

Dolphin

Medical Services Limited

(CIN : L24239TG1992PLC014775)



24th ANNUAL REPORT 2015 - 2016

Regd. Office: # 417, Sanali Heavens, Ameerpet, HYDERABAD - 500 073, Telangana, India

Tel No: 040-23738877

Corp. Office: Ramachandra Rao Road, VIJAYAWADA - 520 002, A.P., India

Website : www.dolphinmedicalservices.com

E-mail ID for Investor's Grievances : dolphincomplianceofficer@gmail.com

BOARD OF DIRECTORS

Board of Directors

Dr. GV Mohan Prasad – Managing Director & CEO
 Dr. M Lakshmi Sudha – Whole-time Director & CFO
 Sri. Vinay Vishnuraj Nayak – Independent Director
 Sri. Narendra Seena Karkera – Independent Director
 Dr. K. Ramana Kumar – Independent Director

Auditors

M/s. Pinnamneni & Co.,
 Chartered Accountants,
 Ameerpet,
 Hyderabad – 500 073

Committees of the Board: Audit Committee

Sri. Narendra Seena Karkera – Chairman
 Sri. Vinay Vishnuraj Nayak – Member
 Dr. M Lakshmi Sudha – Member

Bankers

Canara Bank
 The Federal Bank Ltd.
 HDFC Bank Ltd.

Nomination and Remuneration Committee

Sri. Vinay Vishnuraj Nayak – Chairman
 Sri. Narendra Seena Karkera – Member
 Dr. K. Ramana Kumar – Member

Registrar & Share Transfer Agents

M/S.XL Softech Systems Ltd.
 Sagar Society, Rd.No.2,
 Banjarahills, Hyderabad – 500 034.

Share Transfer & Investors' Grievance Committee

Sri. Vinay Vishnuraj Nayak – Chairman
 Dr. M Lakshmi Sudha – Member
 Sri. Narendra Seena Karkera – Member

24th ANNUAL GENERAL MEETING

Date : 29th September, 2016
 Time : 10.30 A.M.
 Venue : Maharaja Function Hall
 1-54, Warangal Highway
 Uppal
 HYDERABAD - 500 039

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NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of the Company will be held on Thursday, September 29, 2016 at 10.30 a.m. at Maharaja Function Hall, 1-54, Warangal Highway, Uppal, Hyderabad – 500 039, Telangana, to transact the following business:

Ordinary Business

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2016 and Statement of Profit & Loss Account for the year ended on that date together with Cash Flow Statements, Auditors' report and the Board Report thereon.
"RESOLVED THAT the audited Balance Sheet as at 31st March, 2016, Statement of Profit and Loss, Cash Flow Statement together with related notes for the year ended 31st March, 2016, the Auditor's Report thereon and the Directors Report thereon be and are hereby received, considered, approved and adopted."
2. To appoint a director in place of Dr. M. Lakshmi Sudha, who retires by rotation being eligible offers herself for re-appointment and in this regard pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Dr. M Lakshmi Sudha be and is hereby re-appointed as a director liable to retire by rotation."
3. To ratify the appointment of the auditors of the Company, and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT, pursuant to Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the resolution passed by the members at the Annual General Meeting held on September 30, 2014 and pursuant to the recommendation of the Audit Committee of the Board, the appointment of M/s. Pinnamaneni & Co., Chartered Accountants (ICAI Firm Registration No.002661S), be and is hereby ratified as the Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of next Annual General Meeting to be held in the calendar year 2017 and that the Board of Directors be and is hereby authorized to pay such remuneration, as may be determined by the Board of Directors in consultation with the audit committee, payable to them in addition to reimbursement of all out-of-pocket expenses in connection with audit of the accounts of the Company for the Financial Year ending March 31, 2017."

**By Order Of the Board
For DOLPHIN MEDICAL SERVICES LIMITED**

Date : 25.08.2016

Place: Hyderabad

**Sd/-
DR. G. V. MOHAN PRASAD
MANAGING DIRECTOR**

Notes

1. The statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the notice and Secretarial Standard on General Meetings (SS-2), wherever applicable, are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll in the meeting instead of such member. The proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company. A member holding more than ten (10) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member or shareholder.
3. A member of a company registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as its proxy unless such other person is also a member of such company.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for this Annual General Meeting is enclosed.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company by such intending person.
7. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. Members whose shareholding is in electronic mode are requested to update the change of address, email ids and change in bank account details, if any with the respective Depository Participant(s).
9. Electronic copy of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Pursuant to Secretarial Standard on General Meeting (SS- 2) in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment
11. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of Listing Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2016 to 29th September, 2016 (both days inclusive).
12. Members whose shareholding is in electronic mode are requested to update the change of address, email ids and change in bank account details, if any with the respective Depository Participant(s).
13. With a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.
14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
15. 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 are requested to submit their PAN details to the Registrar. SEBI has also mandated, that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company
16. The Annual Report 2015-16 is being sent through electronic mode to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2015-16 are being sent by the permitted mode.
17. In compliance with Pursuant to Section 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through ballot paper, will also be made available at the Annual General Meeting and the members attending the Annual General Meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper. Members who have casted their votes by remote e-voting prior to the Annual General Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again.
18. **Voting through electronic means:**

Pursuant to Section 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) executed by the company with the BSE Limited, 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 Ltd. (CDSL).

