima facie, the prescribed accounts & records have been maintained. We have however, not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state Insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise,service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. .
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund,employees state insurance, income tax, sales tax, value added tax, duty of customs, duty of excise ,service tax, cess and other material statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, duty of excise, service tax , value added tax and duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to information & explanations given to us, the company has not defaulted in repayment of its dues to Banks. The company does not have any borrowings from Financial Institutions, Governmet debenture holders.
- (ix) According to the information & explanations given to us ,the Company did not raise any money by way of initial public offer or further public offer (including debt instruments),and term loans during the year under review. Accordingly,paragraph 3(ix) of the Order is not applicable.

- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Parikh & Majmudar
Chartered Accountants
FR No. 107525W

[C.A (Dr) Hiten M. Parikh]
PARTNER
Membership No. 40230

Place: Ahmedabad
Date : 28/05/2016

ANNEXURE B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **M/s PATELS AIRTEMP (INDIA) LIMITED** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on

Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Parikh & Majmudar
Chartered Accountants
FR No. 107525W

[C.A (Dr) Hiten M. Parikh]
PARTNER
Membership No. 40230

Place: Ahmedabad
Date : 28/05/2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at	As at
		31 March, 2016	31 March, 2015
		₹	₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	50,702,400	50,702,400
(b) Reserves and surplus	2	541,635,776	483,579,278
Sub total-Shareholder's funds		592,338,176	534,281,678
2 Non-current liabilities			
(a) Long-term borrowings	3	56,625,000	32,074,996
(b) Deferred tax liabilities (net)		25,384,996	25,225,258
(c) Other long-term liabilities	4	1,152,994	1,152,994
(d) Long-term provisions	5	2,375,192	2,049,051
Sub total-Non-current Liabilities		85,538,182	60,502,299
3 Current liabilities			
(a) Short-term borrowings	6	45,873,433	218,217,835
(b) Trade payables	7		
Total Outstanding dues of micro enterprises and small enterprises		31,545,642	34,184,096
Total Outstanding dues of creditors other than micro enterprises and small enterprises		88,298,906	103,991,617
(c) Other current liabilities	8	105,438,765	63,356,274
(d) Short-term provisions	9	19,050,935	22,201,243
Sub total-Current liabilities		290,207,681	441,951,065
TOTAL EQUITY & LIABILITIES		968,084,039	1,036,735,042
B ASSETS			
1 Non-current assets			
(a) FIXED ASSETS	10		
(i) Tangible assets		228,743,202	225,682,453
(ii) Intangible assets		2,790,006	4,232,473
(iii) Capital work-in-progress		981,990	-
(b) Non-current investments	11	20,300	20,300
(c) Deferred tax assets (net)			
(d) Long-term loans and advances	12	3,919,507	4,448,670
(d) Other non-current assets	13	70,511,708	30,906,274
Sub total - Non-current assets		306,966,713	265,290,170
2 Current assets			
(a) Current investments		-	-
(b) Inventories	14	227,985,379	264,343,801
(c) Trade receivables	15	350,823,361	229,579,516
(d) Cash and cash equivalents	16	59,161,893	221,117,642
(e) Short-term loans and advances	17	23,146,693	56,403,913
(f) Other current assets		-	-
Sub total - Current assets		661,117,326	771,444,872
TOTAL ASSETS		968,084,039	1,036,735,042
Significant Accounting Policies	A		
The accompanying notes from an integral part of the standalone financial statements	1 to 40		

As per our report of even date

For and on behalf of the Board of Directors of
PATELS AIRTEMP (INDIA) LTD.For PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FR NO. 107525WNARAYANBHAI G. PATEL
Chairman & Whole-time Director
DIN : 00023107SANJIVKUMAR N. PATEL
Managing Director
DIN : 2794095C.A. Dr. HITEN PARIKH
PARTNER
M NO. 040230NIKHIL PATEL
Company SecretaryKAMLESH R. SHAH
Chief Financial Officer

Place : AHMEDABAD

Place : AHMEDABAD

Date : 28-05-2016

Date : 28-05-2016

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2016

Particulars	Note No.	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
A CONTINUING OPERATIONS			
1 Revenue from Operations (Gross)	18	1,376,582,894	1,214,141,208
Less: Excise duty		110,111,347	86,676,995
Revenue from Operations (Net)		<u>1,266,471,547</u>	<u>1,127,464,213</u>
2 Other income	19	4,578,268	4,219,865
3 Total revenue (1+2)		<u>1,271,049,815</u>	<u>1,131,684,078</u>
4 Expenses			
(a) Cost of Materials Consumed	20	591,490,413	638,403,099
(b) Purchases of Stock-in-Trade	21	58,013,693	38,965,627
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	61,485,379	-49,148,988
(d) Employee benefits Expenses	23	70,660,539	63,270,342
(e) Other Manufacturing Expenses	24	201,525,921	174,865,178
(f) Depreciation and Amortisation Expense	10	23,959,182	24,862,439
(g) Finance Cost	25	18,677,409	26,766,910
(h) Other Expenses	26	134,457,918	117,503,247
Total expenses		<u>1,160,270,454</u>	<u>1,035,487,854</u>
5 Profit before exceptional and extraordinary items and tax (3-4)		110,779,361	96,196,224
6 Exceptional items			
7 Profit before extraordinary items and tax (5+6)		110,779,361	96,196,224
8 Extraordinary items			
a) Profit / (Loss) on sale of Fixed Assets		93,900	-
9 Profit / (Loss) before tax (7+8)		<u>110,873,261</u>	<u>96,196,224</u>
10 Tax expense:			
(a) Current tax expense for current year (incl Wealth Tax Provision)		39,500,000	32,640,000
(b) Current tax expenses relating to prior years		(243,121)	(181,853)
(c) Wealth tax expenses relating to prior years		(25,180)	5,084
(d) Net current tax expense		<u>39,231,699</u>	<u>32,463,231</u>
(e) Deferred tax		159,737	1,709,387
		<u>39,391,436</u>	<u>34,172,618</u>
11 Profit from continuing operations (9+10)		<u>71,481,825</u>	<u>62,023,606</u>
12 Profit for the year (11)		<u>71,481,825</u>	<u>62,023,606</u>
13 Earnings per share (of ₹ 10/- each):			
Basic & Diluted		14.10	12.23
Significant Accounting Policies	A		
The accompanying notes from an integral part of the standalone financial statements	1 to 40		

As per our report of even date

**For and on behalf of the Board of Directors of
PATELS AIRTEMP (INDIA) LTD.**
For PARIKH & MAJMUDAR
 CHARTERED ACCOUNTANTS
 FR NO. 107525W

C.A. Dr. HITEN PARIKH
 PARTNER
 M NO. 040230

NARAYANBHAI G. PATEL
 Chairman & Whole-time Director
 DIN : 00023107

NIKHIL PATEL
 Company Secretary

SANJIVKUMAR N. PATEL
 Managing Director
 DIN : 2794095

KAMLESH R. SHAH
 Chief Financial Officer

Place : AHMEDABAD
Date : 28-05-2016
Place : AHMEDABAD
Date : 28-05-2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

