

**NOTICE**

**NOTICE** is hereby given that the Twenty Fourth Annual General Meeting of the members of M/s. GSL SECURITIES LIMITED ('the Company') will be held on **Saturday, 29<sup>th</sup> September, 2018 at 11.00 a.m. at Registered Office of the Company at 1/25 & 1/26 1st Floor, Tardeo Airconditioned Market Society, Tardeo Road, Mumbai - 400 034**, to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial statements of the company for the financial year ended 31<sup>st</sup> March 2018 and the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Satyanarayan Parmanand Kabra (DIN 00280637), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee of Directors and of the Board of Directors and pursuant to the resolution passed by the members at the Twentieth annual general meeting of the Company held on 20<sup>th</sup> September, 2014, the appointment of M/s. Vijay R. Tater & Co., Chartered Accountants, Mumbai (Firm Registration No. 111426W) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty-fourth AGM of the Company for the financial year 2018-19, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, be and is hereby ratified."

**SPECIAL BUSINESS:**

4. Appointment of Mr. Machhindra Patil (DIN 08179234) as Director of The Company and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Machhindra Patil (DIN 08179234), who was appointed as an Additional Director with effect from 31<sup>st</sup> July, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 being eligible for appointment and in respect of which, the company has received a notice in writing, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."

**By Order of the Board of Directors  
For GSL Securities Limited**

**Place: Mumbai**

**Date: 23/08/2018**

Sd/-

**S.K. Bagrodia**

**Chairman & Managing Director**

(DIN: 00246168)

**Registered Office:**

1/25 & 1/26 1st Floor,  
Tardeo Airconditioned Market Society,  
Tardeo Road, Mumbai - 400 034.

**NOTES FOR MEMBERS' ATTENTION:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE VALID, THE INSTRUMENTS APPOINTING THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIMING OF THE MEETING.
2. 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.
3. The Register of Members & Share Transfer Books of the Company shall remain closed from Monday 24<sup>th</sup> September, 2018 to Saturday, 29<sup>th</sup> September 2018 (both days inclusive).
4. Members are requested to intimate the change of address if any to the Company or its Registrar & Share Transfer Agents, **M/s. Purva Shareregistry (India) Pvt. Ltd.** having its office at Unit no. 9, Shivshakti Ind. Est., J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (East)– 400 011.

**5. E-voting:**

In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 24<sup>th</sup> Annual General Meeting (AGM) through remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting). The Company also proposes to provide the option of voting by means of Ballot Form at the AGM in addition to the electronic voting system mentioned above. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means and the business may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL).

Shri. Rajesh Kumar Mittal, Practising Company Secretary (Membership No.F4627, C. P. No. 8745),

who had consented to act as the Scrutiniser, was appointed by the Board of Directors as the Scrutiniser to scrutinise the voting process (electronically or otherwise) for the 24<sup>th</sup> Annual General Meeting of the Company in a fair and transparent manner and submit a consolidated Scrutiniser's report of the total votes cast to the Chairman or a person authorised by him in writing.

The procedure with respect to e-voting is provided below:

- A) In case of Members receiving notice by e-mail from NSDL:
  - i) Open e-mail and open the attached PDF file viz; "GSL.e-voting.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your "user ID" and "password for e-voting". Please note that this password is an initial password.
  - ii) Launch internet browser by typing the URL <https://www.evoting.nsdl.com>.
  - iii) Click on "Shareholder-Login".
  - iv) Put your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
  - v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
  - vi) Home page of e-voting opens. Click on "e-voting: Active Voting Cycles".
  - vii) Select "EVEN" (E Voting Event Number) of GSL Securities Limited for casting our vote.
  - viii) Now you are ready for e-voting as "Cast Vote" page opens.
  - ix) Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted.

