



# **AFTEK LIMITED**

**29TH ANNUAL REPORT 2015-2016**



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**BOARD OF DIRECTORS**

MR. RANJIT DHURU	CHAIRMAN & MANAGING DIRECTOR
MR.NITIN K. SHUKLA	WHOLE-TIME DIRECTOR
MR.MUKUL DALAL	WHOLE-TIME DIRECTOR
MR. MAHESH NAIK	NON-EXECUTIVE DIRECTOR
MR. SANDIP C. SAVE	NON-EXECUTIVE DIRECTOR
MS. ADITI BHATT	NON-EXECUTIVE DIRECTOR

**MANAGEMENT TEAM**

MR. RANJIT DHURU	CEO
MR.NITIN K. SHUKLA	CFO
MR.MUKUL DALAL	ED-INTERNATIONAL SALES & MARKETING (SMART PRODUCTS)
MR. RAVINDRANATH MALEKAR	SR. VICE-PRESIDENT-SUPPORT

**COMPANY SECRETARY**

- Practicing M/s. Ramesh Chandra Mishra & Associates

**REGISTERED OFFICE**

16/A, Second Floor, Prabhadevi Industrial Estate,  
The Enterprises Co-operative Society Ltd,  
408, Veer Saverkar Marg, Prabhadevi,  
Mumbai - 400 025, India

**WORKS/SOFTWARE DEVELOPMENT CENTRE**

Plot No. A/19/2  
M.I.D.C., Chincholi,  
Solapur 413 255

**BANKERS**

State Bank of Bikaner and Jaipur Commercial Network Branch 239, P.D'Mello Road, Near G.P.O. Mumbai 400 001	The Hongkong and Shanghai Banking Corpn Ltd Asha Mahal, 46-B, Dr B G Deshmukh Road, Mumbai 400 026
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**AUDITORS**

M/s GMJ & Co  
3rd & 4th Floor, Vaastu Darshan,  
'B' Wing, Above Central Bank of India,  
Azad Road, Andheri (E),  
Mumbai 400 069

**REGISTRAR & TRANSFER AGENT**

M/s Bigshare Services Pvt Ltd  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East),  
Mumbai 400 072

**NOTICE**

NOTICE is hereby given that the 29th Annual General Meeting of the members of Aftek Limited will be held as under:

Day : Wednesday

Venue: The Queenie Captain Auditorium, The NAB

Date : 30th November, 2016

Workshop for the Blind, Dr. Annie Besant

Time : 10.30 a.m

Road, Prabhadevi, Mumbai – 400 025.

To transact the following businesses:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Standalone & Consolidated Financial Statement of the Company for the financial year ended 31st March 2016, the Reports of the Board of Directors and Auditors thereon;
2. To appoint Auditors and fix their remuneration:

*To ratify the appointment of auditors of the Company and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:*

**“RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee to the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on December 31, 2015, the appointment of M/s. GMJ & Co. Chartered Accountants ( Firm Registration No : 103429W) as the Auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2020, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017 as may be determined by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors.

By Order of the Board

Sd/-

**Ranjit Mohan Dhuru**

Chairman & Managing Director

Dated: 03rd November, 2016.

**Registered Office:**

Place: 16/A, second flr.

The Enterprises Co-op.Soc.Ltd.

408, Veer Savarkar Marg, Dadar,

Prabhadevi, Mumbai-400025

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's corporate office at 16/A 2nd flr Prabhadevi Industrial Estate, the Enterprises Co-op.Soc.Ltd, 408 Veer Savarkar Marg, Prabhadevi, Dadar, Mumbai city MH not less than forty eight hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, November 23, 2016 to Wednesday, November, 30, 2016 (both days inclusive) for the financial year ended March 31, 2016 and the AGM.

5. In compliance with SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002 read with circular No. D&CC/FITT/CIR-18/2003 dated February 12, 2003, mandating a Common Agency for Share Registry Work (Physical & Electronic), the company has already appointed M/s. Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai, Maharashtra, 400072
6. Members are requested to notify immediately any change in their address:
  - a. To their Depository Participants (Dps) in respect of their electronic share accounts, and
  - b. To the share transfer agent M/s. Bigshare Services Private Limited as the Registrar & Share Transfer Agent, having their office at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai, Maharashtra, 400072
7. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
8. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Board of Directors of the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Members who are holding shares in physical form are requested to get their shares dematerialized with any depository participants in their own interest.
10. Members are requested to carry the copy of the Annual Report sent to them. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a print copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode. Members are requested to register/update their email address for receiving all communication including Annual Report, Notices etc. from the Company electronically.
11. Members may also note that the notice of the 29th Annual General Meeting and the Annual report for 2015-2016 will also be available on the Company's website [www.aftek.com](http://www.aftek.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days from 11.00 a.m. to 1.00 p.m. from Monday to Friday. Members are requested to bring their copies of the Annual report at the time of attending the Annual General Meeting.

By Order of the Board

Sd/-

**Ranjit Mohan Dhuru**

Chairman & Managing Director

Dated: 03rd November, 2016

**Registered Office:**

Place: 16/A, Second flr., The enterprises Co-op. Scy. Ltd.  
408, Veer Savakar Marg, Dadar,  
Prabhadevi, Mumbai-400025

**Voting through Electronic Means:**

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as per listing agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the below provisions, through the e- voting services provided by CDSL.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 27th November, 2016 at 9.00 a.m. and ends on 29th November, 2016 at 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 (record date) of 24th November, 2016 may cast their vote electronically. The e(remote)-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Now to cast your vote: Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>* In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>* If both the details are not recorded with the depository or company please enter the member id / Folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Companyselection 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "AFTEK LIMITED" on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **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. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- \* Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - \* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - \* After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - \* The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - \* A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) The Company has appointed M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretaries (C.P. No. 3987 and FCS No. 5477) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- (xxiii) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xxiv) In case of Members who are entitled to vote but have not electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 29th Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2016.

