

Balurghat
The Balurghat Group Since 1952

BALURGHAT TECHNOLOGIES LIMITED



20th ANNUAL REPORT

2013 - 2014

Protecting Ideas, Invigorating Growth



BALURGHAT TECHNOLOGIES LIMITED

Registered office: 170/2C, A.J.C. Bose Road, Kolkata - 700 014

CIN No: L60210WB1993PTC059296 / Phone : (033) 22866404

Email : kolkata@balurghat.co.in, Website : www.balurghat.co.in

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of Balurghat Technologies Limited will be held on Monday, 29th September, 2014 at 9:30 AM at Sahapur Mitali Sangha, 14, Ishan Mondal Garden , Kolkata - 700 038, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited balance sheet as at March 31, 2014, 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 appoint a Director in place of Shri Hansraj Sethia (DIN No 03193796) who retire by rotation and being eligible , offers himself for reappointment.
3. To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an "Ordinary Resolution".

"RESOLVED THAT M/s Guha & Sons, Chartered Accountants, be and hereby appointed as auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of fourth consecutive Annual General Meeting of the company for the three consecutive financial years for 31st march, 2015, 31st march, 2016 and 31st March, 2017, subject to ratification of the appointment by the shareholders at every Annual General Meeting held after this Annual General Meeting on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

4. 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 any 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 IV to the Companies Act, 2013, Smt. Gita Sharma (holding DIN 06766560), Director of the Company who was appointed as an additional director of Company in Board Meeting held on 15th February 2014 and in respect of whom the Company has received a notice in writing u/s 160 of the Companies Act 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years or a term up to the conclusion of the 25th Annual General Meeting of the Company in the calendar year 2019, not liable to retire by rotation.

5. 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 any 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 IV to the Companies Act, 2013, Shri Sushil Kumar Sancheti (holding DIN 03281792), Director of the Company whose period of office is liable to determination by retirement of directors by rotation in respect of whom the Company has received a notice in writing under section 160 of the Companies Act 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years or a term up to the conclusion of the 25th Annual General Meeting of the Company in the calendar year 2019 not liable to retire by rotation.

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

"RESOLVED THAT pursuant to provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 (the "Act") (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) and rules made thereunder, the following Article 120 of the existing Articles of Association of the Company is hereby altered in the following manner.

"A Managing Director shall while he continues to hold office is subject to retirement by rotation and he shall be reckoned

as a Director for the purpose of determining the rotation of retirement of Directors in fixing the number of directors' to retire".

"RESOLVED FURTHER THAT" for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary and to settle any questions that may arise in this regard.

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

"RESOLVED THAT in supersession of the resolution adopted at the General Meeting held on 30th December, 1993 in this regard and pursuant to Section 180(1)(c) and any 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), consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") to borrow any sum or sums of money from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, the total amount so borrowed shall not at any time exceed Rs 50 Crores.

8. To Consider and if thought fit to pass, with or without modification(s), the following resolution as a **"Special Resolution"**.

"RESOLVED THAT in supersession of the ordinary resolution adopted at the General Meeting held on 30th December, 1993 in this regard and pursuant to Section 180(1)(a) and any 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), and that consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") mortgaging and/or charging in such form and in such terms and conditions and at such time or times as the Board may deem fit the present and future moveable and immoveable properties belongings or to belong to the company including the whole or substantially the whole of undertaking of the Company or any one or more of its undertakings, if there be more than one in favour of Army /Naval Group Insurance or any financial institution, Bank, Insurance Company, authority or any other party or person whatsoever or as the case may be Trustees for the holders of any Debentures for securing any loan or financial accommodation granted or to be granted or debentures taken or to be taken by or any obligation incurred or to be incurred towards such Army /Naval Group Insurance, financial institution, bank, Insurance Company, authority or any other party or person, as the case may be together with the interest there on at agreed rates, compound interest additional interest, liquidated damages, commitment charges premium on prepayment or on redemption, costs charges, expenses and any moneys payable in connection therewith with the power to such Army/Naval Group Insurance, financial institution bank insurance company authority or such other party or Trustees as the case may be, to take over the management of the business and concern of the company in certain events and further that the Board be and is hereby authorised to finalise with any or all concerned parties aforesaid the documents in relation to or for creating the mortgages and /or charges including execution of any documents as may be necessary or expedient for giving effect to this resolution.