- x) Upon confirmation, the message "vote cast successfully" will be displayed.
  - xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii) Institutional Shareholders and bodies corporate (i.e. other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote to the Scrutiniser through e-mail to- [rajeshmittal@gmail.com](mailto:rajeshmittal@gmail.com) with a copy marked to- [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B) In case of Members receiving physical copy of Notice of Annual General Meeting :
- a. User ID and Initial password sent separately.
  - b. Please follow all steps from Sl. No. (ii) to Sl. No.(xii) mentioned in (A) above, to cast your vote.
- Other Instructions:**
- I. Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 23<sup>rd</sup> September, 2018, may obtain their user ID and password for e-voting from the Company or NSDL (Toll free tele no. 1800 222 990). If the member is already registered with NSDL e-voting platform then he can use existing User ID and password for casting the vote through remote e-voting.
  - II. The remote e-voting facility starts on Wednesday, 26<sup>th</sup> September, 2018 at 9.00 a.m. and ends on Friday, 28<sup>th</sup> September, 2018 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut off date of 23<sup>rd</sup> September, 2018, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on Friday, 28<sup>th</sup> September, 2018. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
  - III. In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Toll free Telephone No.: 1800 222 990.
  - IV. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
  - V. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - VI. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutiniser shall submit a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM to the Chairman or a person authorised by the Chairman. The Chairman or a person authorised by the Chairman, shall declare the result of the voting forthwith.
  - VII. The declared results along with the Scrutiniser's Report will be available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.
  - 6. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturday.
  - 7. Members holding shares in physical mode are requested to provide their email id, CIN/Regn. No. (for corporate members), Unique Identification No., PAN, in case member is minor than date of birth of minor and name of guardian, declaration regarding beneficial ownership (if any), nomination details, lien details (if any), particulars of dividend mandate etc. and such other information as mentioned under Section 88 (1)(a) of the Companies Act, 2013 and Rule 3(1) of the Companies (Management and Administration) Rules, 2014.
  - 8. Members holding in demat mode are requested to provide the above information to their depository participant.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013:**
**Item No 4 of the notice**

Mr. Machhindra Patil (DIN 08179234) was appointed as additional director on the Board of the Company with effect from 31<sup>st</sup> July, 2018 at the board meeting of the company held on 31<sup>st</sup> July, 2018. In terms of Section 161 of the Companies Act, 2013, the Additional Director to hold office till the ensuing Annual General Meeting. The Company had received notices in writing from a member, proposing their candidatures to the office of directorship. Necessary resolutions seeking approval of the Members for his appointment is placed by means of Ordinary Resolution.

The Board of Directors accordingly recommends the passing of the said resolution.

Except Mr. Machhindra Patil, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**Details of Directors seeking reappointment at the 24<sup>th</sup> Annual General Meeting**

Item No of Notice	2	4
Name of Director	Mr. Satyanarayan Parmanand Kabra	Mr. Machhindra Patil
DIN	00280637	08179234
Date of Birth	07/08/1963	01/01/1994
Qualification	Graduate	Graduate
Nationality	Indian	Indian
Date of First Appointment on board	08.11.2016	31.07.2018
Relationship with other Directors and Key Managerial Personnel	not related to any Directors, Key Managerial Personnels of the Company	not related to any Directors, Key Managerial Personnels of the Company
Terms and conditions of appointment or reappointment	Mr. Satyanarayan Kabra was appointed as Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 being eligible for appointment and in respect of which, the company has received a notice in writing, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.	Mr. Machhindra Patil was appointed as Additional Director by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 being eligible for appointment and in respect of which, the company has received a notice in writing, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.
Shareholding	25400	0
Directorship in other Companies	NIL	1. Sobhagya Mercantile Limited.

## DIRECTOR'S REPORT

To,

The Members,

**GSL Securities Limited**

Your Directors have pleasure in presenting the Twenty Fourth Annual Report with the audited statement of Accounts for the year ended 31<sup>st</sup> March 2018.