	2015-2016		2014-2015	
	₹	₹	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax and Extra Ordinary Items		110,827,658		96,235,269
Adjustments for:				
Depreciation	23,959,182		24,862,439	
Interest expenses	18,677,409		26,766,910	
Interest Income	(4,578,268)		(4,219,865)	
		38,058,323		47,409,484
OPERATING PROFIT BEFORE WORKING				
CAPITAL CHANGES		148,885,981		143,644,753
Adjustment for:				
Trade and other receivables (Including Short term loans & advances)	(87,986,625)		(128,754,482)	
Inventories	36,358,422		(28,815,735)	
Trade Payable & Other Payables (Including other Long Term & other Current liabilities & Provisions)	22,327,165	(29,301,038)	45,295,444	(112,274,773)
CASH GENERATED FROM OPERATIONS		119,584,943		31,369,980
Direct Taxes paid /Payable	(39,231,699)		(32,463,231)	
		(39,231,699)		(32,463,231)
CASH FLOW BEFORE EXTRAORDINARY ITEMS		80,353,244		(1,093,251)
Extraordinary items:				
Prior period adjustments	(48,297)	(48,297)	(39,045)	(39,045)
NET CASH FROM OPERATING ACTIVITIES		80,304,947		(1,132,298)
B CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets (Net of Modvat benefit)	(26,559,455)		(40,424,557)	
Sale of Fixed Asset	93,900		-	
Interest Received	4,578,268		4,219,865	
Changes in Non Current Assets (Including Long term Loans & Advances)	(39,076,271)	(60,963,558)	27,651,542	(8,553,150)
NET CASH USED IN INVESTING ACTIVITIES		(60,963,558)		(8,553,150)
C CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds/(Repayment) from secured Borrowings	-6,300,000		6,300,000	
Proceeds/(Repayment) from Unsecured Borrowings	29,450,000		(29,325,387)	
Proceeds from Bank borrowings for	(172,344,402)		128,360,382	

	2015-2016		2014-2015	
	₹	₹	₹	₹
Working Capital Facilities				
Changes in Short Provision	-		(78,336)	
Corporate Dividend Paid & Dividend Tax	(13,425,327)		(13,425,327)	
Interest Paid	(18,677,409)		(26,766,910)	
		(181,297,138)		65,064,422
NET CASH USED IN FINANCING ACTIVITIES		(181,297,138)		65,064,422
NET INCREASE/(DECREASE) IN CASH AND CASH		(161,955,749)		55,378,976
CASH AND CASH EQUIVALENTS AS AT		221,117,642		165,738,666
THE BEGINNING OF THE YEAR				
CASH AND CASH EQUIVALENTS AS AT		59,161,893		221,117,642
THE CLOSING OF THE YEAR				

Note: Cash and Cash Equivalents Includes:

a) Cash on hand	640,547	653,269
b) Balance with Banks in Current account	5,252,193	134,242,320
c) Balance with Banks in Margin Money account	35,229,558	73,036,958
d) Balance in Dividend Account	1,484,587	1,504,152
e) In EEFC Account	16,555,008	10,773,141
f) Debit Balance in CC Account	-	907,802
	59,161,893	221,117,642

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 on "Cash Flow Statement" issued by The Institute of Chartered Accountants of India.

As per our report of even date

For PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FR NO. 107525W

C.A. Dr. HITEN PARIKH
PARTNER
M NO. 040230

Place : AHMEDABAD
Date : 28-05-2016

For and on behalf of the Board of Directors of
PATELS AIRTEMP (INDIA) LTD.

NARAYANBHAI G. PATEL
Chairman & Whole-time Director
DIN : 00023107

NIKHIL PATEL
Company Secretary

Place : AHMEDABAD
Date : 28-05-2016

SANJIVKUMAR N. PATEL
Managing Director
DIN : 2794095

KAMLESH R. SHAH
Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES

A. SIGNIFICANT ACCOUNTING POLICIES

i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied

ii) USE OF ESTIMATES

The preparation of the financial statements in conformity with GAPP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) RECOGNITION OF INCOME & EXPENDITURE

Revenues/Incomes and costs / expenditures are generally accounted on accrual, as they are earned or incurred. Sales are inclusive of excise duty but exclusive of Sales Tax / VAT collected. With regard to sale of product, Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Export Incentives are accounted on Accrual Basis.

iv) EXCISE DUTY

Excise duty is accounted on the bases of both, payment made in respect of goods cleared and also provision made for goods lying in bonded warehouses. Excise duties in respect of Finished Goods lying in stock are shown separately as an item of Other Expenses.

v) FIXED ASSETS

- (a) Fixed assets are stated at cost (net off of Cenvat & VAT), less accumulated depreciation (other than land and goodwill, where no depreciation is charged).
- (b) Capital Work in Progress is stated at cost.
- (c) Intangible assets are recorded at the consideration paid for acquisition.

vi) INVESTMENTS

Current investment if any are carried at the lower of cost or quoted/fair value. Long Term Investments are stated at cost of acquisition. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

vii) VALUATION OF INVENTORIES

- (a) Raw materials are valued at lower of cost or net realizable value .
- (b) Work in progress is valued at cost of materials and labour charges together with relevant factory overheads.
- (c) Finished Goods are valued at lower of cost or net realizable value.
- (d) Goods in transit are valued at cost.

viii) METHOD OF DEPRECIATION

- (a) Depreciation on fixed assets (other than land & goodwill, where no depreciation is provided) has been provided on Straight Line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

- (b) Depreciation on additions to Assets during the year is being provided on pro-rata basis with reference to month of acquisition/installation as required by Schedule II of the Companies Act, 2013.
- (c) Intangible assets are amortized over a period of 8 years.
- (d) No depreciation has been provided on the assets where the accumulated depreciation has exceeded 95% of its original cost.
- (e) No depreciation has been provided in respect of Capital Work In Progress.
- (f) No depreciation has been provided on self generated intangible assets.

ix) FOREIGN CURRENCY TRANSACTIONS

Transactions in the foreign currency which are covered by forward contracts are accounted for at the contracted rate; the difference between the forward rate and the exchange rate at the date of transaction is recognized in the Statement of profit & loss over the life of the contract. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

x) IMPAIRMENT OF ASSETS

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment losses been recognized for the asset in prior years.

xi) TAXATION

- Income-tax expense comprise of current tax, and deferred tax charge or credit.
- Provision for current tax is made on the basis of the assessable income at the tax rate applicable for the relevant assessment year.
- The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

xii) RETIREMENT BENEFITS

a) Short Term

Short term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

b) **Long Term**

The company has both defined contribution and defined benefit plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

c) **Defined Contribution Plans**

These are the plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contribution to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period under which an employee perform the services that the payment covers.

d) **Defined Benefit Plans**

Expenses for defined benefit gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increase, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining terms i.e. almost equivalent to the average balance working period of employees.

