



ALFRED HERBERT (INDIA) LTD.

**ANNUAL REPORT
2015-2016**



ANNUAL REPORT 2015-2016

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BOARD OF DIRECTORS

Mr. A. V. Lodha - **Chairman**

Mr. H. V. Lodha

Mr. R. C. Tapuriah

Mr. S. S. Jain

Mr. S. Bhandari

Mrs. S. Lodha

CEO & COMPANY SECRETARY

Mr. R. Radhakrishnan

AUDITORS

Ray & Ray

Chartered Accountants

REGISTERED OFFICE

Herbert House

13/3, Strand Road, Kolkata-700 001

Telephones : 2226 8619/2264 0106

Fax : (91) 033 2229 9124

E-mail : kolkata@alfredherbert.com

CIN : L74999WB1919PLC003516

MUMBAI OFFICE

Kaiser-I-Hind Building, Sprott Road

Ballard Estate, Post Box 110

Mumbai - 400 038

Telephones : 2261 9981 (3 lines)

Fax : (91) 022 22619983

E-mail : mumbai@alfredherbert.com

ALFRED HERBERT LIMITED

Whitefield Road, Post Box 4805

Mahadevapura P.O.

Bangalore-560 048

Telephones : (91) 080 2845 2263 (4 lines)

Fax : (91) 080 2845 3023

E-mail : mfg@alfredherbert.com



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 96TH ANNUAL GENERAL MEETING OF ALFRED HERBERT(INDIA) LIMITED will be held at Bengal National Chamber of Commerce & Industry Auditorium, at 23 Sir R N Mukherjee Road, Kolkata - 700 001 on Friday, 22nd July 2016 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2016 including audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a director in place of Mr. Aditya Vikram Lodha (DIN: 00036158), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Ray & Ray, Chartered Accountants (ICAI Registration No.301072E) as statutory auditors of the Company and fix their remuneration.

By Order of the Board of Directors
for Alfred Herbert (India) Limited

R. Radhakrishnan

Date::26th May 2016
Place::Kolkata

Chief Executive Officer
& Company Secretary

NOTES

1. The Register of Members and the Share Transfer books of the Company will remain closed from 15th July 2016 to 22nd July 2016 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the Dividend for 2015-16.
2. A Statement giving the relevant details of the Directors seeking re-appointment under item 3 of the accompanying Notice as required under Sub-clause 3 of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
3. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy/Proxies to attend and vote instead of himself/herself. Such a Proxy /Proxies need not be a member of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy

form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. Dividend on Equity Shares when sanctioned will be made payable to those shareholders whose name stand on the Company's Register of Members on 14th July 2016. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose. Dividend on equity shares if declared at the meeting will be paid/dispatched on and from 23rd July 2016.
5. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10 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.
6. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars 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 of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company's Registrar.
7. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had accordingly, transferred Rs.57,518/- being the unpaid and unclaimed dividend amount pertaining to Dividend of 2007-2008 on 7th September 2015 to the Investor Education and Protection Fund of the Central Government.
8. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the

Company as on 21st July 2015 (date of the last Annual General Meeting) on the website of the Company www.alfredherbert.co.in), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in)

9. Members who have not yet encashed their dividend warrants for the financial year ended 31st March, 2009, may approach the Company for revalidation of the dividend warrants before end of August 2016.
10. The Securities and Exchange 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 requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar.
11. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company at 13/3 Strand Road, Kolkata –700 001 and its office at 1 Kyd Street, Flat No. 37, Kolkata –700 016 during normal business hours (10.00 a.m. to 3.00 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
12. Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 96th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
 - II. The Board of Directors of the Company has appointed Mr. Abhijeet Jain, Practicing Company Secretary (Membership No. FCS – 4975) and Proprietor of M/s. A J & Associates, Company Secretaries as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
 - III. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. July 15, 2016.

- IV. The Scrutinizer, after scrutinizing the votes cast at the meeting and through e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.alfredherbert.co.in and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchange.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 19th July, 2016 at 10 a.m. and ends on 21st July 2016 at 5 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 15th July, 2016, may cast their vote electronically. The e-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 during the voting period
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 1. For CDSL: 16 digits beneficiary ID,
 2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 3. 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 you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)- <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company / Depository Participant

	<p>are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> ● 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.
Dividend Bank Details or	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.
Date of Birth (DOB)	<ul style="list-style-type: none"> ● 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).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach 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.

