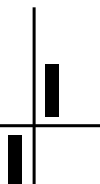


# 31st Annual Report 2015-2016

GLOBUS CORPOORATION LIMITED  
(Formerly Known as Karuna Cables Limited)  
CIN NO.: L33115MH1984PLC121000

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## **GLOBUS CORPOORATION LIMITED**

**CIN: L33115MH1984PLC121000**

### **31<sup>ST</sup> ANNUAL REPORT 2015 - 2016**

#### **BOARD OF DIRECTORS**

<b>MAHENDRA C. SHAH</b>	<i>Chairman</i>
<b>N.S. RANGANATH</b>	<i>Independent Director</i>
<b>VIKRAM R. SHAH</b>	<i>Independent Director</i> <i>(Resigned w.e.f 21.05.2016)</i>
<b>PRITI K. SHAH</b>	<i>Women Director (Appointed w.e.f 21.10.2015)</i>

#### **Auditors**

Messrs Sandip V. Doshi & Co.  
Chartered Accountants

#### **Bankers**

Indian Overseas Bank  
Secunderabad

#### **Register & Transfer Agent**

Purva Sharegistry (I) Pvt. Ltd,  
9, Shiv Shakti Industrial Estate,  
Sitaram Mill Compound,  
J. R. Borich Marg, Lower Parel,  
Mumbai – 400 011

#### **Registered office**

102, Sanjay Chambers, Choubal Lane,  
V. P. Road, Opera House,  
Mumbai – 400 04  
Tel : 022 – 2387 3609  
Web: www.globuscorp.co

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**GLOBUS CORPOORATION LIMITED**

CIN: L33115MH1984PLC121000

Registered Office: 102, Sanjay Chambers, Choubal Lane, V. P. Road, Opera House, Mumbai – 400 004

Phone: (+91-22) 2387 3609

Email: [investor@globuscorp.co](mailto:investor@globuscorp.co). Website: [www.globuscorp.co](http://www.globuscorp.co)

**NOTICE**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of the shareholders of M/s. Globus Corporation Limited will be held on Saturday, the 24<sup>th</sup> day of September, 2016 at 4.00 p.m. at Arya Samaj Mandir Hall, 98 N. M. Joshi Marg, Opp. Western Railway Workshop, Lower Parel, Mumbai – 400 013 India to transact the following businesses as:

**ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statements of the Company for the year ended March 31<sup>st</sup>, 2016 together with the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Mahendra C. Shah (DIN: 01650375) who retires by rotation and being eligible, seeks re - appointment.
3. 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 (2) and 142(1) of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the reappointment of the statutory auditors of company M/s Sandip V. Doshi & Co, (Registration No : 048949), Chartered Accountants, be and is hereby ratified by the members of the company for the financial year 2016-2017 at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, based on the recommendation of the Audit Committee, plus applicable service tax and reimbursement of travelling and other incidental expenses to be incurred by them in the course of their audit.”

**SPECIAL BUSINESS:**

**To Appointment of Director**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:  
  
**“RESOLVED THAT** Mrs. Priti K. Shah (DIN: 01652763), who was appointed by Board of Directors as an Additional Director of the Company with effect from 21<sup>st</sup> October, 2015 pursuant to Section 161 (1) of the Companies Act, 2013 (“the Act”) and The Companies (Appointment and Qualification of Directors) Rules, 2014, being eligible for appointment and in respect of whom the Company has received a notice in writing along with requisite deposit of Rs. 1,00,000/- from a Member pursuant to Section 160 of the Act proposing her candidature for the office of Director be and is hereby appointed as a Director of the Company.”

**Appointment of Independent Director**

5. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:  
  
**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-encashment thereof for time being in force) read with Schedule IV to the Act, Mrs. Priti K. Shah (DIN: 01652763), who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, and in respect of whom the Company has received a notice in writing form a member Under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director be and is hereby appointed as an Women Independent Director of the Company for a period of five years with effect from 24<sup>th</sup> September,2016, not liable to retire by rotation.
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), the rules notified there under and the Articles of Association of the Company, consent of the members be and is hereby accorded to mortgage and/or charge, in addition to the mortgages/charges created/ to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable/immoveable properties of the Company, both present and future and /or whole or any part of undertaking(s) of the Company in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loan(s) in foreign currency and/or rupee currency and Securities (comprising fully / partly Convertible Debentures and/or Non-Convertible Debentures, on all or any of the above, with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments) issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest, in case of default accumulated interest, liquidated damages, commitment charges premia on prepayments, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s) / Heads of Agreement(s), Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s), in respect of the said loans / borrowings / debentures / bonds or other securities and containing such specific terms and conditions covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s) / Agent(s) / Trustee(s).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board / Committee of the Board or officers authorized by them in this regard be and are hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings and creating mortgages / charges as aforesaid.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an special Resolution:

**“RESOLVED THAT** pursuant to the provision of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), the rules notified thereunder and the Articles of Association of the Company and subject to the approval of shareholders in general meeting, consent of the Board of Directors be and is hereby given, to borrow money through loans, advances, credit etc. for both domestic and foreign currency borrowings upto Rs. 25 Crore/- (Rupees Twenty Five Crore) (including Public Deposits but excluding temporary loans obtained from the Company's bankers in the ordinary course of the business) from banks, financial institutions and other sources from time to time for the purpose of any other requirements of the Company, both for capital and revenue in nature, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board / Committee of the Board or officers authorized by them in this regard be and are hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings and creating mortgages / charges as aforesaid.”