### **Financial Results:**

Summary of the working result of the company for the Twenty Fourth Accounting Year ended 31<sup>st</sup> March, 2018 are given as below:

	<b>Rs.</b>	<b>Rs.</b>
	<b>2017-18</b>	<b>2016-17</b>
Gross Profit/(Loss)	1,394,779	85,780
Less : Depreciation	3,358	3,358
Profit/(Loss) before tax	1,391,421	82,422
Less: Income Tax paid earlier year	282,724	-
Profit/(Loss) after tax	1,108,697	82,422
Add/Less : Other Comprehensive Income	2,935,829	9,333,729
Add : Balance brought forward from previous year	18,531,248	9,115,097
	<b>22,575,774</b>	<b>18,531,248</b>

### **Dividend:**

Due to future expansion plan, your directors have not recommend payment of dividend for the financial year under review.

### **Transfer to Reserves**

The Company has not transferred any amount to reserves.

### **Operation:**

The Company is dealing mainly in the area of Short Term Financing and Investments. The Company has reported total turnover of Rs. 26,38,706/- (Previous year Rs. 8,16,977/-). The Net Profit for the year before adjustment on account of comprehensive income under review amounted to Rs. 11,08,697/- (Previous year Rs. 82,422/-).

### **Material Changes between the date of the Board report and end of financial year.**

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

### **Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **Subsidiary Company:**

As on March 31, 2018, the Company does not have any subsidiary.

### **Statutory Auditor & Audit Report:**

M/s. Vijay R. Tater & Co., Chartered Accountants, who are the statutory auditors of your Company, hold office until the conclusion of the Twenty fifth AGM to be held in the year 2019, subject to ratification of their appointment at every AGM. The Members, year on year, will be requested, to ratify their appointment as Auditors and to authorise the Board of Directors to fix their remuneration. The Audit committee and Board of directors recommend the ratification of their appointment in the forthcoming annual general meeting.

The notes on accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanations/comments.

**Secretarial Audit Report:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Sonali Gamne & Associates, Company Secretaries to undertake the secretarial audit of the Company for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31st March, 2018 is attached as **Annexure 'I'** and forms a part of the reports of the Directors.

The observation made by the secretarial auditors in their report are self-explanatory and therefore do not call for any further explanations/comments.

**Change in the nature of business:**

There is no change in the nature of the business of the company

**Director:**

Mr. Satyanarayan Kabra is retiring by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

Mr. Kaushal Mehta (DIN 02449463), Director of the Company resigned w.e.f. 31.07.2018 from his Directorship and Mr. Machhindra Patil (DIN 08179234), was appointed as an Additional Director of the Company w.e.f. 31.07.2018.

**Declaration by Independent Directors:**

All the independent directors have submitted the declaration of independence, as required under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in Section 149(6) of Companies Act, 2013.

**Fixed Deposits:**

During the period under review, your company has not accepted any deposits as contemplated under the provisions of section 73 of the Companies Act, 2013. There are no deposits unpaid or unclaimed at the year-end.

**Conservation of Energy, Technology Absorption:**

Your Company is a Non-Banking Finance Company and is not engaged in manufacturing activity of any kind. The disclosure of information relating to conservation of energy and technology absorption is therefore not applicable to your Company.

**Foreign Exchange Earning & Outgo:**

There were no foreign exchange earnings or outgo for your Company during the year.

**Corporate Social Responsibility:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**Number of meeting of the Board:**

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL**

Sr.No.	Name of Directors	Date of Appointment	Date of Cessation
1	Mr. S. K. Bagrodia	29/03/1994	—
2	Ms. Shailja Bagrodia	29/03/1994	—
3	Mr. Kaushal Atul Mehta	31/10/2002	31/07/2018
4	Mr. Satyanarayan Parmanand Kabra	08/11/2016	—
5	Mr. Machhindra Patil	31/07/2018	—

During the year under review, 5 (five) Board meetings were held, details of which are given below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Date of Meeting	No. of Directors attended the meeting
30/05/2017	4
31/07/2017	4
22/08/2017	4
31/10/2017	4
31/01/2018	4

#### **Audit Committee**

The Board of Directors has constituted an Audit Committee and empowered the committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors. The details of composition, meetings and attendance of the Meetings of the Audit Committee are as under:-

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1	*Mr. Kaushal Atul Mehta	Independent Non-Executive	Chairman	5	5
2	Ms. Shailja Bagrodia	Independent Non-Executive	Member	5	5
3	Mr. Satyanarayan Kabra	Independent Non-Executive	Member	5	5

\*Mr. Kaushal Mehta resigned w.e.f. 31.07.2018

There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

#### **Nomination and Remuneration Committee**

The Board constituted Nomination and Remuneration committee. The Committee has formulated a Nomination and Remuneration Policy.

