

C P E C Limited

**72nd
Annual Report
2014-2015**

72nd Annual Report 2014-2015

BOARD OF DIRECTORS

Mr. Akbar Shamji
Mrs. Shernaz Master
Mr. Alim Shamji
Mr. Ryaz Shamji
Mr. Ratan Wadhwani
Ms. Tavleen Inder Kaur Akoi

REGISTERED OFFICE

12, 211/219, Bharti Bhavan, P.D'mello Road,
Fort, Mumbai - 400001
Website: www.cpec.in
Email: secretarial@cpec.in

REGISTRAR & TRANSFER AGENT

LINK INTIME (INDIA) PVT. LTD.
C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (W), Mumbai - 400 078.
Tel No.022 - 2594 6970

BANKERS

Union Bank

AUDITORS

D. B. Bhanushali & Co.
Chartered Accountants

<u>CONTENTS</u>	<u>Page No</u>
NOTICE	3 - 9
DIRECTORS' REPORT	10 - 24
MANAGEMENT DISCUSSION ANALYSIS REPORT	25
CORPORATE GOVERNANCE REPORT	26 - 37
STANDALONE FINANCIAL STATEMENTS	
AUDITORS' REPORT	38 - 40
BALANCE SHEET	41
STATEMENT OF PROFIT AND LOSS	42
CASH FLOW STATEMENT	43
SCHEDULES AND NOTES	44 - 52
CONSOLIDATED FINANCIAL STATEMENTS	53 - 67
DETAILS OF SUBSIDIARY COMPANY (AOC-1)	68 - 79
PROXY FORM & ATTENDANCE SLIP	

CPEC Limited

CIN-L27200MH1942PLC003671

12, 211/219, Bharti Bhavan, P.D'Mello Road, Fort, Mumbai-400001

Phone: (022) 2262 2141 Website: www.cpec.in

E-mail ID : secretarial@cpec.in

NOTICE

72nd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE SEVENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF C P E C LIMITED WILL BE HELD ON THURSDAY, SEPTEMBER 24, 2015 AT 09.00 A. M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 12, 211/219, BHARTI BHAVAN, P.D'MELLO ROAD, FORT, MUMBAI-400001, TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS

1. To receive, consider and adopt
 - the audited Financial Accounts of the Company comprising of Balance Sheet for the year ended 31- March, 2015, the Statement of Profit & Loss Account as on that date together with Notes forming part of accounts, Reports of Directors and Auditors thereon.
 - the Audited Consolidated Financial Statements of the company for the financial year ended March, 31, 2015.
2. To appoint a director in place of Shri Alim Shamji (Holding DIN 02449807), who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s D.B.Bhanushali & Co., Chartered Accountants, as Statutory Auditors of the company, who shall hold Office from the conclusion of this Annual General Meeting until the conclusion of the 77th Annual General Meeting and to authorise the Board to fix their remuneration.

RESOLVED THAT M/s D.B.Bhanushali & Co, Chartered Accountants, (118951W) who have given a certificate pursuant to the provisions of Section 139(1) of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014, to the effect that, if appointed, their appointment shall be in accordance with the conditions as prescribed in the Act and the Rules made thereunder, be and are hereby appointed as the Statutory Auditors of the Company, to hold office, in terms of the provisions of Section 139 of the Companies Act, 2013, for a term of five years i.e. from the conclusion of this Annual General Meeting until the conclusion of 77th Annual General Meeting of the Company, subject to ratification by members at every Annual General Meeting, at such remuneration as may be fixed by the Board of Directors plus reimbursement of out of pocket expenses."

SPECIAL BUSINESS:

4. To appoint Ms. Tavleen Inder Kaur Akoi (Holding DIN: 07085501) as an Independent director 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 pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, and Clause 49 of the Listing Agreement, Ms. Tavleen Inder Kaur Akoi (Holding DIN: 07085501) who has submitted a declaration that she meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing 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 a term of five years, commencing from September 24, 2015 and expiring on conclusion of 77-AGM."