**SUMMARY OF FINANCIAL RESULTS OF THE COMPANY:**

(₹ in Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2015-2016	2014-2015	2015-2016	2014-2015
Total Income	3948	6006	3948	6006
Total Expenditure	215	1575		262
Profit Before Interest and depreciation	3733	4431		5744
Less: Depreciation	4888	5599		5603
Interest	770	778		778
Tax	NIL	NIL	NIL	NIL
Net Profit/(Loss) After Tax	(1925)	(1946)		(637)

**OPERATIONAL PERFORMANCE:**

Income of the company from operations is ₹ 2478.63 Lacs Profit before tax is (- ₹1925.36) Lacs as compared to (- ₹1946.12) in previous year.

**TRANSFER TO RESERVES:**

Due to unabsorbed losses no amount has been proposed to be transferred to Reserves

**DEPOSITS:**

As on 31st March, 2016, the Company held no deposit in any form from anyone. There were no deposits held by the company as on 31st March, 2016, which were overdue or unclaimed by the depositors. For the present, the Board of Directors has resolved not to accept any deposit from public.

**SUBSIDIARY COMPANIES:**

Our Company has 1 direct subsidiary. During the year, the Board of Directors reviewed the affairs of the subsidiaries. In pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is given in Annexure –I in this Board's Report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (3) read with Schedule Part V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 with Stock Exchange in India, is presented in a separate Annexure -II forming part of the Annual Report.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There was no change in the nature of business of the Company or any of its subsidiaries during the year.

**MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

During the year under review, there were no material changes and commitments affecting the financial position of the Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mr. Mukul S Dalal, retires by rotation at the ensuing Annual General Meeting and being eligible

Offer themselves for re-appointment. Your Directors recommend there re-appointment.

**NUMBER OF MEETINGS OF THE BOARD:**

The Board met 5 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.



**INDEPENDENT DIRECTORS DECLARATION:**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Independent Directors under section 149(6) of the Companies Act, 2013 declared that:

1. They are not promoters of the Company or its holding, subsidiary or associate company;
2. They are not related to promoters or directors in the company, its holding, subsidiary or associate company.
3. The independent Directors have /had no pecuniary relationship with company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
4. None of the relatives of the Independent Director has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
5. Independent Director, neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - (iii) Holds together with his relatives two percent. or more of the total voting power of the company; or
  - (iv) is a Chief Executive or Director, by whatever name called, of any nonprofit organization that receives twenty-five percent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company;
6. Independent Director possesses such qualifications as may be directed by the Board.
7. The Company & the Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013.

**BOARD EVALUATION:**

SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors should be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results alongwith evaluation done by the Nomination and Remuneration Committee.

**PERFORMANCE OF THE BOARD AND COMMITTEES:**

During the year under review, the performance of the Board & Committees and Individual Director(s) based on the below parameters was satisfactory:

- (i) All Directors had attended the Board meetings;
- (ii) The remunerations paid to Executive Directors are strictly as per the Company and industry policy.
- (iii) The Independent Directors only received sitting fees.

- (iv) The Independent Directors contributed significantly in the Board and committee deliberation and business and operations of the Company and subsidiaries based on their experience and knowledge and Independent views.
- (v) The Credit Policy, Loan Policy and compliances were reviewed periodically;
- (vi) Risk Management Policy was implemented at all critical levels and monitored by the Internal Audit team who places report with the Audit committee and Board.

**MEETING OF INDEPENDENT DIRECTORS:**

Pursuant of the provision of Section 149 (8) of the Companies Act, 2013 read with Schedule IV and Regulation 25 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Independent Directors of the Company held their meeting on 13th February, 2016 reviewed the performance of non-independent directors and the Board as a whole including the Chairperson of the Company, views expressed by the executive directors and non-executive directors at various level, and quantified the quality, quantity and timeliness of flow of information between the Company, management and the Board and expressed satisfaction.

**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:**

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As on 31st March, 2016, the Board consists of 6 members. Out of which one is the Managing Director, two are Whole Time Directors.

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

**COMMITTEES OF THE BOARD:**

Currently, the Board has Three Committees: 1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee

A detailed note on the Board and its Committees is provided under the Corporate Governance Report that forms part of this Annual Report.

**NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Pursuant to the Section 178 of the Companies Act, 2013, the Company has set up a Nomination and Remuneration and Stakeholders Relationship Committee. A detailed note on the composition of the Committees is provided in the corporate governance report section of this Annual Report.

The Key Features of the Policy of the said committee are as follows:

For Appointment of Independent Director (ID):

- a. Any person who is between the age of 25 years and below 75 years eligible to become Independent Director(ID);
- b. He has to fulfill the requirements as per section 149 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement;
- c. Adhere to the code of conduct as per Schedule IV to the Companies Act, 2013;
- d. Strictly adhere to the Insider Trading Regulation of the SEBI and Insider Trading policy of the Company;
- e. Independent Director should have adequate knowledge and reasonably able to contribute to the growth of the Company and stakeholders;
- f. Independent Director should be able to devote time for the Board and other meetings of the company;
- g. Entitled for sitting fees and reasonable conveyance to attend the meetings; and
- h. Able to review the policy, participate in the meeting with all the stakeholders of the company at the Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the Section 134(3) (c) and Section 134 (5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;