#### **Director's Responsibility statement:**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended 31st March, 2018 and state that :

- in the preparation of the Annual Account, the applicable Accounting standards have been followed with proper explanation relating to material departures;
- 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 and of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be following by the company and that such internal financial controls are adequate and operating effectively: and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**Risk Management Policy**

The Company's risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with group's best practices and guidelines and in line with the local laws and regulations. The Board of Directors has oversight on all the risks assumed by the Company. The business activities are undertaken within this defined policy framework.

**Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178:**

In terms of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Nomination and Remuneration Committee oversee the Company's nomination process for the senior management and specifically to identify, screen and review individuals qualified to serve as Executive and Non - executive Directors, Independent Directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM of the shareholders. The Committee has the overall responsibility of approving and evaluating the compensation plans, policies and programs for Directors and the senior management. The Committee further coordinates and oversees the annual self-evaluation of the performance of the Board, Committees' and of individual Directors.

**Particulars of loans, guarantees or investments under section 186:**

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

**Particulars of Employee:**

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**Corporate Governance and Management Discussion and Analysis Report:**

This is not applicable/ mandatory as per requirement of applicability of Regulation 15 of SEBI (Listing obligation and disclosure requirements) Regulations, 2015.

**Extract of the Annual Return in Form MGT-9:**

The details forming part of extract of annual return as per Form MGT- 9 is annexed herewith as **Annexure – II'**.

**Related Party Transactions:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Hence form AOC - 2 is not applicable to the Company.

**Acknowledgement:**

Your Directors would like to express their appreciation for co-operation and assistance received from the shareholders, bankers, government authorities and employees during the year under review.

On behalf of the Boards of Directors

Place : Mumbai  
Dated : 23/08/2018

Sd/-  
S.K. Bagrodia  
Chairman



**ANNEXURE - I**

**ANNEXURE TO THE DIRECTOR'S REPORT  
SECRETARIAL AUDIT REPORT  
FORM MR - 3**

for the financial year ended **31 March, 2018**  
[Pursuant to Section **204(1)** of the Companies Act,  
2013 and **Rule No. 9** of the Companies  
(Appointment and Remuneration of Managerial  
Personnel) Rules, 2014]

To,

The Members,

**GSL Securities Limited**

(L65990MH1994PLC077417)

1/25 & 1/26 1st Floor,

Tardeo Airconditioned Market Society,

Tardeo Road, Mumbai - 400 034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GSL Securities Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31 March 2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2018, according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;

- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) viz :-

- a. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 (SEBI (LODR) Regulation, 2015),
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and as amended by The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

**As per the explanations given to me in the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations were not applicable to the Company:-**

- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**VI. The Company is a Non-Banking Financial Company, special law applicable to the Company:**

- Reserve Bank of India Act, 1934
- Prevention of Money Laundering Act, 2002
- RBI regulations on Non-Banking Financial (Non Deposit Accepting or Holding) Companies
- Guidelines, directions and instructions issued by RBI through notifications and circulars.

**We have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards 1, 2 & 3 issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to following observations:

- (i) The company has not paid Annual Listing Fee to CSE. The Shares of the company has been suspended by CSE.
- (ii) The Company has not appointed key managerial personnel as required under section 203 of Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that, the compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board meetings and committee meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Director or Committee of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, as per explanation give to us, there were no other instances having a major bearing on the Company's affairs and there were no events of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

**For Sonali Gamne & Associates  
Company Secretaries**

Place : Kalyan

Date : 20.08.2018

Sd/-

**Sonali Gamne**

ACS :36772

C P No.: 19207