5. To appoint Mr. Ratan Wadhvani (Holding DIN: 06756922) as an Independent Director 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 pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, and Clause 49 of the Listing Agreement, Mr. Ratan Wadhvani (Holding DIN: 06756922), who has submitted a declaration that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing 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 a fixed term of five years, commencing from September 24, 2015 and expiring on conclusion of 77-AGM."

6. To re-designate Mrs. Shernaz Master (Holding DIN: 01003151) as Whole Time Director and in this regard to consider and if

CPEC Limited

thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, the re-designation of Mrs. Shernaz Master, as Whole-time-Director of the Company for a period of 3 (Three) years w.e.f. 12-August, 2015, on the following terms and conditions, be and is hereby approved:

Terms and conditions:

1. Tenure: from 12th August, 2015 to 11th August, 2018.
2. Remuneration:
Salary: Rs.50,000/- per month

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during the tenure of Mrs. Shernaz Master, Whole Time Director of the Company, the remuneration as approved by this resolution, shall be payable as minimum remuneration to her.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may be required for the purpose of giving effect to this resolution."

By order of the Board of Directors
CPEC Limited

Place : Mumbai
Date : 12th August 2015

Shernaz H. Master
Director
DIN - 01003151

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 him and the proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent (10%) 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 the proxy should, however, be deposited at the registered office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the Meeting. A proxy form is sent herewith.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business at item nos. "4, 5 and 6" are annexed hereto and forms part of this notice.
3. Members / Proxies are requested to bring duly filled in Attendance slip along with the Annual Report at the Annual General Meeting. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
4. Brief resume of Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting in terms of Clause 49 of the Listing Agreement is annexed to the Notice.
5. Pursuant to Clause 16 of the Listing Agreement, Register of Members and the Share Transfer Books of the Company will remain closed from Friday, September 18, 2015 to Thursday, September 24, 2015 (both days inclusive) for determining the names of members eligible to cast their vote through e-voting.
6. The Register of Directors and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contract or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be open for inspection by the members during the Annual General Meeting and other relevant documents referred to in the accompanying notice are open for inspection by the members of the company at the registered office on all working days (except Saturdays, Sundays and public holidays) between 03.00p.m to 05.00 p.m. upto the date of this Annual General

CPEC Limited

Meeting.

7. Members holding shares in physical form are requested to notify immediately any change in their address to the Company / Registrar and Share Transfer Agents quoting their Folio Number and Bank Account Details along with self-attested document proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
8. In case of joint holders attending the meeting, the name appearing first among the other names will be entitled to vote.
9. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participants with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrars & Share Transfer Agents of the Company – M/s. Link Intime (India) Private Limited.
10. The notice of the Annual General Meeting and instructions for remote e-voting, along with the attendance Slip and Proxy Form and the Annual report for the financial year 2014-15, are being sent by electronic mode to all members whose email addresses are registered with the company/Depository Participants unless a member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode.
11. Members may also note that the Notice of the 72nd Annual General meeting and Annual report for the financial year 2014-15, will also be available on the company's website www.cpec.in, for their download. The physical copies of the aforesaid documents will also be available at the company's registered office in Mumbai for inspection during normal business hours on working days. For any communication, the shareholders may also send request to the company's investor email id: investor@cpec.in.
12. Trading in the company's shares have been suspended since March 2012. But the equity shares have been registered with both NSDL as well as CDSL to enable shareholders to hold and trade the securities in dematerialised or electronic form. In view of the numerous advantages offered by the depository system, members holding shares in the company in physical form are requested to avail of the facility of dematerialization.
13. **Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices and any other official communication from the Company electronically.**
14. **Information on voting through electronic means:**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote against the AGM.

The Company has appointed PCS Sandhya Malhotra, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed **Thursday, September 17, 2015** as the 'Cut-off Date'. The remote e-voting / voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. **Thursday, September 17, 2015** only.

