

## DIRECTORS' REPORT

To,

The Members,

Your Director have pleasure in presenting the Annual Report and the audited statement of accounts for the year ended 31<sup>st</sup> March, 2014

### FINANCIAL RESULTS

	Amount in Rs.	
	Year ended 31.3.2014	Year ended 31.3.2013
Sales & Other Income	22,66,319	21,89,857
Total Expenditure	17,36,639	18,53,071
Profit / (Loss) before Taxation	5,29,679	3,36,786
Provision for Taxation	--	--
Prior Period Expenses	--	--
Profit / (Loss) after taxation	5,29,679	3,36,786
APPROPRIATIONS:		
Interim Dividend	--	--
Proposed Dividend	--	--
Balance carried to Balance Sheet	5,29,679	3,36,786

### DIVIDEND:

In view of strengthening the reserves of the Company, your Directors regret their inability to recommend any dividend during the year under review.

### OPERATION:

During the year under review, your company's sales were Rs. 22,66,319 compared to Rs. 21,89,857 in the previous year.

### DIRECTORS:

In accordance with the provisions of the Companies Act, 2013, Asmita Parikh is liable to retire by rotation and being eligible offers herself for re-appointment.

In terms of the Company Ms. Kanan Rajan Kapur is B.com and has immense experience in business and marketing. She was appointed as Additional Director by Board of Director at its meeting held on 28th January 2014. Under section 161(1) of the Companies Act, 2013, Ms. Kanan Rajan Kapur ceases to hold office at this Annual General Meeting and is eligible for appointment. The Notice under section 160 the Companies Act, 2013 has been received from member signifying his intention to propose her appointment as a Director. The Board of Directors feels that her experience and knowledge would benefit and value the Company and therefore her appointment is recommended.

**CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT :**

The report on Corporate Governance including Management Discussion and Analysis as stipulated under Clause 49 of the Listing Agreement with Stock Exchange, forms part of the Annual Report is annexed.

A certificate of the auditors of the Company, Jayesh Dadia & Associates., Chartered Accountants, confirming compliance of the conditions of corporate governance as stipulated in Clause 49 is annexed.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures:
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review:
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- (iv) That the Directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'going concern' basis.

**FIXED DEPOSITS:**

Your company has not accepted any fixed deposits from public.

**LISTING:**

At present the Company's Equity Shares are listed at OTC Exchange of India and the Company has paid the Listing fees to the above exchange for the financial year ended 2014-2015

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO**

The information necessary for disclosure of particulars with Research and Development as required 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the report of Board) Rules, 1988 are not applicable.

Foreign Exchange earned : Nil

Foreign Exchange used : Nil

**PERSONNEL:**

The relationship with the employees has been cordial. Your Director wish to place on record their appreciation for the devoted services rendered by the employees. There are no employees drawing remuneration exceeding the ceiling prescribed under section 217(2A) of the Companies Act, 1956.

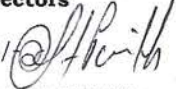
**AUDITORS:**

The existing Auditor M/s Jayesh Dadia & Associates. Chartered Accountants, retires at the conclusion of ensuing Annual General Meeting and have expressed their willingness to continue as Statutory Auditor of the Company for the financial year 2013-14. The relevant certificate to that effect that their appointment, if made, will be in pursuant to section 224(1B) of the Companies Act, 1956 has been received. The resolution for their re-appointment is being submitted to this Annual General Meeting.

**ACKNOWLEDGMENT:**

Your Directors wish to thank Company's Bankers for the co-operation extended to us.

**For and on behalf of the board of Directors**

Sd/ 

**SOKETU PARIKH**  
Managing Director

Place : Mumbai

Date : 30<sup>th</sup> May 2014

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT – 2014**

Pursuant to Clause 49 of the Listing Agreement a Report on Management Discussion and Analysis is given below:

a) **Industry Structure & Development and Challenges:**

The company was able to make nominal profit during the year and as the recession is continuing to affect the industries all round the company is also affected. It is expected that the company would in near future would make profits to offset the losses incurred and on the path of recovery.

b) **Outlook, Opportunities, Threats and Risks:**

The company is likely to start its main business activities in the near future and as the textile business which was its core activity but due to the present conditions prevailing the directors feel that the company should continue in its present activity for some more time. However the directors are hopeful they would start the core business before long

c) **Performance :**

Total gross Income amounted to Rs. 2,26,319/- compared to Rs. 21,89,857/- of the previous year. The Company has currently one activity of the online trading of the share and securities

d) **Internal Control System & Their Adequacy**

The company has a good system of internal controls in all spheres of activities. The internal control is supplemented by effective internal audit being carried out by an external firm of chartered accountants. The effective steps to implement the suggestions/observations of the Auditors are being taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company exists

e) **Human Resources & Industrial Relation:**

In today's knowledge driven dynamic business environment, people are the most critical drivers of growth. The Company considers human resources as one of the vital and important factors for sustained growth. The human resources strategy is to attract talent in the industry, develop and upgrade their skill and competence on the job and ensure employee satisfaction through reward, appreciation and development of environment based on culture and values nurtured by the group over the years.