A member may exercise his/her votes at any General Meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2015.

During the remote e-voting period, members of the Company holding shares either in physical form or dematerialised form, as on the cut-off date (record date) i.e., (Thursday, September 22, 2016), may cast their votes electronically.

Members who do not have access to e-voting facility may send duly completed Ballot Form so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. S.Srikanth, (Membership No. 22119), Company Secretary in Practice, Company Secretary in Practice, 6-3-626, Parameswara Appts, 5th Floor, 5A, AnandNagar, Khairatabad, Hyderabad-500004 not later than Wednesday, September 28, 2016 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Monday, September 26, 2016 at 9.00 a.m. IST and ends on Wednesday, September 28, 2016 at 5.00 p.m. IST. During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Thursday, September 22, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on the e-voting website www.evotingindia.com during the voting period
- iii. Click on "Shareholders" tab.
- iv. Now, select the "Company Name: Dolphin Medical Services 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 Code 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 *	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 Suresh Kumar with sequence number 1 then enter SA00000001 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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <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 "v".

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant DOLPHIN MEDICAL SERVICES LIMITED on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Note for Non - Individual Shareholders
 - Non - Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - 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 they have to create 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.
- xx In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

- i. The e-voting period commence on Monday, September 26, 2016 at 9.00 a.m. IST and ends on Wednesday, September 28, 2016 at 5.00 p.m. IST. During this period, member of the company holding share either in physical form or in dematerialize form as on Thursday, September 22, 2016 may cast their vote electronically. The e-voting module shall be disabling by CDSL for voting Thereafter. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently.
- ii. The voting rights of members shall be incorporation to their shares of the paid-up equity share capital of the company as on Thursday, September 22, 2016.

- iii. Mr. S. Srikanth, (Membership No. 22119), Company Secretary in Practice, has been appointed as the scrutinizer to scrutinize the voting and remote e-voting process and voting through ballot in a fair and transparent manner.
 - iv. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast through Ballot Form and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) 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 authorized by the Chairman, who shall declare the result of the voting forthwith.
 - v. The results declared along with the scrutinizers report shall be placed on the company website www.dolphinmedicalservices.com and with the website of CDSL within two days of passing of resolutions at the 24th AGM of the company on September 29, 2016 and communicated to the BSE Limited where the share of the company are listed.
19. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report 2015-16 is available on the Company's website, www.dolphinmedicalservices.com Members who require physical copies may write to us at dolphincompliance officer@gmail.com
 20. All documents referred to in this Notice are available for inspection at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.
 21. Members are requested to bring their copy of Annual Report to the Meeting.

By Order Of the Board

For DOLPHIN MEDICAL SERVICES LIMITED

Date : 25.08.2016

Place: Hyderabad

Sd/-

DR. G. V. MOHAN PRASAD

MANAGING DIRECTOR

ANNEXURE TO THE NOTICE

Additional information on directors recommended for appointment / re-appointment as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Secretarial Standard-2

Name of the Director	Dr. M Lakshmi Sudha
DIN	01235522
Date of Birth	10.08.1967
Date of Appointment	30.12.2015
Age	49
Qualification	MBBS
Experience	23 years
Relationship with other director/Manager and other KMP	Yes (Dr. GV Mohan Prasad)
No of Shares held in the Company	12,44,598
Directorships of other Board	2
Membership/Chairmanship of Committees of other Board	Nil

Note: Pursuant to Regulation 26 of the SEBI Listing Regulations, for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders Relationship Committee alone has been considered.

Except **Dr. M Lakshmi Sudha** and their relatives, none of the other Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 2 of the notice.

DIRECTORS REPORT

The Members of **DOLPHIN MEDICAL SERVICES LIMITED**,

Your Directors hereby present the 24th Annual Report and Accounts of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS :

(Rs. in Lakhs)

Particulars	2015-16	2014-15
Operating Income	56.69	36.36
Other Income	14.99	1.38
Profit / (Loss) before Tax	(6.93)	(59.15)
Deferred Tax	(2.30)	(1.69)
Profit / (Loss) after Tax	(4.63)	(57.46)

Discussion on Financial Performance:

During the year under consideration the Company got a loss of Rs.6.93 Lakhs before Tax as against loss of Rs.59.15 Lakhs during the previous year.