The instructions to members for voting electronically are as under:

 - (i) The voting period begins on Monday, September 21, 2015 at 09.00 a.m. and ends on Wednesday, September 23, 2015 at 10.00 a.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 17, 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

CPEC Limited

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<ul style="list-style-type: none"> Replace with: 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.
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. <ul style="list-style-type: none"> 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 (ii).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

CPEC Limited

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (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.
- (xx) 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 cutoff date of **September 17, 2015**.
- (xxi) Mrs. Sandhya Malhotra, Practicing Company Secretary (CP No. - 9928) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xxiii) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first 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 and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- (xxiv) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.
- (xxv) For any other queries relating to the shares of the Company, you may contact the Share Transfer Agent at the following address:

LINK INTIME (INDIA) PVT. LTD.
C-13, Pannalal Silk Mills Compound, LBS Road,
Bhandup (W), Mumbai – 400078.
Tele No. : 022 - 2594 6970
E-mail Id: rnt.helpdesk@linkintime.co.in

By order of the Board of Directors
CPEC Limited

Place : Mumbai
Date : 12th August 2015

Shernaz H. Master
Director
01003151

CPEC Limited

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4 and 5

In view of the provision of Clause 49 of Listing Agreement, the Company has to reconstitute its board in order to bring in an equal numbers of Independent and Non-Independent Directors.

The Board of Directors already in their meeting held on 13th February, 2015 has appointed Ms. Tavleen Inder Kaur and Mr. Ratan Wadhvani as Additional (Independent) Director of the company.

Ms. Tavleen Inder Kaur and Mr. Ratan Wadhvani has submitted a declaration that they meet the criteria of Independence under section 149(6) of the Act, and are not disqualified under section 164 of the Act and that they are eligible for appointment. In the opinion of board, Ms. Tavleen Inder Kaur and Mr. Ratan Wadhvani fulfill the conditions specified in the Act and Rules made thereunder for appointment of Independent Director. Ms. Tavleen Inder Kaur and Mr. Ratan Wadhvani have already submitted their consent to act as a Director of the Company.

A brief profile of Ms. Tavleen Inder Kaur and Mr. Ratan Wadhvani including nature of their expertise and other disclosure as required under Clause 49 of the Listing Agreement is provided at annexure to this notice.

None of the Directors, except Ms. Tavleen Inder Kaur and Mr. Ratan Wadhvani, of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 and 5.

The Board recommends the resolution set out at Item No. 4 and 5 of this notice, for the approval of the members of the Company as **Ordinary Resolution**.

Item No.6

Mrs. Shernaz Master being the Executive Director of the Company shoulders a huge responsibility. She has been on the Board of the company since 22th August, 1995.

Upon receipt of recommendation from the Nomination & Remuneration Committee of the Company, the Board of Directors of the Company at its meeting held on 12th August, 2015 re-designated Mrs. Shernaz Master as Whole Time Director for a period of 3 (Three) years w.e.f. 12th August, 2015 on the terms and conditions as set out in resolution no.6 of this Notice, subject to the approval of the members of the Company.

None of the Directors and Key Managerial Personnel, except Mrs. Shernaz Master, of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board recommends the resolution set out at Item No. 6 of this notice, for the approval of the members of the Company as **Ordinary Resolution**.

Pursuant to Clause 49 of the listing agreements with the stock exchange, following information is furnished about the Directors proposed to be re-appointed:

Name of Director	Brief Expertise	Directorship in Public companies	Membership in other Committees
Mr. Alim Abdul Shamji DIN: 02449807 Director from: 06-February, 1992 Shares Held: 75,000 Equity shares	Education Qual.: Bachelor's Degree in Accounting from University of Texas, Austin Working Experience: Mr. Alim Shamji has worked for various family business involvements with experience in East and West Africa, USA, United Kingdom, Northern Europe as well as India. Experienced in all aspects of business management legal, accounting and operations across and broad spectrum of business including real estate, mining, energy, floriculture and trading.	NIL	NIL
Ms. Tavleen Inder Kaur Akoi DIN: 07085501 Director from: 13-February, 2015 Shares Held: NIL	Education Qual.: Bachelor of Arts, Hotel Management and Hospitality, Semmering Institute, Austria Working Experience: Ms. Tavleen Inder Kaur Akoi, having work experience of 12 years, led and participated in setting up of wildlife and ecological and degraded land conservation projects.	NIL	NIL