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

"RESOLVED THAT in supersession of the resolution adopted at the General Meeting held on 30th December, 1993 in this regard and pursuant to Section 181 and any 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), consent of the Company be and is hereby accorded to the Board of Directors of the Company contributing to charitable and other funds not directly relating to the business of the Company or the welfare of its employees such sum or sums as it may from time to time determine but so that the total contributions shall not exceed 6.25% of net profits in any financial year of the company notwithstanding that such contributions may exceed the limit 5% of the Company's average net profit for the three immediately preceding financial years.

BY THE ORDER OF THE BOARD
FOR BALURGHAT TECHNOLOGIES LIMITED

SHIKHA SINGH
(COMPANY SECRETARY)

Kolkata
Dated: 14th August, 2014

NOTES:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and 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. The instrument appointing proxy should be deposited at the Registered Office of the Company, not less than 48 hours before commencement of the meeting. Proxies submitted on behalf of limited companies ,societies must be supported by appropriate resolutions /authority as applicable
2. Members /Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2014 to 29th September, 2014 (both days inclusive) in connection with the Annual General Meeting.
4. Brief resume of all Directors including those proposed to be re-appointment, nature of their expertise in specific functional areas, names of companies in which they hold directorship and memberships/ chairmanships between directors inter-se as stipulated under clause 49 of the listing agreement with the stock exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days between 11 am and 1 pm up to the date of Meeting.
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in there address immediately to the Company/Registrars and Transfer Agents, M/s MCS Share Transfer Agent Limited.
8. 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 therefore, 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/ Registrars and Transfer Agents, M/s MCS Share Transfer Agent Limited.
9. Members are requested to bring their copies of the Annual Report to the meeting.
10. Mr. Mohan Ram Goenka, Practising Company Secretary, (C.P.No. 2551) has been appointed as the Scrutiniser to Scrutinise the e-voting process.
11. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website Balurghat.co.in.The Notice of AGM shall also be available on the website of CDSL viz. www.evotingindia.com.
12. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
13. The Results declared along with the Scrutinizer's report shall be placed on the website of the Company and on the website of the agency within 2 (two) days of passing of the resolution at the Annual general meeting.
14. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.
15. You are thus requested to kindly submit your e-mail ID vide the e-mail registration form attached in this Annual Report by filling up and signing at the appropriate place in the said form and return the same to the Company. The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the Registrar & Share Transfer Agent of the Company.

16. Voting through electronic means

In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased provide Members facility to cast their vote electronically through e voting services provided by Central Depository Services Limited.

The instructions for shareholders voting electronically are as under:

- I. The voting period begins on 18th Sept 2014 at 10 a.m and ends on 20th Sept 2014 6 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 22nd August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- III. Click on "Shareholders" tab.
- IV. Now, select the "Balurghat Technologies Limited" from the drop down menu and click on "SUBMIT" 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 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) 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. 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. For those not having PAN sequence no will be communicated in address label.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	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).

- 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.

director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Smt Gita Sharma that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Smt Gita Sharma possesses appropriate skills, experience and knowledge, inter alia, in the field of finance.

Accordingly, the Board recommends the resolution in relation to appointment of Smt. Gita Sharma as an Independent Director, for the approval by the shareholders of the Company.

Except Smt. Gita Sharma, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

Item 5

Shri Sushil Kumar Sancheti appointed as a Non Executive Independent Director of company is a member of the Company is not director in any other company. Shri Sushil Kumar Sancheti does not hold any equity shares of the Company. In the opinion of the Board, Shri Sushil Kumar Sancheti fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder as also under the Listing agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Sushil Kumar Sancheti as a Non Executive Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. The Board considers that the proposed appointment of Smt. Sharma as a Director, given his experience and knowledge in diverse areas, will be in the best interest of the Company and bring diversity to the composition of the Board.