e) **Leave Encashment**

The company is providing for Leave Encashment on the basis of unavailed leave by the employees.

xiii) CONTINGENT LIABILITES/ CONTINGENT ASSETS

- a) Contingent liabilities are disclosed by way of note in the Balance Sheet.
- b) Contingent Assets are neither recognized nor disclosed in the Financial Statements.

xiv) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flows from operating, investing and financing activities of the Group are segregated.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

xv) EARNING PER SHARE :

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares in issue during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

xvi) PROPOSED DIVIDEND & CORPORATE DIVIDEND TAX

Dividend proposed by the Board of Directors for the year under review along with corporate dividend tax if any, is provided in the books of accounts. Approval in the General Meeting is pending for the same.

xvii) CURRENT AND NON CURRENT CLASSIFICATION

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 Share capital

PARTICULARS	As at 31 March, 2016		As at 31 March, 2015	
	Number of Shares	₹	Number of Shares	₹
(a) Authorised 7000000 (P. Y. 7000000) Equity shares of ₹ 10/- each	7,000,000	70,000,000	7,000,000	70,000,000
(b) Issued 5070240 (P. Y. 5070240) Equity shares of ₹ 10/- each	5,070,240	50,702,400	5,070,240	50,702,400
(c) Subscribed and fully paid up 5070240 (P. Y. 5070240) Equity shares of ₹ 10/- each	5,070,240	50,702,400	5,070,240	50,702,400
Total	5,070,240	50,702,400	5,070,240	50,702,400

Notes :

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

PARTICULARS	As at 31 March, 2016		As at 31 March, 2015	
	No. of Shares	Amt ₹	No. of Shares	Amt ₹
Equity shares with Equal voting rights Op Balance	5,070,240	50,702,400	5,070,240	50,702,400
Fresh Issue	-	-	-	-
Bonus Share	-	-	-	-
Cl Balance	5,070,240	50,702,400	5,070,240	50,702,400

Note: The Company has only one class of Shares having Par Value of ₹ 10 per Share. Each Share holder is eligible for one vote per share.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held shares	% holding in that class of	Number of shares held shares	% holding in that class of
Equity shares with voting rights Therm Flow Engineers Pvt. Ltd.	1,364,512	26.91%	1,364,512	26.91%
Devidas Chelaram Narumalani	290,145	5.72%	290,145	5.72%
Narendrabhai Gopalbhai Patel	303,801	5.99%	303,801	5.99%

PARTICULARS	As at 31-3-2016 ₹	As at 31-3-2015 ₹
Note 2 Reserves and surplus		
(a) General reserve		
Opening balance	72,500,000	63,500,000
Add: Transferred from surplus in Statement of Profit and Loss	9,000,000	9,000,000
Less: Utilised / transferred during the year		
Closing balance	<u>81,500,000</u>	<u>72,500,000</u>
(b) Other reserves-CAPITAL INVESTMENT SUBSIDY		
Opening balance	1,500,000	1,500,000
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
Closing balance	<u>1,500,000</u>	<u>1,500,000</u>
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	409,579,278	376,702,517
Less: Adjustment on account of change in useful life of asset	-	6,643,181
Less: Short Provision of Dividend Distribution Tax	-	78,336
Add: Profit / (Loss) for the year	71,481,825	62,023,606
Less: Final dividend		
Dividends proposed to be distributed to equity shareholders [(₹ 2.20/- per share)(P.Y 31st March 2015, ₹ 2.20/- per Share)]	11154528	11,154,528
Tax on dividend	2270799	2,270,799
Transferred to:		
General reserve	9,000,000	9,000,000
Closing balance	<u>458,635,776</u>	<u>409,579,278</u>
Total	<u><u>541,635,776</u></u>	<u><u>483,579,278</u></u>
Note 3 Long-term borrowings		
(a) Vehicle Loan From Bank (Refer Note 1 below)	-	4,899,996
(b) Loans and advances from related parties		
Directors : Unsecured	11,400,000	27,175,000
Relatives : Unsecured	45,225,000	-
Total	<u><u>56,625,000</u></u>	<u><u>32,074,996</u></u>
Note 1		
In 60 Equal Monthly Installments of ₹ 116667 each to be serviced every month as and when due.		
Note 4 Other long-term liabilities		
(a) Others:		
(i) Others : Long term payables	1,152,994	1,152,994
Total	<u><u>1,152,994</u></u>	<u><u>1,152,994</u></u>
Note 5 Long-term provisions		
(a) Provision for employee benefits:		
(i) Provision for Leave encashment	2,375,192	2,049,051
Total	<u><u>2,375,192</u></u>	<u><u>2,049,051</u></u>

PARTICULARS	As at 31-3-2016 ₹	As at 31-3-2015 ₹
Note 6 Short-term borrowings		
(a) Loans repayable on demand		
From Bank of Baroda (Refer Note 1 below)		
Secured	45,873,433	218,217,835
Total	45,873,433	218,217,835
Notes : Working Capital facilities from Bank of Baroda is secured by way of hypothecation of raw-materials, stores and spares, work-in-progress of finished goods and book debts of the company both present and future and first charge on company's plant & machinery, other movable assets of the company as well as secured by mortgage of companies factory land and building situated at Plot no. 805, 806, 807, and 810 at Rakanpur, Tal. Kalol, Dist. Gandhinagar and secured by equitable mortgage of plot no 811 of the company situated at village Rakanpur Taluka Kalol Dist Gandhinagar as collateral security and is also personally guaranteed by the Promoters of the company.		
Note 7 Trade payables		
Trade payables:		
Total Outstanding dues of micro enterprises and small enterprises	31,545,642	34,184,096
Total Outstanding dues of creditors other than micro enterprises and small enterprises	88,298,906	103,991,617
(Refer Note No 34 of notes forming part of financial statements)		
Total	119,844,548	138,175,713
Note 8 Other current liabilities		
(a) Current maturities of long-term debt	-	1,400,004
(b) Unpaid dividends	1,484,587	1,504,152
(c) Statutory Liabilities	9,919,845	4,001,955
(d) Payables on purchase of fixed assets	523,829	394,046
(e) Advance from customers	93,510,504	56,056,117
Total	105,438,765	63,356,274
Note 9 Short-term provisions		
(a) Provision for employee benefits:		
(i) For bonus	1,750,933	1,548,702
(b) Provision - Others:		
(i) Provision for tax (net of Advance Tax and TDS)	3,874,675	7,037,214
(ii) Provision for proposed equity dividend	11,154,528	11,154,528
(iii) Provision for tax on proposed dividend	2,270,799	2,270,799
(iv) Provision - others (Wealth tax)	-	190,000
	17,300,002	20,652,541
Total	19,050,935	22,201,243

Note 10 Fixed assets

(in ₹)

