

CMS FINVEST LIMITED
(Formerly known as :CMS Infotech Limited)

23RD ANNUAL REPORT
2013-2014

BOARD OF DIRECTORS

SHRI NIRAJ PRAKASH KHETAN, Managing Director
SHRI SANDEEP DEY
SHRI THAKUR PRASAD
SHRI AKSHYA KUMAR PARIDA

COMPANY SECRETARY

Mr. NAWIN LAHOTY

AUDITORS

JMP ASSOCIATES
Chartered Accountants

BANKERS

CANARA BANK
HDFC BANK

REGISTERED OFFICE

10, PRINCEP STREET
2ND FLOOR
KOLKATA – 700 072
Phone: (033) 4002-2880
E-mail: info@cmsinfotech.com
Website: www.cmsinfotech.com
CIN: L67120WB1991PLC052782

REGISTRAR & SHARE TRANSFER AGENTS

MAHESHWARI DATAMATICS PVT. LTD
6, MANGOE LANE, 2nd FLOOR
KOLKATA- 700 001
Phone: (033) 2243-5029/5809
Fax: (033) 2248-4787
Email: mdpl@cal.vsnl.net.in

NOTICE

NOTICE is hereby given that 23rd Annual general Meeting of the company will be held on Wednesday, 24th day of September 2014 at 11.00 a.m. at the "Somani Conference Hall" Merchants Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2014 together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors of the Company to hold office, from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration and to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 of the Companies Act, 2013 and the Rules made there under, M/s JMP Associates, Chartered Accountants, the retiring auditors, be are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration plus service tax, out-of-pocket, travelling and living expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. **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 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of Companies Act, 2013, Shri Akshya Kumar Parida (DIN No. 01651737), Director of the Company, who retires by rotation at the ensuing Annual General Meeting, in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be & is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2019, and whose office shall not be liable to retire by rotation."

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 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of Companies Act, 2013, Shri Thakur Prasad (DIN No. 00209053), Director of the Company, who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be & is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2019, and whose office shall not be liable to retire by rotation."

6. **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 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of Companies Act, 2013, Shri Sandeep Dey (DIN No. 00177159), Director of the Company, who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be & is hereby appointed as an Independent Director of the Company to hold office up to 31st March, 2019, and whose office shall not be liable to retire by rotation."

By the order of the Board
For **CMS Finvest Limited**

Registered Office :
10, Princep Street,
2nd Floor, Kolkata - 700072
Date: 29th May 2014

Sd/-
Nawin Lahoty
(Company Secretary)

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/herself and the proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Registered Office of the Company at 10, Princep Street, 2nd Floor, Kolkata 700 072, not less than forty-eight hours before the commencement of the Annual General Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 17th September 2014 to Wednesday 24th September 2014 (both days inclusive).
3. Members are requested to quote the Folio No. or Client Id. and DP Id numbers in all communications with the Company.
4. Members/proxies should bring duly filled Attendance Slips along with copy of the Annual Report & Accounts to the Annual General Meeting.
5. Corporate members intending to send their authorized representative(s) are requested to send to the Company's head Office a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
6. Members desirous of getting any information on the Accounts of the Company are requested to forward their queries to the Company at least seven working days prior to the meeting so as to enable the management to keep the information readily available at the meeting.
7. Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Maheshwari Datamatics Private Limited of 6, Mangoe Lane, 2nd Floor, Kolkata 700 001.
8. Members are requested to inform their correct email address, if any to the Depositories (if shares held in demat form) and to our Registrars (if shares are held in physical form) in compliance of Green Initiative as per circular no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by Ministry of Corporate Affairs to facilitate the Company to send notice/document through e-mail.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member 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/Registrar.
10. The brief profile of the Directors seeking appointment/re-appointment including relevant particulars relating to them are furnished in the Corporate Governance Report forming part of the Annual Report, as required under Clause 49 of the Listing Agreement.
11. **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 23rd Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for member to vote using the e-voting facility, and member may avail of the facility at his/her/its discretion. **The instructions for e-voting are as under:**
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) 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.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) However, If you are a first time user, follow the steps given below and fill up the following details in the appropriate boxes:

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)
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.