f) **Trading Status On the stock exchange:**

The Company's equity shares are listed and traded on over the counter Stock exchange Ltd. But counter is dead exchange

g) **Whistle Blower Policy:**

The Company does not have any Whistle Blower Policy as of now.

h) **Cautionary Statement:**

Statements made in the report, including those stated under the caption "Management Discussion and Analysis" describing the company's plans, projections and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

**For and on behalf of the board of Directors**

  
**SANKET PURI**  
Managing Director

Place : Mumbai  
Date : 30th May 2014



## **REPORT ON CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

### **COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:**

Alan Scott Industriess Limited marks its Corporate Governance with the prevalent practices and it confirms the mandatory requirements.

### **BOARD OF DIRECTORS:**

The Board of Directors comprises of Four Directors Consisting of One Managing Director, One Executive Director and Two Non-Executive Directors.

During the financial year under review commencing from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014, 6(Six) Board Meetings were held on 14<sup>th</sup> May 2013, 30<sup>th</sup> July 2013, 05<sup>th</sup> September 2013, 14<sup>th</sup> November 2013, 28<sup>th</sup> January 2014 and 14<sup>th</sup> February 2014.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship / Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance of last AGM	No. of Other Directorship	Committee Membership	
					Member	Chairman
Mr.Suketu Parikh	MD	6	YES	1	NIL	NIL
Mr. Asmita Parikh	ED	6	YES	1	NIL	NIL
Mr. Govindan Nair	IND – NED	6	N A	NIL	NIL	NIL
Mr. Kanan Kapur	IND – NED	1	NA	NIL	NIL	NIL

MD – Managing Director

IND – Independent

NED – Non-Executive Director ED – Executive Director

### **Board's Functioning & Procedure**

The Company holds a minimum of four Board Meetings in a year, one each per quarter. Additional Board Meetings are convened as and when necessary to address the specific needs of the Company. The Board also approves urgent matters by passing resolutions by circulations. The Meetings of the Board are held at the Company's registered office or at a hall in South Mumbai depending on the circumstances.

Agenda papers are circulated to the directors in advance and all material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the Meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting. In special and exceptional circumstances, additional or supplementary items on Agenda are permitted.

The information as required under Annexure I to Clause 49 of the Listing Agreement is made available to the Board in every meeting.

### **Audit Committee:**

The Audit Committee met 5 times in the financial year on 14<sup>th</sup> May 2013, 30<sup>th</sup> July 2013, 05<sup>th</sup> September 2013, 14<sup>th</sup> November 2013, and 14<sup>th</sup> February 2014, where all the members of the Committee, Executive Director and the Statutory Auditors were present. Meetings reviewed the Annual Accounts, half-yearly results and quarterly results and approved the same. The audit Committee oversees the general accounting practices and other management policies.

Mr.Suketu Parikh	Managing Director
Mr. Govindan Nair	Independent – Non Executive Director

Mr. Asmita Parikh	Executive Director
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Details of attendance at the meetings of Audit Committee:

Name of the members	No. of meetings held	No. of meetings attended
Mr. Suketu Parikh	5	5
Mr. Govindan Nair	5	5
Mr. Asmita Parikh	5	5

### **Terms of Reference**

The role and terms of reference of this Committee are wide enough to cover the matters specified for the Audit Committee under Clause 49 of the listing agreement as well as in Section 292 A of the Companies Act, 1956 and are as follows:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) To review with Management the financial statements at the end of a quarter, half year and the annual financial statements before submission to the Board for approval, focusing particularly on:
  - (i) matters required to be included in the Director's Responsibility Statement which form part of the Board's reporting in terms of clause (2AA) of Section 217 of the Companies Act, 1956;
  - (ii) changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) significant adjustments made in the financial statements arising out of audit findings;
  - (v) compliance with listing and other legal requirements relating to financial statements;
  - (vi) disclosure of any related party transactions; and
  - (vii) qualifications in the draft audit report
- c) to consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them;
- d) to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in absence of management, wherever necessary);
- e) reviewing with management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors, prior to the Board making its statement thereon;
- f) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- g) discussion with internal auditors on any significant findings and follow up thereon.
- h) reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- i) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- j) to review the functioning of the Whistle Blower Mechanism, in case the same is existing;
- k) to review the external auditors' audit reports and presentations and management's response thereto;



- l) to ensure co-ordination between the internal and external auditors, and to request internal audit to undertake specific audit projects, having informed management of their intentions;
- m) to consider any material breaches or exposure to breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
- n) to review policies and procedures with respect to directors' and officers' expense accounts, including their use of corporate assets, and consider the results of any review of these areas by the internal auditors or the external auditors;
- o) to consider other topics, as defined by the Board;
- p) to review the following information :
  - i) Management discussion and analysis of financial condition and results of operations;
  - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - iii) Management letter/letters of internal control weaknesses issued by the statutory auditors;
  - iv) Internal audit reports relating control weaknesses; and
  - v) The appointment, removal and terms of remuneration of the Internal Auditor.