A. Tangible assets	Gross block					
	Balance as at 1 April, 2015	Additions	Disposals	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Amount transferred to reserve
(a) Land						
- Freehold	2,642,034	-	-	2,642,034	-	-
(b) Buildings	58,122,219	-	-	58,122,219	21,454,864	-
(c) Plant and Equipment	243,330,234	20,883,179	-	264,213,413	103,353,896	-
(d) Electrical installation	9,492,429	1,198,786	-	10,691,215	4,695,625	-
(e) Furniture and Fixtures	8,447,878	750,922	-	9,198,800	4,312,704	-
(f) Vehicles	41,773,757	-	-	41,773,757	11,138,449	-
(g) Office equipment	5,024,985	937,262	-	5,962,247	3,678,906	-
(h) Road	5,639,232	1,118,910	-	6,758,142	1,119,903	-
(i) Computer	4,609,054	478,406	-	5,087,460	3,645,023	-
Total	379,081,822	25,367,465	-	404,449,287	153,399,370	-
Previous year	338,866,086	40,215,736	-	379,081,822	120,397,519	9,833,736

A. Tangible assets	Accumulated depreciation and impairment				Net Block
	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Land					
- Freehold	-	-	-	2,642,034	2,642,034
(b) Buildings	1,653,949	-	23,108,813	35,013,406	36,667,355
(c) Plant and Equipment	12,014,706	-	115,368,602	148,844,811	139,976,338
(d) Electrical installation	742,531	-	5,438,156	5,253,059	4,796,804
(e) Furniture and Fixtures	789,787	-	5,102,491	4,096,309	4,135,174
(f) Vehicles	5,178,272	-	16,316,721	25,457,036	30,635,308
(g) Office equipment	586,242	-	4,265,148	1,697,099	1,346,079
(h) Road	916,430	-	2,036,333	4,721,809	4,519,329
(i) Computer	424,798	-	4,069,821	1,017,639	964,031
Total	22,306,715	-	175,706,085	228,743,202	225,682,452
Previous year	23,168,114	-	153,399,370	225,682,452	218,468,567

Note 11 Fixed assets (contd.)

B. Intangible assets	Gross block					
	Balance as at 1 April, 2015	Additions	Disposals	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Amount transferred to reserve
(a) Goodwill	37040	-	-	37,040	-	-
(b) Technical Knowhow	4,364,500	-	-	4,364,500	1,745,800	-
(c) Computer software	5488572	210,000	-	5,698,572	3,911,839	-
Total	9,890,112	210,000	-	10,100,112	5,657,639	-
Previous year	9,681,291	208,821	-	9,890,112	3,963,314	-

B. Intangible assets	Accumulated depreciation and impairment				Net Block
	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Goodwill	-	-	-	37,040	37,040
(b) Technical Knowhow	872,900	-	2,618,700	1,745,800	2,618,700
(c) Computer software	779,567	-	4,691,406	1,007,166	1,576,733
Total	1,652,467	-	7,310,106	2,790,006	4,232,473
Previous year	1,694,325	-	5,657,639	4,232,473	5,717,977

PARTICULARS	As at 31-3-2016			As at 31-3-2015		
	₹			₹		
Note 11 Non-current investments						
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
B. Other investments						
(b) Investment in equity instruments						
(i) 14,000 Equity Shares of M/s. Gujarat State Financial Corporation of ₹10/- each purchased @ 20/- per share	280,000	-	280,000	280,000	-	280,000
Total - Other investments (B)	280,000	-	280,000	280,000	-	280,000
Total	280,000	-	280,000	280,000	-	280,000
Less :			280,000			280,000
Provision for diminution in value of investment			259,700			259,700
Aggregate amount of quoted investments			20,300			20,300
Market Value is rs. 3 per share as on 31.03.2016			20,300			20,300
Note 12 Long-term loans and advances						
(a) Deposits			3,808,949			3,554,666
(b) Balance with Govt authorities			-			334,469
(c) Advance for Capital Expenditure			110,558			559,535
Total			3,919,507			4,448,670
Note 13 Other non-current assets (Secured, considered good)						
(a) Long-term trade receivables			58,599,091			21,624,433
(b) Accruals						
(i) Interest accrued on deposits			11,912,617			9,281,841
Total			70,511,708			30,906,274
Note 14 Inventories (As taken, valued and certified by a director)						
Raw Materials (Including goods in transit ₹ 70,98,655 (P.Y. ₹ 1,75,36,031)			127,451,423			102,324,466
Work In Progress			98,053,116			156,623,868
Finished Goods			-			20,237,18
Stock in trade (acquired for trading)			2,480,840			3,371,749
Total			227,985,379			264,343,801
Note 15 Trade receivables (Unsecured Considered Good) (Secured, considered good)						
Trade receivables						
Outstanding for a period exceeding six months			80,973,554			22,118,475
Others			269,849,807			207,461,041
Total			350,823,361			229,579,516
Note 16 Cash and cash equivalents						
(a) Cash on hand			640,547			653,269
(b) Balances with banks						
(i) In current accounts			5,252,193			134,242,320
(ii) In deposit accounts / Margin Money A/c (Includes ₹ 3,52,29,558 [P.Y ₹ 7,30,36,958] maturing after 12 Months from Reporting date)			35,229,558			73,036,958
(iii) In earmarked accounts						
- Unpaid dividend accounts			1,484,587			1,504,152
(iv) In EEFC Account			16,555,008			10,773,141
(v) Debit Balance in CC Account			-			907,802
Total			59,161,893			221,117,642
Note 17 Short-term loans and advances						
(a) Advance Recoverable in cash or in kind or for value to be received			250,332			-
(b) Prepaid expenses			3,463,865			2,553,293
(c) Balances with government authorities			4,626,194			20,638,820
(d) Advance to Suppliers			14,806,302			33,211,800
Total			23,146,693			56,403,913

PARTICULARS	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
Note 18 Revenue from operations		
(a) Sale of products (Refer Note (i) below)		
- Domestic	1,070,510,821	945,086,853
- Export	226,351,165	219,893,626
	<u>1,296,861,986</u>	<u>1,164,980,479</u>
(b) Sale of services (Refer Note (ii) below)	41,036,905	5,850,361
(c) Other operating revenues (Refer Note (iii) below)	38,684,003	43,310,368
	<u>1,376,582,894</u>	<u>1,214,141,208</u>
<u>Less:</u>		
(d) Excise duty	110,111,347	86,676,995
Total	<u>1,266,471,547</u>	<u>1,127,464,213</u>
(i) Sale of products comprises (Net)		
<u>Manufactured goods</u>		
1. Heat Exchanger & Accessories	213,639,590	519,681,268
2. Steam Coil / Heaters	28,973,720	30,087,718
3. Air Conditioning & Refrigeration	31,733,116	18,546,877
4. Air Cooled Heat Exchanger & Accessories	697,518,634	454,776,234
5. Pressure Vessels & Accessories	133,501,051	3,680,000
6. Finned Tubes / Fine Tube Bundles / Elements	6,547,172	-
7. Other Plants Equipments & Accessories	7,136,453	5,274,787
<u>Trading Goods</u>		
1 Window & Split AC with Accessories	67,700,903	46,256,600
Total - Sale of manufactured goods	<u>1,186,750,639</u>	<u>1,078,303,484</u>
(ii) Sale of services comprises:		
Processing Charges (TDS ₹ 716827/- P.Y ₹ 52571/-)	41,036,905	5,850,361
Total - Sale of services	<u>41,036,905</u>	<u>5,850,361</u>
(iii) Other operating revenues comprise:		
Inspection Charges Receipt (TDS ₹ Nil)	957,050	-
Transportation Charges	21,988,344	34,846,413
Octroi Charges Receipt	38,661	-
Packing Charges Receipt	443,073	233,933
Professional Charges (TDS ₹ 99780)	1,189,800	-
Misc Income	50,175	-
Service Tax Set Off	8,954,701	3,377,921
Foreign Exchange Fluctuation	533,426	1,107,115
Duty Draw Back	4,528,773	3,744,986
Total - Other operating revenues	<u>38,684,003</u>	<u>43,310,368</u>
Total Revenue From Operations	<u>1,266,471,547</u>	<u>1,127,464,213</u>