(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 Company Name, i.e. "ALFRED HERBERT (INDIA) 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 out print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If 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) Note for Non- Individual Shareholders and Custodians
- Non- Individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
 - 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 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, be uploaded in PDF format in the system for the scrutinizer 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 e-mail to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
for Alfred Herbert (India) Limited

R. Radhakrishnan
Chief Executive Officer
& Company Secretary

Date : 26th May 2016
Place : Kolkata

ANNEXURE TO ITEM NO.3 OF THE NOTICE

Details of Director seeking re-appointment/appointment at the forthcoming Annual General Meeting
(in pursuance of Sub-clause 3 of Regulation 36 of the SEBI
(Listing Obligations and Disclosure Requirements)
Regulation, 2015 of the Listing Agreement (As on 31st March, 2016)

Name of Director	Aditya Vikram Lodha
Director identification Number (DIN)	00036158
Date of Birth	11th October 1965
Nationality	Indian
Date of Appointment on Board	24th September 1987
Qualification	Chartered Accountant
Expertise	<p>He has over 28 years of experience in providing advisory services to a diverse client base across a wide spectrum of industries. He has handled various consultancy assignments in fields of corporate restructuring, mergers & acquisitions, joint ventures, collaborations, business strategy etc. He has also assisted large corporates to raise resources from the overseas capital markets and also advises many clients on market investments.</p> <p>Mr. Lodha served as the President of the Indian Chamber of Commerce (ICC), Kolkata twice i.e. in 1998-99 and in 2001-02 in its 75th year (Platinum Jubilee Year) as well as the Chairman of its Banking and Finance Committee. He has also served as a Member of The National Council of CII (Confederation of Indian Industry) and was National Committee Chairman of its Accounting Standards & Corporate Disclosures and Tax Committees. He has served as a member of the High Level Naresh Chandra Committee for corporate audit and governance, appointed by the Government of India, the Governing Body of the Indian Council of Arbitration, the Governing Council of the Central Manufacturing Technology Institute, Bangalore, Peer Review Board of Institute of Chartered Accountants of India, Industrial Development Bank of India's Eastern Regional Advisory Board, the State Advisory Board on Investment Promotion in Tripura and is the Hony. Secretary of the Alumnorum Societas, the old boys association of St. Xavier's Collegiate School, Kolkata.</p>
Shareholding in AHIL	38,043 Equity Shares
List of Directorships held in other Companies	Graphite India Limited Herbert Holdings Limited Newby S.E. Asia (Pvt.) Limited
Memberships/Chairmanships of Committees across Public Companies	<p>Chairman: Audit Committee: Graphite India Limited</p> <p>Member : Nomination & Remuneration Committee: Graphite India Limited</p>
Relationship between Directors inter-se	Brother of Mr. H. V. Lodha & Husband of Ms. Simika Lodha

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Ninety-sixth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2016.

FINANCIAL RESULTS

The Financial Results are as under:

	31st March 2016	31st March 2015
	Rs.	Rs.
Profit before Tax	8,408,146	8,167,651
Provision for Tax (including deferred tax)	261,758	237,113
Excess Tax provision written back	(2,321,510)	(2,809)
Profit after Tax	10,467,898	7,933,347
Surplus from earlier years brought forward	40,439,070	36,497,790
Amount available for appropriation	50,906,968	44,431,137
Appropriations:		
Proposed Dividend	1,542,858	1,542,858
Corporate Dividend Tax	314,090	262,209
General Reserve	800,000	600,000
Special Reserve	21,000,000	1,587,000
	4,756,948	3,992,067
Surplus carried to Balance Sheet	46,150,020	40,439,070
	50,906,968	44,431,137

DIVIDEND

Your Directors take pleasure in recommending for approval the payment of Dividend of Rs. 2/- (per share) for the year ended 31st March 2016.

FINANCIAL PERFORMANCE

The Company's gross income for the financial year ended 31st March 2016 stood at Rs.200.71 lacs as against Rs.201.27 lacs in 2014-15. Profit before tax of the Company stood at Rs.84.08 lacs as against Rs.81.68 lacs in 2014-15.

Profit after tax of the Company stood at Rs.104.68 lacs against Rs.79.33 lacs in 2014-15.