Management Discussion and Analysis

As mentioned in our earlier AGM, Canara Bank has assigned its rights on the loan favoring Edelweiss Asset Reconstruction Company Ltd (EARC). On 18.03.2015 the EARC has granted a Negotiated Settlement (NS) of dues at a total consideration of Rs.250.00 lakhs payable in installments specified therein. In terms of the NS the company has paid an amount of Rs.25.00 lakhs as Upfront payment. After this the company has also paid some interest on the due payments. Most of the Hospitals and Clinics establishing their own Medical Laboratories in their Hospitals, the Doctors were not prescribing our Diagnostic Centre for Medical Tests and accordingly our business has fell down drastically and even at one stage we have removed all the employees and continuing the diagnostic tests by the Managing Director and other Director Doctors to meet the regular expenses like rent, electricity and watch and ward. Due to heavy competition in Medical Lab Services, interruption of diagnostic services and delay in pending payments, our services are not reaching the targets expected as earlier and incurring losses. As such the company was not able to pay the installments on due dates. The company is trying to sell off the company's land of Ac.13.625 cents near Hyderabad and to pay the total settled amount of EARC with that proceeds and try to make the company debt free. The Company is making every effort to clear off the loan amount.

Financial Performance

The Following is the Financial Performance of your Company:

(Rs.in Lakhs)

	2015-16	2014-15	Inc/(Dec) %
Income:			
Operations	56.69	36.36	55.91
Other Income	14.99	1.38	986.23
Total :	71.68	37.74	89.93
Expenditure:			
Material Consumed	17.05	9.77	74.51
Staff Cost	3.90	3.73	4.55
Other Expenses	24.09	31.70	(24.00)
Depreciation	33.57	51.69	(35.05)
Total :	78.61	96.89	(18.87)
Profit/(Loss)	(6.93)	(59.15)	(88.28)

Material changes and commitments if any affecting the financial position of the Company occurred between the end of the financial year to which this Financial Statements relate and the date of the report

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of this report.

Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations except the one mentioned in detail in the Management Discussion.

Share Capital:

Authorized Share Capital: During the year under review, there was no change in authorized share capital of the Company. Authorized share capital of the company as on March 31, 2016 was Rs.25,00,00,000/-, comprising of 2,50,00,000 equity shares of Rs.10.00 each.

Paid-up Share Capital: During the year under review, there was no change in paid up share capital of the Company. Paid up share capital of the company as on March 31, 2016 was Rs.15,09,99,520/-, comprising of 1,50,99,952 equity shares of Rs.10.00 each.

Buy Back of Securities: The Company has not bought back any of its securities during the year under review.

Sweat Equity: The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares: The Company has not issued any bonus shares during the year under review.

Employees Stock Option: The Company has not provided any Stock Option Scheme to the employees.

Dividend

Your Directors have not recommended any dividend on Equity Shares for the year under review.

Transfers to Reserves

Your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

Fixed Deposits

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 read with rules made there under.

Subsidiaries, Joint Ventures and Associate Companies

In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is enclosed as *Annexure - I* of the Board's Report.

Particulars of Contracts & Arrangements with Related Parties

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

Particulars of Loans, Guarantees or Investments

Pursuant to section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company neither has, directly or indirectly, given any loan to its Directors nor extended any guarantee or provided any security in connection with any loan taken by them. Further, the Company has neither given any inter-corporate loan / advance nor made any investments in other companies during the financial year 2015-16.

Number of Board Meetings held

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year eight Board Meetings were convened. The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard-1

Directors and Key Managerial Personnel

In terms of Section 152 of the Companies Act, 2013, Dr. M Lakshmi Sudha, Director would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Dr. M Lakshmi Sudha has offered herself for re-appointment. Dr. K Ramana Kumar (DIN 00754148) has been appointed as an independent Director by the Members at the Annual General Meeting (AGM) held on December 30, 2015.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act 2013.

Apart that there was no other appointment or cessation of appointment of key managerial personnel during the financial year.

Declaration by Independent Directors

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

Familiarization programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Independent Directors' Meeting

The Independent Directors met on 13.02.2016 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Internal Financial control system and their adequacy:

The Board of your Company has laid down internal financial controls which comply with the provisions of the Companies Act, 2013 and Listing Regulation with Stock Exchange and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Directors Responsibility Statement as required under Section 134(5) of the Companies Act, 2013:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the Board of Directors states that:

- (a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) They 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 at the end of the financial year and of the profit and loss for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Nomination and Remuneration policy

In compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has recommended to the Board a Nomination and Remuneration policy with respect to appointment / nomination and remuneration payable for the Directors, Key Managerial Personnel and senior level employees of the Company. The said policy has been adopted by the Board and the same was discussed in the Corporate Governance Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.