Under Section 160 of the Companies Act 2013, a notice in writing has been received from a member signifying his intention to propose Sushil Kumar Sancheti, as a Director of the Company along with the deposit of requisite amount as required under the aforesaid Section.

Sushil Kumar Sancheti is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has received the consent to act as director and requisite Form from him, confirming his eligibility for such appointment.

Except Shri Sushil Kumar Sancheti, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item no 5.

Item 6

The provisions of Section 152 of the Companies Act, 2013 provide that not less than two-thirds of the total number of directors of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation, where the term "total number of directors" does not include Independent Directors whether appointed under the Companies Act, 2013 or any other law for the time being in force.

With the promulgation of Companies Act 2013, together with various schedule thereto and rules made there under (collectively referred as "ACT"), in replacement of Companies Act 1956, it has become necessary to modify the existing **Article no. 120** so as to have the effect of bringing it in consonance with the provisions of the Act to the extent they are repugnant to and /or at variance with the provisions thereof, with the reference to the provisions of section of Companies Act 1956 being deemed to be and read as reference to corresponding section of the Act, wherever appearing.

In the light of above-referred provisions of the Companies Act, 2013 and to meet the requirements it is desirable that the period of office of Executive Directors and Managing Directors are made liable to determination by retirement of directors by rotation.

Hence the Board of Directors recommends the resolution as set out in Item No. 4 of the accompanying Notice concerning his period of office as a Special Resolution.

Apart from Arun Kumar Sethia, wholetime Director and Hansraj Sethia no other director and Key Managerial Personnel of the Company and their relatives, is concerned or interested in the Resolution.

Item 7

At the General Meeting of the Company held on 30th December, 1993, the members had pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956 approved by way of an Ordinary Resolution to borrow any sum or sums of money from

time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, the total amount so borrowed shall not at any time exceed Rs 50 Crores.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No.7 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow not exceeding Rs 50 crores by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution setout at Item No. 7. except to the extent that it is proposed to authorise them to borrow moneys as stated in the Resolution and to the extent of their shareholding in the Company, if any.

Your Directors recommend the resolution at Item No. 7 for your approval.

Item 8

Vide Ordinary resolution passed at the General Meeting held on 30th December, 1993 in this regard and pursuant to Section 293(1)(a) Companies Act, 1956 empowered the Board for mortgaging and /or charging in such form and in such terms and conditions and at such time or times as the Board may deem fit the present and future moveable and immoveable properties belongings or to belong to the company including the whole or substantially the whole of undertaking of the Company or any one or more of its undertakings, if there be more than one in favour of Army /Naval Group Insurance or any financial institution, Bank, Insurance Company, authority or any other party or person whatsoever or as the case may be Trustees for the holders of any Debentures for securing any loan or financial accommodation granted or to be granted or debentures taken or to be taken by or any obligation incurred or to be incurred towards such Army /Naval Group Insurance, financial institution, bank, Insurance Company, authority or any other party or person, as the case may be together with the interest there on at agreed rates, compound interest additional interest, liquidated damages, commitment charges premium on prepayment or on redemption, costs charges, expenses and any moneys payable in connection therewith with the power to such Army/Naval Group Insurance, financial institution bank insurance company authority or such other party or Trustees as the case may be, to take over the management of the business and concern of the company in certain events and further that the Board be and is hereby authorised to finalise with any or all concerned parties aforesaid the documents in relation to or for creating the mortgages and /or charges including execution of any documents as may be necessary or expedient for giving effect to this resolution.

Therefore, in order to ensure compliance under the new enactment It is, desirable for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 8 of the Notice, to enable the Board of Directors Board for mortgaging and /or charging in such form and in such terms and conditions and at such time or times as the Board may deem fit the present and future moveable and immoveable properties belongings or to belong to the company including the whole or substantially the whole of undertaking of the Company or any one or more of its undertakings, if there be more than one in favour of Army /Naval Group Insurance or any financial institution, Bank, Insurance Company, authority or any other party or person whatsoever or as the case may be Trustees for the holders of any Debentures for securing any loan or financial accommodation granted or to be granted or debentures taken or to be taken by or any obligation incurred or to be incurred towards such Army /Naval Group Insurance, financial institution, bank, Insurance Company, authority or any other party or person, as the case may be together with the interest there on at agreed rates, compound interest additional interest, liquidated damages, commitment charges premium on prepayment or on redemption, costs charges, expenses and any moneys payable in connection therewith with the power to such Army/Naval Group Insurance, financial institution bank insurance company authority or such other party or Trustees as the case may be, to take over the management of the business and concern of the company in certain events and further that the Board be and is hereby authorised to finalise with any or all