Note Particulars	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
Note 19 Other income		
(a) Interest income (TDS of ₹ 3,06,930/- (P. Y. 3,60,215/-)	4,578,268	3,722,385
(b) Interest on I. T. Refund	-	497,480
Total	4,578,268	4,219,865
(i) Interest income comprises:		
Interest from banks on:		
deposits	4,450,953	3,602,143
Interest on Deposit with GEB [TDS ₹ 12731 (P.Y. ₹ 12024)]	127,315	120,242
Interest on I. T. Refund	-	497,480
Total - Interest income	4,578,268	4,219,865
Note 20 Cost of materials consumed		
Opening stock	102,324,466	122,657,719
Add: Purchases	616,617,370	618,069,846
	718,941,836	740,727,565
Less: Closing stock	127,451,423	102,324,466
Cost of material consumed	591,490,413	638,403,099
Material consumed comprises:		
Iron & Steel Flanges	243599944	330918433
Non Ferrous (Copper / Brass Tubes)	31457005	43021912
Non Ferrous (Copper / Allu / Brass Plates)	83419467	61559970
Pipes & Tubes	95767307	151689733
Other Material	229541231	145399334
Less	683,784,954	732,589,382
Cenvat & VAT Setoff	92294541	94186283
Total	591,490,413	638,403,099
Note 21 Purchase of traded goods		
Traded goods	58,013,693	38965627
Total	58,013,693	38,965,627
Trading Goods comprises:		
Window & Split AC with Accessoires	58,013,693	38,965,627
Total	58,013,693	38,965,627
Note 22 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<u>Inventories at the end of the year:</u>		
Finished goods	-	2,023,718
Work-in-progress	98,053,116	156,623,868
Stock-in-trade	2,480,840	3,371,749
	100,533,956	162,019,335
<u>Inventories at the beginning of the year:</u>		
Finished goods	2,023,718	2,064,882
Work-in-progress	156,623,868	106,571,806
Stock-in-trade	3,371,749	4,233,659
	162,019,335	112,870,347
Net Increase / (Decrease)	-61,485,379	49,148,988
22.a Details of Finished Goods		
Air Cooled Heat Exchanger	-	832,500
Steam Coil Air Preheater	-	1,191,218
Others	-	-
TOTAL	-	2,023,718
22.b Details of Trading Goods		
Window & Split AC with Accessoires	2,480,840	3,371,749
TOTAL	2,480,840	3,371,749

PARTICULARS	For the year ended 31 March, 2016 ₹	For the year ended 31 March, 2015 ₹
Note 23 Employee benefits expense		
Salaries and wages	61670585	54,768,762
Contributions to provident and other funds	6337826	6,076,329
Staff welfare expenses	2652128	2,425,251
Total	70,660,539	63,270,342
Note 24 Other Manufacturing Expense		
Labour Charges	116648795	90,458,512
Factory Expenses	12911266	11,592,360
Consumption of stores and welding Accessories	26131982	26,935,799
Consumption of loose tools	31050115	30,707,343
Consumption of packing materials	4359831	4,931,504
Power and fuel	10423932	10,239,660
Total	201,525,921	174,865,178
Note 25 Finance costs		
(a) Interest expense on:		
(i) Borrowings	1,049,713	6,786,227
(ii) On Unsecured Loan	6,355,279	5,457,849
(iii) Others		
- Interest on delayed / deferred payment of income tax		
- Others	184,773	40,097
(b) Other financial charges	11,087,644	14,482,737
Total	18,677,409	26,766,910
Note 26 Other expenses		
Provision for Excise Duty (Finished Goods)	-224,858	-
Late Delivery Charges	7,171,888	20,625,012
Sitting Fees	40,500	30,000
Repairs and maintenance - Buildings	1,861,250	1,221,658
Repairs and maintenance - Machinery	12,040,377	10,490,608
Repairs and maintenance - Others	4,348,931	3,067,563
Insurance	201,409	334,551
Rates and taxes	692,822	553,918
Communication and Telephone Expenses	2,443,693	1,929,051
Travelling and conveyance	11,706,049	9,757,022
Printing and stationery	2,310,428	1,877,035
Freight and forwarding	37,146,108	36,181,248
Sales Tax Expenses	82,526	106,235
Sales commission	9,397,511	653,300
Business promotion expenses	678,783	872,178
Donations and contributions	74,100	500,000
Legal and professional	18,404,693	11,021,273
Payments to auditors	234,931	105,433
Balances Written off (net)	9,007,758	924,601
Corporate Social Responsibility Contribution	1,717,000	1,505,000
Kasar Vata/ Rate Difference	2,636,665	4,544,453
Miscellaneous expenses	12,437,057	11,164,063
Prior Period Adjustment	48,297	39,045
Total	134,457,918	117,503,247
(i) Payments to the auditors comprises		
As auditors - Statutory audit	115450	79,388
- Tax Audit	10,500	10,500
- Taxation Matters	-	-
- Management Services	-	-
- Company Law Matters	-	-
- Certification fees & Other Services	108,981	15,545
- Reimbursement of Expenses	-	-
Total	234,931	105,433

27. Capital Commitments & Contingent Liabilities not provided for:

a) Contingent Liabilities

(₹ in lacs)

Particulars	As at 31/03/2015	As at 31/03/2014
Outstanding Bank Guarantees	2659.23	3185.83
Outstanding Foreign Bank Guarantees	US \$ 4,50,118.40	US \$ 24,48,814.67
Outstanding Inland Letter of Credit	14.67	34.42
Outstanding Foreign Letter of Credit	US \$ NIL	US \$ 30,17,342.45

b) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account [net of advances] and not provided for ₹ NIL Lacs (P.Y ₹ NIL)

28. RELATED PARTY INFORMATION

The company has transactions with following related parties

a) Associates	Thermflow Engineers Pvt. Ltd.
	Shiv Fin trade Pvt. Ltd.
b) Key Managerial Personal	1. Narayanbhai G.Patel
	2. Prakashbhai N. Patel
	3. Sanjivkumar N. Patel
	4. Narendrabhai G. Patel
	5. D.C.Narumalani (Upto 14/07/15)
	6. Kamlesh R. Shah (CFO)
	7. Nikhil Patel (CS)
	8. Karansingh Karki (Assitant CS)
c) Relative of Key Managerial Personal	1. Sitaben Patel
	2. Aarti Patel
	3. Jalpa Patel
	4. Shivang Patel
	5. Narayanbhai G. Patel HUF
	6. Prakashbhai N. Patel HUF
	7. Sanjivkumar N. Patel HUF

Note : Related Parties have been identified by the Management.