* Members who have not updated their PAN with the Company/Depository Participant can enter in the PAN field the 10 characters as, first two Alphabets of the first holder name followed by 8 characters consisting of folio number prefix by "0" (or in case of CDSL, 8 characters from right of BO-ID and in case of NSDL, 8 characters of Client ID). No special characters will be taken from the name and folio number. Example: (1) Shri. H. K. Ganguly and Folio No. is 000616, the PAN to be entered will be HK00000616. (2) Shri. H. K. Ganguly and BO-ID is 1201060002188147, the PAN to be entered will be HK02188147. (3) Shri. H. K. Ganguly and Client ID is 10348854, the PAN to be entered will be HK10348854.

Please enter any one of the details in order to login. In case both details are not recorded with the depository or company please enter the Number of Shares held by you as on Cut-Off Date of 22nd August, 2014 in the Dividend Bank details field.

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

(xvi) In case of members receiving the physical copy: Please follow all steps from sl. no. I. (i) to sl. no. I. (xv) above to cast vote.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xviii) **The voting period begins on Thursday, 18th September, 2014 at 9.00 a.m. ends on Saturday, 20th September, 2014 at 6.00 p.m.** During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 22nd August, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(xix) 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.

- II. The voting rights of the 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 August, 2014.
- III. Shri. Arani Guha, Practicing Company Secretary (C.P. No. 9573) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV. The Scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in 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 AGM.
- V. The results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite members of vote in favour of the resolutions.
- VI. The results declared along with Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company. The results will also be communicated to Stock Exchanges where the shares of the Company are listed.

12. **Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 4 to 6 of the Notices are as under:**

Items no. 4

Appointment of Shri Akshya Kumar Parida as an Independent Director

Shri Akshya Kumar Parida is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 10th September, 2012.

Shri Parida does not hold by himself or for any other person on a beneficial basis, any share in the Company.

Shri Parida has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Shri Parida being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director up to 31st March, 2019. A notice has been received from a member proposing Shri Parida as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Parida fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft Letter of Appointment of Shri Parida would be available for inspection. The Board considers that his continued association would be of immense benefit to the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the resolution to be passed as an Ordinary Resolution for approval of the shareholders.

Except Shri Parida, being an appointee, none of the Directors or Key Managerial Personnels of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Items no. 5

Appointment of Shri Thakur Prasad as an Independent Director

Shri Thakur Prasad is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 26th December, 2005.

Shri Prasad does not hold by himself or for any other person on a beneficial basis, any share in the Company.

Shri Prasad has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Shri Prasad being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director up to 31st March, 2019. A notice has been received from a member proposing Shri Prasad as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Prasad fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft Letter of Appointment of Shri Prasad would be available for inspection. The Board considers that his continued association would be of immense benefit to the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the resolution to be passed as an Ordinary Resolution for approval of the shareholders.

Except Shri Prasad, being an appointee, none of the Directors or Key Managerial Personnels of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Items no. 6**Appointment of Shri Sandeep Dey as an Independent Director**

Shri Sandeep Dey is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14th March, 2001.

Shri Dey does not hold by himself or for any other person on a beneficial basis, any share in the Company.

Shri Dey has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Shri Dey being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director up to 31st March, 2019. A notice has been received from a member proposing Shri Dey as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Dey fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft Letter of Appointment of Shri Dey would be available for inspection.

The Board considers that his continued association would be of immense benefit to the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the resolution to be passed as an Ordinary Resolution for approval of the shareholders.

Except Shri Dey, being an appointee, none of the Directors or Key Managerial Personnels of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

By the order of the Board
For **CMS Finvest Limited**

Registered Office :
10, Princep Street,
2nd Floor
Kolkata- 700072
Date: 29th May 2014

Sd/-
Nawin Lahoty
(Company Secretary)

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 23rd Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2014.

