

CIL SECURITIES LIMITED

(CIN : L67120TG1989PLC010188)



ANNUAL REPORT
2016-17

Company Information**Board of Directors**

K K Maheshwari	Chairman and Managing Director
Piyush Modi	Executive Director
A K Inani	Director - Finance / CFO
Pramila Maheshwari	Non Executive Director
F R Bhote	Independent Director
Budhi Prakash Toshniwal	Independent Director

Solicitors

K Balakrishna & Associates
No1-1-336/140, Chikkadpally
Hyderabad- 500 020

Independent Directors Committee

Budhi Prakash Toshniwal
F.R. Bhote

Principal Bankers

Kotak Mahindra Bank Limited
HDFC Bank

Risk Management Committee

K K Maheshwari
A K Inani
Piyush Modi
Pramila Maheshwar

Registered Office

214, Raghava Ratna Towers
Chirag Ali Lane, Abids
Hyderabad- 500 001
website: www.cilsecurities.com
e-mail: advisors@cilsecurities.com
Tel No.: 040-23203155

Audit Committee

Budhi Prakash Toshniwal
Pramila Maheshwari
F.R. Bhote

Stakeholder's Relationship Committee

Pramila Maheshwari
F.R. Bhote
Budhi Prakash Toshniwal

Corporate Office

130-132, Room No. 20,
II Floor, Great Western Building
Opp. Lions Gate, Fort,
Mumbai-400023

Nomination & Remuneration Committee

F.R. Bhote
Budhi Prakash Toshniwal
Pramila Maheshwari

Registrar & Share Transfers In House

214, Raghava Ratna Towers
Chirag Ali Lane, Abids,
Hyderabad- 500 001
E-mail: advisors@cilsecurities.com
Tel No.: 040-23203155
Fax: 040-23203028

Auditors

M/s Ram Kishore Jhavar & Associates
Chartered Accountants Firm No. 003016S
4-4-296/297, 1st Floor, Room no 13,
Mithila Complex, Bank Street, Koti,
Hyderabad – 500195

Company Secretary

Govind Toshniwal

NOTICE

Notice is hereby given that the **Twenty Eighth Annual General Meeting** of the Members of CIL Securities Limited will be held on **Thursday, the 28TH Day of September 2017** at 608, Raghava Ratna Towers, North Block, Chirag Ali Lane, Abids, Hyderabad – 500 001 at **11:00 A.M.** to transact the following businesses:

Ordinary Business:

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit & Loss of the Company for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- 2) To declare Dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2017.
- 3) To appoint a Director in place of Shri K K Maheshwari, who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.
- 4) To appoint a Director in place of Shri Piyush Modi, who retires by rotation at this Annual General

Meeting, and being eligible, offers himself for reappointment.

- 5) To Consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force) M/s Sridhar Jhawar and Associates be and is hereby appointed as the Statutory Auditors of the Company until the conclusion of Annual General Meeting to be held for the FY 2021-22 (for a term of 5 years) subject to the ratification in the every Annual General Meeting to be held till the conclusion of the 33rd Annual General Meeting, with remuneration as may be decided by the Board of Directors of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Registered office
214, Raghava Ratna Towers
Chirag Ali lane, Abids
Hyderabad-500 001

**By Order of the Board of Directors of
CIL SECURITIES LIMITED**

**Place: Hyderabad
Date: 27.05.2017**

**K K Maheshwari
Chairman & Managing Director
DIN: 00223241**

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
4. Members who hold shares in Dematerialized form are requested to write their DP ID and Client ID and those who hold shares in Physical Form are requested to write their Folio Number in the attendance slip for attending the Meeting.
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 except Saturdays and Sundays, between 11.00 AM and 1.00 PM up to the date of the Meeting.
7. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, No of Companies in which they hold directorships and memberships / Chairmanships of Board Committees, shareholding and relationships between directors inter - se stipulated thereto.
8. In terms of the provisions of Companies Act 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund. Accordingly, the Company would be transferring the Final Dividend for the year ended 31st March 2010. Shareholders are requested to ensure that they claim the dividends referred to above, before it is transferred to the said fund.
9. The Shareholders are expected to send their queries on Annual Report to the Company Secretary, at least 7 days before the date of meeting, so that the requisite information/explanations can be provided in time.
10. (a) The Company has already notified the record date i.e 22nd September, 2017 for determining the names of Member eligible for Dividend on Equity shares.
 - (b) The dividend on Equity shares, if declared at the Meeting, will be paid on or after 28th Day of September 2017 to those members whose names shall appear on the Company's Register of Members on 22nd September 2017; in respect of shares held in Dematerialized form, the dividend will be paid to members whose name are furnished by the National Securities Depository Limited and Centra Depository Services (India) Limited as beneficial owners on date.
11. (a) In order to provide protection against fraudulent encashment of dividend warrants, members who hold shares in physical form are requested to intimate Share Transfer Department of the Company, under the signature of the Sole/First Joint holder, the following information to be incorporated on dividend warrants:
 - (i) Name of the Sole/First Joint Holder and the Folio Number:
 - (ii) Particulars of the Bank Accounts, viz:
 - Name of the Bank;
 - Name of the Branch;
 - Complete Address of the Bank with Pin Code Number;
 - Account Type
 - Whether Savings Account (SA) or Current Account (CA);
 - Bank Account Number and MICR code/RTGS/ NEFT Code
 - (b) Members who wish to change such Bank Account Details are, requested to advise their Depository Participants about such change with complete details of the Bank Account.