Name of Party	Nature of relationship	Nature of Transaction	Transactions during the year (in ₹)	Balance at the end of the year
Narayanbhai G. Patel	Chairman & Whole-time Director	Remuneration	28,89,310 (23,56,519)	21,75,000 (67,00,000)
		Interest	2,72,037 (31,35,699)	
		Loan taken	54,65,000 (4,48,00,000)	
		Loan Repaid	99,90,000 (3,81,00,000)	
Prakash N. Patel	Managing Director	Remuneration	29,90,899 (24,04,406)	6,95,000 (41,25,000)

Name of Party	Nature of relationship	Nature of Transaction	Transactions during the year (in ₹)	Balance at the end of the year
		Interest	1,63,057 (3,72,861)	
		Loan taken	5,70,000 (46,25,000)	
		Loan Repaid	40,00,000 (5,00,000)	
Sanjiv N. Patel	Managing Director	Remuneration	27,49,246 (21,98,710)	85,30,000 (1,63,50,000)
		Interest	8,77,640 (13,52,033)	
		Loan taken	94,80,000 (1,64,50,000)	
		Loan Repaid	1,73,00,000 (1,00,000)	
Narendra G. Patel	Director	Remuneration	28,03,076 (22,09,183)	Nil
		Sale of Air Conditioner	3,39,127	
D.C. Narumalani*	Director	Remuneration	6,43,854 (22,18,930)	Nil
Sitaben Patel	Wife of Director	Loan taken	1,80,90,000 (Nil)	90,90,000 (Nil)
		Loan Repaid	90,00,000 (Nil)	
		Interest	9,14,647 (Nil)	
Shivang Patel	Son of Director	Loan taken	39,00,000 (Nil)	34,00,000 (Nil)
		Loan Repaid	5,00,000 (Nil)	
		Interest	3,86,103 (Nil)	
		Trainee Wages	1,10,000 (Nil)	
Aarti Patel	Wife of Director	Loan taken	65,70,000 (Nil)	65,70,000 (Nil)
		Loan Repaid	Nil (Nil)	
		Interest	6,78,687 (Nil)	
Jalpa Patel	Wife of Director	Loan taken	1,02,30,000 (Nil)	1,02,15,000 (Nil)
		Loan Repaid	15,000 (Nil)	
		Interest	10,62,229 (Nil)	

Name of Party	Nature of relationship	Nature of Transaction	Transactions during the year (in ₹)	Balance at the end of the year
Narayanbhai G. Patel HUF	Director is Karta of HUF	Loan taken	94,15,000 (Nil)	4,15,000 (Nil)
		Loan Repaid	90,00,000 (Nil)	
		Interest	4,72,078 (Nil)	
Prakashbhai N. Patel HUF	Director is Karta of HUF	Loan taken	37,40,000 (Nil)	37,40,000 (Nil)
		Loan Repaid	Nil (Nil)	
		Interest	3,03,978 (Nil)	
Sanjivkumar N. Patel HUF	Director is Karta of HUF	Loan taken	1,18,10,000 (Nil)	1,17,95,000 (Nil)
		Loan Repaid	15,000 (Nil)	
		Interest	12,24,823 (Nil)	
Kamlesh R. Shah	Chief Financial Officer	Remuneration	7,88,135 (7,02,660)	NIL
Karansingh I Karki**	Asst. Company Secretary	Remuneration	2,07,933 (2,51,370)	NIL
Nikhil Patel***	Company Secretary	Remuneration	217060 (Nil)	NIL

* Devidas C. Narumalani ceased to be Executive Director (Whole-time Director) of the Company w.e.f.14/07/2015 & continue as Non-executive Director.

** Mr. Karansingh I. Karki ceased to be Company Secretary, being Key Managerial Personnel (KMP) and Compliance Officer of the Company and appointed as Assistant Company Secretary of the Company w.e.f. 13/02/2016.

*** Mr. Nikhil M. Patel appointed as Sr. Company Secretary, being Key Managerial Personnel (KMP) and Compliance Officer of the Company w.e.f. 13/02/2016.

29. SEGMENT INFORMATION

Primary Segment – Business Segment

The Company's operation predominantly comprise of only one segment .In view of the same,separate segmental information is not required to be disclosed as per the requirement of Accounting Standard 17.

Secondary Segment – Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

Sales within India include sales to customers located within India.

Sales outside India include sales to customers located outside India.

Information pertaining to Secondary Segment

Gross revenue from operations as per Geographical Locations

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Within India	1,07,05,10,821	94,50,86,853
Canada	11,84,86,928	20,15,74,558
Nigeria	7,30,399	42,10,920
Indonesia	15,22,713	11,26,548
Zambia	—	1,29,81,600
Kazakhstan	8,40,11,125	—
Dubai (UAE)	2,16,00,000	—
Total	1,29,68,61,986	1,16,49,80,479

30. EARNING PER SHARE

Particulars	31-03-2016	31-03-2015
- Net Profit for the year	71,481,825	6,20,23,606
- Number of Equity Shares	5,070,240	5,070,240
Basic & Diluted Earning per Share (Price per share ₹ 10)	14.10	12.23

31. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.

32. Balances of Unsecured Loan, Trade Receivable and Payables & loans and advances are subject to confirmation from respective parties.

33. Corporate Social Responsibility

- (a) Gross amount required to be spent by the company during the year ₹ 17,17,000/-
 (b) Amount spent during the year on:

	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	N.A.	N.A.	N.A.
(ii) On purposes other than (i) above	17,17,000	NIL	17,17,000

34. Micro, Small & Medium Enterprise

As per the Micro, Small & Medium Development Act, 2006 and to the extent of the information available, amounts unpaid as at the year end together with the interest paid / payable, is as follows:

Particulars	2015-16	2014-15
The Principal Amount	31,545,642	3,41,84,096
Interest Paid under MSMED Act, 2006	NIL	NIL
Interest due (Other than 23.3 (b))	NIL	NIL
Interest accrued and unpaid	NIL	NIL
Interest due and payable till actual payment	NIL	NIL

35. EMPLOYEE BENEFIT OBLIGATION

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year is as under :

Particulars	2015-16	2014-15
Employer's Contribution to Provident Fund	23,70,097	25,75,951

The company has taken defined benefit plan i.e. Employee Group Gratuity Scheme from the Life Insurance Corporation (LIC) of India which provides Gratuity linked to the final salaries and is funded in a manner such that the contribution are set at a level that is expected to be sufficient to pay the benefits falling due in the same period. It is not practicable to determine the present value of the Company's obligation or the related current service cost as the LIC compute its obligation on its own basis that differ materially from the basis used in the Company's financial statements i.e. the company recognized / charged only the amount paid to the LIC as a contribution towards Gratuity Scheme.