1. FINANCIAL HIGHLIGHTS

The working results of the Company for the year under review are given below:

PARTICULARS	Year ended 31.03.2014 (Rs.)	Year ended 31.03.2013 (Rs.)
Profit Before Tax and Exceptional Items	1,28,432.20	5,68,501.26
Exceptional Items	2,191.00	-
Profit Before Tax	1,26,241.20	5,68,501.26
Tax Expense		
(1) Current Tax	-	1,70,000.00
(2) Deferred Tax	-	-
(3) MAT Credit	-	--
Profit After Tax for the year	1,26,241.20	398,501.26
Less: Income-tax for earlier years	-	-
Profit Available for Appropriation	1,26,241.20	398,501.26

2. DIVIDEND

To conserve the resources of the Company for future expansion, the Board have decided not to recommend any dividend for the year under review.

3. PERFORMANCE REVIEW

The performance of the Company during the current year has not been up to the expectation due to high volatility in the market. Your Directors are making all efforts to improve the performance of the Company further in future.

4. LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on three Indian Stock Exchanges viz. Ahmedabad Stock Exchange (ASE), Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE).

Listing fees for the financial year 2014-15 have been paid to BSE and CSE. The Company has also paid the annual custodian fees to NSDL and CDSL for the Securities of the Company held in dematerialized mode with them for the year 2014-2015.

5. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

6. DIRECTORS

As per the provisions of the Article of Association of the Company, Shri Akshya Kumar Parida (DIN No. 01651737), retires by rotation at the ensuing Annual General Meeting. Shri Thakur Prasad (DIN No. 00209053), Shri Sandeep Dey (DIN No. 00177159) and Shri Akshya Kumar Parida, Directors of the Company, are being appointed as Independent Directors for five consecutive years for a term up to 31st March, 2019 as per the provisions of Section 149 and other applicable provisions of Companies Act, 2013. The Company has received a requisite notices in writing from members proposing their appointment as Directors. The Board recommends their appointment as Independent Directors.

Brief resume of the Directors seeking appointment/re-appointment, nature of their expertise in specific functional areas and details of their directorship and membership/chairmanship of Board Committees, as stipulated under Clause 49 of the Listing Agreement, are provided in the Report on Corporate Governance forming part of the Annual Report.

7. DIRECTOR'S 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:

- a. That in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c. That 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, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis.

8. AUDITORS' REPORT

There are no items on which Auditors have commented which need further explanation from the Board of Directors.

9. AUDITORS

JMP Associates., Chartered Accountants, Statutory Auditors of the Company, holds office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and they are not disqualified for re-appointment. The Board recommends the appointment of the auditors from conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting.

10. EMPLOYEES

None of the employees were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read along with Companies (Particulars of Employees) Rules, 1975.

11. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.

12. FOREIGN EXCHANGE

The Company had no foreign exchange inflow or outflow during the year under review.

13. CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, the Company has implemented the Code on Corporate Governance. The Corporate Governance compliance certificate obtained from the Auditors of the Company is attached to the Report on Corporate Governance.

The Management Discussion and Analysis Report and the Report on Corporate Governance are given in the annexure attached to this report. The Board members and Senior management personnel have confirmed compliance with the Code of conduct.

14. EMPLOYER EMPLOYEE RELATIONSHIP

The Company has maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the year under review.

15. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in them. Last but not the least, your Directors' place on record their sense of appreciation for the valuable contribution made by the employees of the Company.

On behalf of the Board of Directors
For **CMS Finvest Limited**

Registered office:
10 Princep Street,
2nd Floor,
Kolkata –700 072
Dated : 29th May, 2014

Niraj Prakash Khetan
Managing Director
DIN No. 00193979

Sandeep Dey
Director
DIN No. 00177159