Registered Office:  
102, Sanjay Chambers, Choubal Lane,  
Opera House, Mumbai- 400 004.  
Date: 13<sup>th</sup> August, 2016

By order of the Board of Directors  
**For GLOBUS CORPOORATION LIMITED**  
Sd/-  
**Mahendra C. Shah**  
Chairman  
(DIN No. 01650375)

**Notes:**

1. Explanatory statement pursuant to Section 102(1) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder with respect to Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**  
  
Proxy/Proxies submitted on behalf of limited Companies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) members and holding in the aggregate not more than ten (10) per cent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 22<sup>nd</sup> September 2016 to Saturday, 24<sup>th</sup> September 2016 (both days inclusive) for the purpose of Annual General Meeting.
5. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
8. The Company has entered into necessary arrangement with National Security Depository Limited NSDL to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
9. The company has not paid the Annual Custodial fees for the NSDL & CDSL. They have stopped providing the e-voting facility & Electronic copy of the annual Report & Notice of the meeting of the company. It is decided by the company to send Annual Report by Post/Courier to all the shareholders of the company
10. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company. Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
11. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.

12. Members are requested to mention their Folio Number/ Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
13. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
14. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
15. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote, whether in person or by proxy.
16. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.

**17. Details of Director Seeking Re-Appointment/Appointment at the Annual General Meeting**

Name	MR. MAHENDRA C SHAH	MRS. PRITI K SHAH
Date of Birth	24/01/1949	23/07/1969
Directors Identification Number (DIN)	01650375	01652763
Age	67 years	47 years
Qualification	MBBS	B.Com
Expertise in Specific Area	Cables & Conductors, Healthcare	Administrative & Social welfare
Date of first Appointment on board of the Company	29/06/2012	21/10/2015
Shareholding in the Company	1036250	NIL
List of Directorship held in other listed companies	NIL	NIL
Membership/Chairmanships of Audit and stakeholders relationship committees	Refer to Report on CORPOARTE GOVERNANCE	Refer to Report on CORPOARTE GOVERNANCE

18. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.
19. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 a.m to 12:00 noon, except Saturdays.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to certain Ordinary Business and all Special Businesses mentioned in the accompanying Notice:

**Item No. 4 & 5**

Pursuant to Section 161 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors at its Meeting held on 21<sup>st</sup> October, 2015, had appointed Mrs. Priti K. Shah(DIN: 01652763), as an Additional Director of the Company with effect from 21<sup>st</sup> October, 2015. Further pursuant to section 160 of the Companies Act, 2013, the Company has received notice together with requisite deposit of Rupees One Lakh from the Member proposing candidature of Mrs. Priti K. Shah for the office of Director of the Company.

Further, pursuant to provision of Section 149, 152 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force) it is proposed to appoint Mrs. Priti K. Shah, DIN:01652763, as an Independent Director for period of five years with effect from 24<sup>th</sup> September, 2016

The Nomination Committee at its meeting schedule on 21<sup>st</sup> October, 2015 also recommended appointment of Mrs. Priti K. Shah on the Board of Directors of the Company as an Independent Director.

Mrs. Priti K. Shah has submitted to the Company her declaration of Independence.

Approval of the share holders is sought by way of resolution no. 3 and 4 for appointment of Mrs. Priti K. Shah as a Women and Independent Director of the Company for the Term of 5 (five) years commencing from 24<sup>th</sup> September, 2016.

The Directors commend the Resolution at item Nos. 3 and 4 of the accompanying Notice for the approval of the members of the Company as the Ordinary Resolutions.

None of the Promoter, Director, Manager, Key Managerial Personnel, or their Relatives, either directly or indirectly is in any way concerned or interested in the above Resolution under items No. 3 and 4 of the Notice as stated herein above except that Mrs. Priti K. Shah (DIN: 01652763) may be considered and deemed to be interested in these resolutions as they pertain to her appointment as a Director and the Independent Director respectively.