- (c) To avoid loss of dividend warrants in transit and undue delay in respect of Dividend Warrants, the Company has provided a facility to the members for remittance of dividend warrant through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact Share Transfer Department of the Company.
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
13. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.cilsecurities.com and also on website of the Stock Exchange where the Equity Shares of the Company are traded.
14. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
15. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.
16. Voting through electronic means:
- According to Section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 e-voting is mandatory for all listed companies or companies having Shareholders not less than one thousand.
 - 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 the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services Limited (CDSL):
 - A member may exercise his vote at any general meeting by electronic means and company may pass any resolution by electronic voting system in accordance with Rule 20 of the Companies (Management and Administration) Rules, 2014.
 - During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the fixed or record date, may cast their vote electronically.
 - The e-Voting shall remain open for 3 days from 9.00 AM of 25th Day of September 2017 to 5.00 PM of 27th September 2017
 - The Board of Directors at their meeting have appointed Mr. Thomas Joseph Lloyd, Practicing Advocate as the scrutinizer for e-Voting to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The scrutinizer will be responsible to conduct e-Voting in a fair and transparent manner.
 - Vote once cast by the member cannot be changed/ altered.
18. The instructions for e-voting are as under:
- (A) In case of members receiving e-mail:**
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any Company, then your existing login id

and password are to be used.

- ii) Log on to the e-voting website www.evotingindia.com.
- iii) Click on "Shareholders" tab to cast your votes.
- iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
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. PAN / Sequence Number is available on bottom side of the Sticker	
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.	

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then reach directly the EVSN 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. The new password has to be minimum eight characters

consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ %& *). 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. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.

- viii) Click on the relevant EVSN on which you choose to vote.
 - ix) 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.
 - x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
 - xi) 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.
 - xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (II) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**
- (B) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.
 - (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
 - (D) The Remote voting period begins at 9.00 AM of 25th Day of September 2017 to 5.00 PM of 27th September 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd, Sep, 2017 may cast their vote electronically. The e-voting module shall be disabled

- by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (E) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Share Transfer Department of the Company for consolidation into a single folio.
 20. Non-Resident Indian Members are requested to inform the Share Transfer Department of the Company of:
 - (a) Change in Residential Status on return to India for permanent settlement.
 - (b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with the Pin Code number.
 21. Members desirous of any information on the accounts are requested to write to the Company at least a week before the meeting so as to enable the Management to keep the information ready and replies will be provided only at the meeting.
 22. Duplicate attendance slip shall not be issued at the Annual General Meeting Venue. However the same shall be issued at the Registered Office of the Company upto two days preceding the day of AGM.
 23. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd Sep, 2017.
 24. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd Sep, 2017 may obtain the login ID and password by sending an email to rta@cilsecurities.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on <https://www.evotingindia.com>
 25. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
 26. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers.
 27. Shri Thomas Joseph Lloyd, Practicing advocate has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
 28. The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutinizer shall within 48 hours of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.
 29. The results along with the Scrutinizers Report shall be placed on the website of the Company and on the website of CDSL and shall be communicated to BSE Limited.

By Order of the Board of Directors of
CIL SECURITIES LIMITED

KK Maheshwari
Chairman & Managing Director
DIN: 00223241

Registered office
214, Raghava Ratna Towers
Chirag Ali lane, Abids
Hyderabad-500 001

Place : Hyderabad
Date : 27.05.2017

Details as required under Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

ITEM 3

Shri K.K.Maheshwari is a graduate in Commerce and has experience in the line of investments activity and has more than 29 years of experience. He is the Promoter Director of the Company and has been associated with Company's development and diversification plans. He has experience in Merchant Banking, Registrar & Share Transfer Agents, Stock Broking Activity and other diversified financial activities. He is a Member of the Shareholders'/Investor Grievance Committee of the Company.