#### **Share Transfer Committee/Investor Grievance Committee:**

The Board has constituted the Share Transfer Committee, with the one Executive Directors as members to consider and approve Transfers of shares in the physical form and allied matters. The Shareholder/Investor Grievance Committee has been constituted under the Chairmanship of Mr. Soketu Parikh with Mr. Mr. Govindan Nair and Ms. Asmita parikh till date.

Mr. Soketu Parikh	Chairman and Managing Director
Mr. Govindan Nair	Independent – Non Executive Director
Ms. Asmita parikh	Executive Director

Details of attendance at the meetings of Investor Grievance Committee:

Name of the members	No. of meetings held	No. of meetings attended
Mr. Soketu Parikh	5	5
Mr. Govindan Nair	5	5
Ms. Asmita parikh	2	2

#### **Name and Designation of Compliance Officer:**

Mr. SOKETU PARIKH - Managing Director

#### **GENERAL BODY MEETINGS:**

Financial Year	Date	Location of the Meeting
1 <sup>st</sup> April, 2010 to 31 <sup>st</sup> March, 2011	29.09.2011	38, Apurva Indl. Estate, Makwana Road, off. Andheri . Kurla Rod, Marol Naka, Andheri (e), Mumbai-400059
1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012	29.09.2012	38, Apurva Indl. Estate, Makwana Road, off. Andheri . Kurla Rod, Marol Naka, Andheri (e), Mumbai-400059
1 <sup>st</sup> April, 2012 to 31 <sup>st</sup> March,	30.09.2013	38, Apurva Indl. Estate, Makwana

2013		Road, off. Andheri . Kurla Rod, Marol Naka, Andheri (e), Mumbai-400059
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#### **DISCLOSURES:**

There are materially significant related party transactions. There are other related party commercial transactions, which are reported in the accounting part of this report.

#### **MEANS OF COMMUNICATION:**

Quarterly, half – yearly and annual results have been communicated to OTC where the shares of the Company's is listed. Annual Reports are dispatched to all the shareholders. No presentation to institutional investors or analysts was made during the year. Management discussion and Analysis is part of the Annual Report.

#### **SHAREHOLDER INFORMATION:**

- I) **Annual General Meeting :** **Monday, 29<sup>th</sup> September, 2014 at 10.00 A. M.**  
Day, Date, Time and Venue 38, Apurva Indl. Estate, Makwana  
Road, off. Andheri . Kurla Rod, Marol Naka, Andheri (e),  
Mumbai – 400 059
- II) Financial Year : 2013.-2014  
First Quarter Results : 30<sup>th</sup> July, 2013  
Second Quarter/Half Yearly Results : 14<sup>th</sup> November, 2013  
Third Quarter Results : 14<sup>th</sup> February, 2013
- III) Date of Book Closure : 23.09.2014 to 30.09.2014  
both days inclusive
- IV) Listing in Stock Exchanges : **The Equity Shares of the Company are listed on OTC.**

There is no default in payment of Annual Listing Fees as prescribed.

- V) Stock Code -----
- VI) Demat ISIN numbers in NSDL & CDSL – -----

VIII) Share Transfer Systems: The company has appointed M/s. Link Intime India P. Ltd, Share Registrar & Transfer Agent C 13, Pannalal Silk Mills Compound, Next To Shangrilla Biscuits, Lbs Marg, Bhandup West, Mumbai – 400078. Transfers of physical shares are effected in house after approval by the Share Transfer Committee.

#### **IX). Distributions of Share Holdings as on 31-03-2014**

Categories of Shareholders as on March 31, 2014

Category	No. of Shares held	% of Shareholding
Promoters	834200	25.56
Banks Financial Institutions, MFs	64300	01.97
Others	2365200	72.46

- X) Dematerialization of Shares - The Shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31.03.2014, a total of 3263700 equity shares of the Company, forming 41.13% of the share capital of the Company, stand dematerialized (NSDL – 1342300 CDSL -----).

- XI) Outstanding GDR/ADR/warrants - NIL

- XII) The Company has no Plants.