There was a marginal improvement in the performance of the Company's wholly owned subsidiary, Alfred Herbert Limited during the year and the Company made a profit before tax of Rs.18.39 lacs as against a loss of Rs.210.63 lacs in 2014-15. This was achieved despite poor demand in the capital intensive industry and the sluggish demand in the tyre industry. Customers continue to delay taking deliveries on time which have had made an adverse impact on the working capital of the Company. Alfred Herbert Limited is attempting to diversify its product mix and has installed a new machine to optimise a new CNC Machine to optimise its production facilities.

DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, Mr. A V Lodha, Director, retires by rotation and being eligible, offers himself for re-appointment.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

SHARE CAPITAL

The paid-up equity share capital of the Company as on 31st March 2016 was Rs.77.14 lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

DEPOSITS

The Company had discontinued its fixed deposit scheme in the financial year 2000-2001.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not taken or given any loans or given loans and investments covered under the provisions of Section 186 of the Companies Act, 2013.

During the year, the Company has provided a Corporate Guarantee to a Bank at Bangalore for advancing Working Capital facilities to its wholly owned subsidiary, Alfred Herbert Limited.

STATUTORY AUDITORS

M/s. Ray & Ray, Chartered Accountants, will retire at the Annual General Meeting and they have given their consent to be re-appointed for the current year.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Priyanka Lohia, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure A"

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance code as stipulated under the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance, along with Certificate from the Auditors confirming the compliance, is annexed and forms part of the Annual Report.

SUBSIDIARY COMPANIES

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit & Loss and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However, the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The consolidated financial statements presented by the Company include financial results of its Subsidiary Companies, Alfred Herbert Limited and Herbert Holdings Limited.

MEETINGS OF THE BOARD

During the year 5 meetings of the Board of Directors and 1 meeting of Independent Directors were convened and held. Also 4 meetings

of Audit Committee, and 2 meetings of Stakeholders Relationship Committee were held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

BUSINESS RISK MANAGEMENT

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. Your Company has established a comprehensive Risk Management System to ensure that risk to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk Management strategy as approved by the Board of Directors is implemented by the Company Management.

MANAGERIAL REMUNERATION

During the year, the Company paid an aggregate sum of Rs.16.35 lacs to Key Managerial Personnel, Mr. R Radhakrishnan (CEO) and Mr. A K Basu (CFO).

VIGIL MECHANISM

Pursuant to the provisions of revised Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 166 (9)&(10) of the Companies Act, 2013, the Company had established a Vigil Mechanism for Directors and Employees to report concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

REMUNERATION POLICY

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

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 4(f) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

INTERNAL FINANCIAL CONTROLS

Pursuant to Section 134(5) (e) of the Company's Act, 2013, the Directors of the Company had laid down internal financial control policy assuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Accounting records and timely preparation of reliable financial information.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an Internal Control System commensurate with the size and scale of its operations.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were in the ordinary course of business. None of the Directors has any direct pecuniary relationships or transactions vis-à-vis the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return in Form No. MGT- 9 is annexed herewith as "Annexure B".

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(3) (C) of the Companies Act, 2013, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

- a) that in the preparation of the annual financial statements for the year ended 31st March 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note No. 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016 and of the profit of the Company for the year ended on that date
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding foreign exchange earnings and expenditure appear as Annexure to Schedule at item No. 13 in the Notes to the Accounts. The other particulars relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3M) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

PERSONNEL

Your Directors wish to place on record their appreciation for the services rendered by the employees of the Company during the year.

Kolkata
Date: 26th May 2016

On behalf of the Board
A. V. Lodha
CHAIRMAN



FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON **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

Alfred Herbert (India) Limited

I have conducted the secretarial audit of the Compliance of applicable statutory provisions and adherence to good corporate practices by **Alfred Herbert (India) Limited** (hereinafter called the Company). 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 statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by the company for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - **(Not Applicable to the company during the Audit period);**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **(Not Applicable to the company during the Audit period);**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase scheme) Guidelines, 1999 - **(Not Applicable to the company during the Audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not Applicable to the company during the Audit period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not Applicable to the company during the Audit period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **(Not Applicable to the company during the Audit period);**
- (vi) I further report that having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the following laws specifically applicable to the company, as identified by the management, that is to say:
 - a. Reserve Bank of India Act, 1934 (Section 45-IA) and directions thereon, viz.,
 - I Non Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
 - I Non Banking Finance (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007).
 - b. Prevention of Money Laundering Act, 2002

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard (SS 1 & SS 2) issued by the Institute of Company Secretaries of India (ICSI);