Shri K.K.Maheshwari holds 1072700 Equity shares of the Company representing 21.45 percent of the paid up share capital as on 31st March, 2017

He is the Chairman and Managing Director of the Company.

He holds the directorships in the following Companies:

- ✦ CIL Commodities Private Limited.
- ✦ CIL Industries Limited
- ✦ Gita Finvest Private Limited
- ✦ Mahesh Vidya Bhavan Limited

ITEM 4

Shri Piyush Modi is a graduate in Commerce and is having more than 20 years of experience in financial services and Capital Market Operations. Shri Piyush Modi holds 500 Equity shares of the Company representing 0.01percent of the paid up share capital as on 31st March, 2017.

He is the Executive Director of the Company.

He holds the directorships in the following Companies:

- ✦ Om Crushed India Private Limited
- ✦ Jhansi Plastics Private Limited
- ✦ KRP Concretes Private Limited.
- ✦ Piyush Stock Broking Services Private Limited

ITEM 5

Section 139 of the Companies Act, 2013 ('the Act') which became effective from April 1, 2014, read with the Rules made thereunder provides for mandatory rotation of statutory auditors.

In terms of Section 139(2) of the Act, the maximum tenure of the audit firm is restricted to two consecutive terms of 5 years each. The Rules also lay down the transitional period for which the existing auditors who have completed 10 years before the Act becoming effective can continue to act as statutory auditors.

M/s. Ram Kishore Jhawar and associates, Chartered Accountants have been the Statutory Auditors of the Company for more than 10 years and will be completing the transitional period at the conclusion of the Twenty Eighth Annual General Meeting (AGM) of the Company scheduled to be held on September 28, 2017.

The Audit Committee and the Board of Directors of the Company at their respective meetings held on May 27, 2017, have considered and recommended, the appointment of M/s Sridhar Jhawar and Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the Twenty Eighth AGM till the conclusion of the Thirty Third AGM to the Members of the Company.

M/s Sridhar Jhawar and Associates, Chartered Accountants have consented to act as the Statutory Auditors of the Company and have also provided their written confirmation that their appointment, if made, would be in accordance with the provisions of Section 139(1) of the Act read with Companies (Audit and Auditors) Rules, 2014 and that they further satisfy the criteria provided under Section 141 of the Act.

The Board commends passing of the Ordinary Resolution set out at item no. 5 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at item no. 5 of the Notice.

By Order of the Board of Directors of
CIL SECURITIES LIMITED

KK Maheshwari
Chairman & Managing Director
DIN: 00223241

Registered office

214, Raghava Ratna Towers
Chirag Ali lane, Abids
Hyderabad-500 001

Place : Hyderabad

Date : 27.05.2017

Directors' Report

Dear Members,

Your Directors present the 28th Annual Report and the Audited Accounts for the Financial Year ended 31st March 2017.

FINANCIAL RESULTS

The Financial performance of the Company for the Financial Year ended 31st March, 2017 is summarized below:

Particulars	(Rs. in Lakhs)	
	Year Ended 31.03.2017	Year Ended 31.03.2016
Total Revenue	934.69	461.48
Profit before Interest, Depreciation & Tax	506.93	109.33
Profit before Depreciation and Tax	506.56	109.31
Depreciation	15.51	13.98
Profit Before Tax	491.05	95.33
Extraordinary Income	(433.87)	70.09
Less: Provision for Tax (Net)	10.24	33.86
Profit After Tax	46.94	131.56
Add: Balance Brought Forward from the last year	1171.96	1083.64
Profit available for Appropriation	1218.90	1215.20
Appropriations:		
Proposed Equity Dividend	25.00	25.00
Tax on Dividend	5.09	5.08
Transfer to General Reserve	4.85	13.16
Balance carried forward to Balance sheet	1183.96	1171.96
Total Appropriations	1218.90	1215.20

The Company's Profit after Tax is Rs. 46.94Lacs (Previous Year Rs. 131.56 Lacs). The Board recommends transfer of a sum of Rs. 4.85Lacs (Previous Year Rs. 13.16 Lacs) to General Reserve.

DIVIDEND

Your Directors are pleased to recommend the payment of dividend on equity shares @ Rs. 0.50 per share for the financial year ending 31-03-2017. The total dividend together with tax and surcharge there on amount to Rs30.09 Lacs (Previous year Rs. 30.08 Lacs).