concerned parties aforesaid the documents in relation to or for creating the mortgages and /or charges including execution of any documents as may be necessary or expedient for giving effect to this resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution setout at Item No. 8 except to the extent that it is proposed to authorise them to mortgage and/or create charge etc. as stated in the Resolution and to the extent of their shareholding in the Company, if any.

Your Directors recommend the resolution at Item No. 8 for your approval.

Item 9

Vide ordinary resolution passed at the General Meeting held on 30th December, 1993 in this regard and pursuant to Section 293(1)(e) of companies Act 1956 empowered the Board of Directors of the Company for contributing to charitable and other funds not directly relating to the business of the Company or the welfare of its employees such sum or sums as it may from time to time determine but so that the total contributions shall not exceed 6.25% of net profits in any financial year of the company notwithstanding that such contributions may exceed the limit prescribed by the said section.

Pursuant to section 181 of Companies Act 2013 it is proposed to seek fresh approval of members to empower Board to contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees such sum or sums as it may from time to time determine but so that the total contributions shall not exceed 6.25% of net profits in any financial year of the company notwithstanding that such contributions may exceed 5% of the Company's average net profit for the three immediately preceding financial years.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution setout at Item No. 9.

Your Directors recommend the resolution at Item No. 9 for your approval.

BY THE ORDER OF THE BOARD
FOR BALURGHAT TECHNOLOGIES LIMITED

SHIKHA SINGH
(COMPANY SECRETARY)

Kolkata

Dated: 14th August, 2014

DIRECTOR'S REPORT

The Members of Balurghat Technologies Limited

The Board of Directors is pleased to present the 20th Annual Report of the company together with the audited financial statement for the year ended on March 31, 2014.

FINANCIAL RESULTS

The financial performance of the Company, for the year ended March 31, 2014 are summarized below: **(Rs. in hundreds)**

Particulars	2013-2014	2012-2013
Profit before Depreciation & Amortization Expenses, Finance Costs & Tax Expenses	104393	93699
Less : Finance Cost	8179	5684
Depreciation	15916	15532
Profit before Tax	80298	72483
Less : Current Tax	15301	13811
Profit for the year	64997	58672
Add: Balance in Profit & Loss Account	-1261261	-1327639
Appropriation		
Add: Adjustment of Provision Of IT	0	7706
Closing Balance	-1196264	-1261261

RESULTS OF OPERATION

Financial Year 2013-2014 was a challenging year. The global economy barely a year after recession, witnessed lower economic growth. Despite these constraints and the challenging environment, the company performed reasonably well and the highlights of the performance are as under:

- Revenue from operation increased by 6% to 3760121 hundred for the year as against 3550564 hundred of the previous year.
- PBDIT increased by 11.41% to 104393 hundred for the year as against 93699 hundred of the previous year.
- Profit before tax increased by 10.78% to 80298 hundred for the year as against 72483 hundred of the previous year.
- Net Profit increased by 10.78% to 64997 hundred for the year as against 58672 hundred of the previous year.

DIVIDEND

In view of the accumulated losses during the current year, your Directors are unable to recommend any dividend for the year under reference.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange in India, is presented in a separate section forming part of the Annual Report.

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 that:

- i. In the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956 have been followed and there are no material departures from the same;
- ii. The Directors have 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 as at March 31, 2014 and of the profit of the company for the year ended on that date;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities: and
- iv. The Directors have prepared the annual accounts of the Company on a "going concern" basis.

AUDITORS AND AUDITORS' REPORT

M/s Guha & Sons, Chartered Accountants is the Auditor of the Company, hold office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the company did not have any employee who has been in receipt of the remuneration prescribed the above mention section, during whole or any part of the year under review.