The expense recognized in the statement of Profit & Loss, which is equal to the contribution due / paid for the year.

36. Value of Imported And Indigenous - Materials, Stores And Spare Parts Consumed And Percentage Thereof.

[1] MANUFACTURING ACTIVITY

(amount ₹ in)

Raw Materials	2015-16		2014-15	
	Value (₹)	(%)	Value (₹)	(%)
a) Imported	5,32,93,246	9.01	7,52,38,015	11.79
b) Indigenous	53,81,97,167	90.99	56,31,65,084	88.21
TOTAL :-	59,14,90,413	100.00	63,84,03,099	100.00

[2] STORES & TOOL CONSUMED

(amount ₹ in)

Particulars	2015-16		2014-15	
	Value (₹)	(%)	Value (₹)	(%)
a) Imported	6,75,888	1.18	29,74,153	5.16
b) Indigenous	5,65,06,209	98.82	5,46,68,989	94.84
TOTAL :-	5,71,82,097	100.00	5,76,43,142	100.00

[3] TRADING GOODS

(amount ₹ in)

Particulars	2015-16		2014-15	
	Value (₹)	(%)	Value (₹)	(%)
a) Imported	–	–	–	–
b) Indigenous	5,80,13,693	100.00	3,89,65,627	100.00
TOTAL :-	5,80,13,693	100.00	3,89,65,627	100.00

37. C.I.F. value of Imports

Particulars	Year ended 31.03.2016 (₹)	Year ended 31.03.2015 (₹)
i) Capital Goods	1,11,50,632	9,92,061
ii) Raw Materials	4,94,88,891	5,61,44,550
iii) Consumable Tools	6,75,888	29,74,153

38. Expenditure in foreign currency

i) Subscription and Registration Fees	26,98,005	27,64,143
ii) Repairs to Plant & M/c.	35,29,850	22,02,599
iii) Foreign Traveling Expenditure	21,79,518	16,35,639

39. Earning in Foreign Exchange

Earning in foreign Exchange (FOB Value of Exports)	22,63,51,165	21,98,93,626
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40. Previous year's figures have been re-grouped/rearranged wherever necessary to make them comparable with current years figures.

Significant Accounting Policies : A

-: Notes on Financial Statement - 1 to 40 :-

As per our report of even date

For PARIKH & MAJMUDAR
CHARTERED ACCOUNTANTS
FR NO. 107525W

C.A. Dr. HITEN PARIKH
PARTNER
M NO. 040230

Place : AHMEDABAD
Date : 28-05-2016

For and on behalf of the Board of Directors of
PATELS AIRTEMP (INDIA) LTD.

NARAYANBHAI G. PATEL
Chairman & Whole-time Director
DIN : 00023107

NIKHIL PATEL
Company Secretary

Place : AHMEDABAD
Date : 28-05-2016

SANJIVKUMAR N. PATEL
Managing Director
DIN : 2794095

KAMLESH R. SHAH
Chief Financial Officer

NECS MANDATE FORM

PLEASE FILL UP THIS FORM AND ARRANGE TO SEND IT TO :

The following address if shares are held in physical Form OR To your DP if shares are held in demat Form

To,
M/S. Bigshare Services Pvt. Ltd.
 Unit: **Patels Airtemp (India) Ltd.**
 E-2/3, Ansa Industrial Estate,
 Sakivihar Road, Saki Naka,
 Andheri (E),
 Mumbai-400 072

Dear Sir,

Sub: Payment of Dividend through NECS

I/we hereby give my/our mandate to credit my/our Dividend on the shares held by me/us under the Folio mentioned directly to my/our Bank Account through the Electronic Clearing System (ECS)/ to prepare my/our dividend warrant with details of my/our Bank Account No. and Name of the Bank & Branch.

The Details of the Bank Account are given below.

Name of First/Sole Shareholder (IN BLOCK LETTERS)											
Folio No./DP ID & Client ID No.											
Name of Bank in Full											
Branch Name											
Address & Telephone No. of the Bank											
9 MICR Code No. of the Bank & Branch as appearing on the Cheque issued by the Bank											
Type of Account with Code	Saving Bank-10			Current-11				Cash Credit.-13			
A/c No. as Appearing on Cheque Book											
PAN/GIR No.											
Address of the Shareholder											
*11-Digit IFSC Code											
Signature of the First Registered Shareholder (As per the specimen signature with the Company / DP)							Date : Place :				

*The Company, its Registrars and Bankers will make best endeavors to remit dividend through NECS. However, for non CBS branches of the banks, the IFSC Code will be utilized to remit the dividend either by National Electronic Funds Transfer (NEFT) or Real Time Gross Settlement (RTGS). The branch where you operate your bank account will assist you to provide the IFSC, a 11-digit code to enable the remittance through NEFT or RTGS.

**I/We enclose a blank cancelled cheque.



PATELS AIRTEMP (INDIA) LIMITED

(CIN: L29190GJ1992PLC017801)

Regd. Off: 5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad –380009

Ph. No.: +91-2764286634/35, **Fax No. :** +91-2764286301,

Email : share@patelsairtemp.com, **Website:** www.patelsairtemp.com

E-COMMUNICATION REGISTRATION FORM

Dear Shareholders,

You are aware that the provisions of Companies Act, 2013 have been made effective. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository or with Share Transfer Agent.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow Shareholders to contribute towards a greener environment. This is a golden opportunity for every Shareholder of PatelsAirtemp (India) Limited to contribute to the cause of Green Initiative.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode.

Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request.

Best Regards,

Nikhil Patel
Company Secretary

Folio No. / DP ID and Client ID : _____

Name of the 1st Registered Holder : _____

Name of Joint Holder[s] : _____

Registered Address : _____

E-mail ID (to be registered) : _____

I / We Shareholder(s) of PatelsAirtemp (India) Limited agree to receive communication from the Company in electronic mode. Please register my/our above e-mail ID in your records for sending communication in electronic form.

Date :

Signature :

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.



PATELS AIRTEMP (INDIA) LTD.

(CIN: L29190GJ1992PLC017801)

Regd. Off : 5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad-380 009. **Ph. No.:** +91-2764286634/35 **Fax No.:** +91-2764286301

E-mail : share@patelsairtemp.com, **Website :** www.patelsairtemp.com

ATTENDANCE SLIP

24th Annual General Meeting - 30th July, 2016

Member's Folio No/Client ID & DP ID : _____ Nos. of Shares held : _____

I hereby record my presence at the 24th Annual General Meeting of the Company on Saturday, the 30th July, 2016, at 10.00 a.m., at the Registered Office of the Company at 5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad - 380 009.