MARKET SCENARIO

Indian stocks have risen to new highs this fiscal year despite a series of developments perceived to be negative to the markets. From the UK's referendum to leave the European Union, Donald Trump's victory in the US presidential election, the US Federal Reserve's decision to hike interest rates and Prime Minister's demonetisation move, the year was action-packed, to say the least.

Despite global events impacting risk sentiments during the year, the positives of the domestic economy supported the market; which included a normal monsoon, moderating inflation and implementation of the seventh Pay Commission award, all of which are expected to boost consumption.

The watershed moment of the year came when the Prime Minister announced on November 8th, 2016 that on the stroke of midnight all 500 and 1,000 rupee notes - 86% of the currency in circulation - would cease to become legal tender. On the back of this news the NIFTY crashed almost 7% as market participants tried to decipher the possible effect such a move would have on a cash transaction reliant market such as India.

But the onset of calendar year 2017 have saw the Indian markets embark on a rally supported by India's economic growth potential, BJP's historic win in the Uttar Pradesh elections and a surge of liquidity funded by increase in SIPs which took the NIFTY to new highs in the last days of the fiscal year as it broke the 9000 barrier, gaining close to 16% from the post demonetization lows.

The domestic equity indices ended FY 2017 with good gains amid volatility in the frontline indices NIFTY gaining 19 per cent. The midcap index had a good year with 37 per cent gain. Cyclical sectors outperformed defensives during the year. Metals (62 per cent), Oil & Gas (38 per cent), Auto (22 per cent) and Bank (33 per cent) stocks were supported by a rally in global commodity prices and easing of the domestic money policy. Pharma (-5 per cent) and IT (3 per cent) were the under performers as they remained under pressure given the global scenario.

MARKET OUTLOOK

The momentum in the Indian markets will be carried into the next financial year as they are expected to perform better than they did in FY17. Even after demonetization, the Indian economy is expected to grow above 7.5% in the coming year as it will get a boost from the expectation of normal monsoon which would revive rural demand with increase in spending, ability which in turn will push earnings growth of FMCG, consumer durables, agri inputs, fertiliser and cement companies amongst others and give more room to the RBI to cut interest rates going forward. The implementation of GST and its impact on earnings due to stock adjustment and implementation hurdles for next one or two quarters have to be seen. In the long run GST overall is likely to increase GDP by 2% per annum.

The equity market is getting support from domestic fund flows through mutual funds which are flush with funds due to sharp rise in the number of SIPs and rising flows from National Pension Scheme and the Employee Provident Fund Organisation (EPFO). Domestic money flow outstripped foreign fund flows in a cumulative two-year cycle in FY16-17 for the first time in seven years while a broad-based comparison of

stock ownership suggests favourable tailwind for Indian funds and investors. The alternatives to equity investment like Gold have become too volatile and do not assure that value will grow consistently and with government cracking down on benami properties and real estate transaction, investors are getting weary of property market. FDs and Bonds yields are just about sufficient to cover the risk of inflation. Under such circumstances, only equity linked products remain as veritable investment options for wealth creation. This could be a key driver for Indian equities.

SHARE CAPITAL

During the Financial Year 2016-17, the share capital of the Company has remained unchanged

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return, in format MGT -9, for the Financial Year 2016-17 has been enclosed with this report.

NUMBER OF BOARD MEETINGS

The Details of the number of meetings of the Board held during the Financial Year 2016-17 forms part of the Corporate Governance Report

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act 2013 Shri K K Maheshwari and Shri Piyush Modi, retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

(including criteria for determining qualification, positive attributes, independence of a director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

Policy on Directors Appointment

Policy on Directors appointment is to follow the criteria as laid down under the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and good corporate practices. Emphasis is given to persons from diverse fields or professions.

Policy on Remuneration

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that -

- ✦ Remuneration to Key Managerial Personnel, Senior Executives, Managers and staff is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- ✦ For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the Independence stipulated in the aforesaid section

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 and Companies (Particulars of Employees) Rules 1975, in respect of employees of the Company and Directors is furnished hereunder:

A) Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the Financial Year 2016-17 as follows:

S.No	Name	Remuneration Paid in the FY 2016-17 in Rs.	Ratio / Times per Median of employee remuneration
1	Shri Krishna Kumar Maheshwari	14,31,579/-	4.70
2	Shri Piyush Modi	6,00,000/-	1.97
3	Shri Ashok Kumar Inani	11,70,975/-	3.84