CPEC Limited

	Also participated in setting up an ecologically sustainable wild life resort, with a map to engage and empower local residents with skill development and direct access points to commercial markets. Ms. Tavleen Akoi has been actively involved with CSR, held basic medical camps for the villagers, and has been involved in re-forestation planting of fruit and flowering indigenous trees on eroded land parcels.		
Mr. Ratan Wadhvani DIN: 06756922 Director from: 13-February, 2015 Shares Held: NIL	Education Qual.: Matriculation. Working Experience: Ratan Wadhvani has operated as a Company Director for over 30 years in a number of territories. Mr. Ratan Wadhvani has provided valuable advisory and fiduciary inputs at Director level and brought his experience to CPEC. Mr. Ratan Wadhvani has overseen Companies in Hong Kong, India, UK and in various offshore jurisdictions and is well versed in the complexities of cross border transactions from a regulatory and compliance perspective.	NIL	NIL
Mrs. Shernaz Master DIN: 01003151 Director from: 22-August, 1995 Shares Held: 400	Education Qual.: Commerce graduate and LLB. Working Experience: Mrs. Shernaz Master had been in the services of the Company since last almost 40 years in various capacities. She has been involved and taking care of day-to-day business of the Company, on behalf of the Promoters who were mostly stationed outside India. She is also the Compliance officer of the Company and ensuring all statutory compliances since last many years.	NIL	NIL

CPEC Limited

DIRECTOR'S REPORT

To,
The Member
C P E C Limited.

Your Directors are pleased to present 72nd Annual Report of your Company comprising the Audited Financial Statements for the year ended March 31, 2015.

1. FINANCIAL HIGHLIGHTS:

(In Rupees)

Sr. No.	Particulars	Current Year ended on 31st March, 2015	Previous Year ended on 31st March, 2014
1.	Total Revenue /Receipt	-	20,000
2.	Profit/Loss before depreciation	(64,482,000)	4,416,000
3.	Depreciation	176,000	125,000
4.	Profit/loss before Tax	(64,658,000)	4,291,000
5.	Less: Provision for Tax	35,000	16,806,000
6.	Profit before Tax	(61,693,000)	(12,515,000)
7.	Balance of Profit as per Balance Sheet	24,768,000	37,282,000
8.	Balance carried to the Balance Sheet	(39,924,000)	24,768,000

2. RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS:

- There is no revenue from operations.
- PBDIT decreased to Rs. (64,482,000).
- Profit before tax is negative ie Rs. (64,658,000).
- Net Profit is again negative ie Rs. (61,693,000).

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

3. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

4. DIVIDEND:

Your Directors do not recommend any dividend for the financial year 2014-15

5. SHARE CAPITAL OF THE COMPANY:

The Authorized capital of the company is Rs. 35,000,000 and the paid up capital of the company is Rs. 28,245,000. Paid-up capital of the company has been increased from Rs. 21,300,000 to Rs. 28,245,000 pursuant to allotment of equity shares of Rs. 6,945,000 by board of directors in their meeting held on 16th April, 2014, to promoters and non-promoters through private placement. The company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2015, none of the Directors of the company hold instruments convertible into equity shares of the company.

6. DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, **Shri Alim Shamji**, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

During the year the Board has appointed the following Independent Directors (Additional Directors):

Mr. Ratan Wadhvani

Ms. Tavleen Akoi

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchange.

As stipulated under the Clause 49 of the Listing Agreement with BSE Limited, brief resume of the Directors proposed to be