FULL NAME OF MEMBER / PROXY (IN BLOCK LETTERS)	
MEMBER'S / PROXY SIGNATURE	

- NOTES: 1. You are requested to sign and hand over this attendance slip at the entrance.
2. Members are requested to bring their copies of the Annual Report to the meeting, since further Copies will not be available.



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FORM NO. MGT-11

PROXY FORM

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

24th Annual General Meeting - 30th July, 2016

Name of the member(s) :	Folio No. / DP ID and Client ID :
Registered Address :	E-mail :

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

1. Name & Address : _____

E-mail Id : _____ Signature : _____, or failing him/her

2. Name & Address : _____

E-mail Id : _____ Signature : _____, or failing him/her

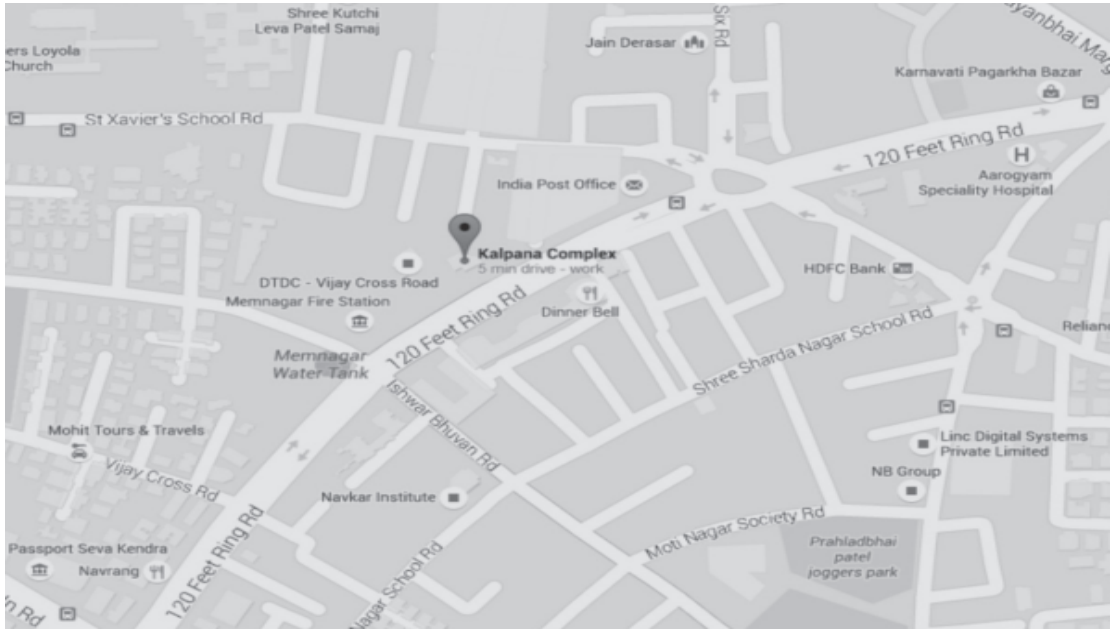
3. Name & Address : _____

E-mail Id : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Saturday, the 30th July, 2016 at 10.00 a.m. at the Registered Office of the Company at 5th Floor, Kalpana Complex, Nr. Memnagar Fire Station, Navrangpura, Ahmedabad-380 009 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

SEE OVERLEAF

Route-Map of the Venue of AGM



Sr. No.	Resolution(s)
1	Adoption of Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and Auditors thereon.
2	Declaration of Dividend on Equity Shares for the year ended 31st March, 2016.
3	Re-appointment of Mr. Narayanbhai G. Patel (DIN:00023107), who retires by rotation and being eligible offers himself for re-appointment.
4	Re-appointment of Mr. Devidas C. Narumalani (DIN: 00097592), who retires by rotation and being eligible offers himself for re-appointment.
5	Appointment of M/s. Parikh & Majmudar, Chartered Accountants, Ahmedabad having Registration No. 107525W, as Statutory Auditors of the Company for the Financial Year 2016-17 & authorize the Board to fix their remuneration.
6	Appointment of Mr. Himanshu N. Rawal (DIN: 06631728) as an Independent Director of the Company for a term of 2 consecutive years, not liable to retire by rotation.
7.	Adoption of new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and the Rules made thereunder.
8.	Revision in the remuneration payable to Mr. Narendra G. Patel (DIN: 00023205), Whole-time Director of the Company for the period from 1st August, 2015 to 1st August, 2016.
9.	Re-appointment of Mr. Narendra G. Patel (DIN: 00023205) as Whole-time Director of the Company for a further period of 3 years w.e.f. 2nd August, 2016 and payment of remuneration for a period of 3 years.
10	Revision in the remuneration payable to Mr. Narayanbhai G. Patel (DIN: 00023107), Chairman & Whole-time Director of the Company for the period from 1st August, 2015 to 19th May, 2018.
11	Revision in the remuneration payable to Mr. Prakash N. Patel (DIN: 00249210), Managing Director of the Company for the period from 1st August, 2015 to 19th May, 2018.
12	Revision in the remuneration payable to Mr. Sanjiv N. Patel (DIN: 02794095), Managing Director of the Company for the period from 1st August, 2015 to 19th May, 2018.
13.	Payment of remuneration to Cost Auditors for the financial year ended 31st March, 2016 and ending March 31, 2017.

Signed this _____ day of _____ 2016

Signature of Shareholder(s) : _____

Affix ₹ 1/-
Revenue
Stamp

NOTES:

- This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the 24th Annual General Meeting. (On or before 28th July, 2016 at 10.00 a.m. IST).
- The proxy need not be a member of the company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.



KEY PERFORMANCE INDICATORS OF THE COMPANY

(₹. In Lacs except EPS)

Sr. No.	PARTICULARS	2015-16	2014-15	2013-14	2012-13	2011-12
1	Revenue from Operations (Net)	12664.72	11274.64	7075.22	9057.95	7133.58
2	Profit Before Tax (PBT)	1108.74	961.96	722.41	737.75	792.56
3	Profit After Tax (PAT)	714.82	620.24	466.45	494.65	536.10
4	Reserves & Surplus	5416.36	4835.79	4417.03	4068.43	3691.64
5	Dividend (In %)	22%	22%	20%	20%	20%
6	Earning Per Share (EPS in Rs.)	14.10	12.23	9.20	9.76	10.57

Patels Airtemp (India) Ltd.



URL



Business Card

Courier

To,



If undelivered please return to :

Patels Airtemp (India) Ltd.

Registered Office : 5th Floor,
Kalpana Complex, Nr. Memnagar Fire Station,
Navrangpura, Ahmedabad - 380 009.
Phone : 079-27913694, 5, 6 Fax : 079-27913693
Email : share@patelsairtemp.com Website : www.patelsairtemp.com