#### **Item No. 6 & 7**

The Companies Act, 2013 has been notified to become effective from 1<sup>st</sup> April 2014. The provisions of Section 180(1)(c) of the Companies Act 2013, provide that the Board of Directors of a Company shall exercise the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business only with the consent of the company by a special resolution. It is, therefore, proposed to seek the approval of the shareholders to the borrowing limits (apart from temporary loans obtained from company's bankers in the ordinary course of business) for both domestic and foreign currency borrowings under section 110 of the Companies Act, 2013 by way of a Special Resolution. Similarly the approval of shareholders was also obtained by way of ordinary resolution to create security or charge on the assets of the Company for the purposes of the borrowings. The mortgage and/or charge by the Company on its moveable and/or immoveable properties and/or the whole or any part of the undertaking(s) of the Company in favor of the Lender(s), may be regarded as disposal of the Company's undertaking(s) within the meaning of section 180(1)(a) of the Companies Act 2013 which provides for approval of shareholders by a Special Resolution. Hence, approval of the shareholders is solicited vide Resolution No. 6 & 7. The Board of Directors of your Company recommends the Special Resolutions as set out in Item No. 6 & 7 in the accompanied notice for approval of the Shareholders. .

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

By order of the Board of Directors  
**For GLOBUS CORPOORATION LIMITED**

Registered Office:  
102, Sanjay Chambers, Choubal Lane,  
Opera House, Mumbai- 400 004.  
Date: 13<sup>th</sup> August, 2016

**Sd/-**  
**Mahendra C. Shah**  
**Chairman**  
**(DIN No. 01650375)**

## BOARD'S REPORT

### Dear Members,

Your Directors have pleasure in presenting the 31<sup>st</sup> Annual Report along with the Audited Financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2016.

### FINANCIAL PERFORMANCE:

The summarized standalone and consolidated financial results of your Company and its subsidiaries are as follows:

### FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	Standalone	
	2015-2016	2014-15
Gross Income	15.06	15.94
Profit Before Finance Cost & Depreciation	15.06	15.94
Finance Charges	0.28	6.11
Other Expenses	54.63	357.82
Profit before Depreciation	(39.85)	(347.99)
Depreciation	28.99	29.61
Net Profit Before Tax	(68.85)	(377.60)
Provision for Tax	Nil	Nil
Differed Tax	8.72	5.47
Net Profit After Tax	(77.57)	(383.08)
Balance of Profit brought forward	(77.57)	(383.08)
Balance available for appropriation	Nil	Nil
Proposed Dividend on Equity Shares	Nil	Nil
Tax on proposed Dividend	Nil	Nil
Transfer to General Reserve	Nil	Nil
Surplus carried to Balance Sheet	(77.57)	(383.08)

\*previous year figures have been regrouped/rearranged wherever necessary.

### SUMMARY OF OPERATIONS & STATUS OF THE COMPANY:

During the year, the company has incurred loss of Rs.77.57 Lakhs (Previous Year Loss 383.08 Lakhs).

The operations of the company suffered since 2012 severely on account of disrupted supply of electricity and due public unrest in and around city of Hyderabad on account of Bifurcation of the state.

The plant is closed during the year. Your company has proposed to reschedule of the Term loan and sanction of the working capital loan for the revival of the unit. However Bank is in no mood to oblige. The bankers of the company did not reply on the subject matter. As such .The bank did not come forward to help to prevent sickness of the unit.

The Bank has given notice to the company and taken the possession of its land and factory. The Board is making its efforts to dispose the unit and clear the bank dues to start some other activities. In current state there is complete erosion of capital and we are unable to raise any additional fund.

### LISTING FEES & ANNUAL FEES:

The Company has not paid the Annual Listing fees to Bombay Stock Exchange, National Security Depository Ltd, Central Depository security Ltd for the year 2015-2016 on account of severe financial crunch. The Management has written a detailed letter with reason to the to the respective Corporate Body showing its inability to pay the fees.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

'Due to financial problems, the company has not paid fees to BSE/NSE/CDSL/NSDL. Due to which CDSL/NSDL has stopped providing the shareholding data to the company and to the RTA. Due to which the company is unable to provide the e-voting facilities to the shareholders of the Company in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015.'



**TRANSFER TO RESERVES:**

For the financial year ended 31st March, 2016, the Company has incurred loss therefore no amount is transferred to General Reserve Account.

**DIVIDEND:**

In view of past losses, Directors did not recommend any dividend for the equity shareholders for the financial year 2015-16.

**DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**SHARE CAPITAL:**

As on 31<sup>st</sup> March, 2016, the issued, subscribed and paid up share capital of your Company stood at Rs. 12,77,18,000/- comprising of 6,38,59,000 Equity shares of Rs. 2/- each. During the year the company has received unpaid calls on the shares from the shareholders and as on 31.3.2016 all equity shares of the company have become fully paid-up.

**CORPORATE GOVERNANCE:**

Your Company complies with the provisions laid down in Corporate Governance laws to the extent possible. It believes in and practices good corporate governance. The Company maintains transparency and also enhances corporate accountability. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges and SEBI (Listing and Disclosure Requirements) Regulation 2015, the following forms part of this Annual Report:

- i. Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;
- ii. Management Discussion and Analysis;
- iii. Report on the Corporate Governance; and

Auditors' Certificate regarding compliance of conditions of Corporate Governance.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Provision of Section 135 and Schedule VII of the Companies Act, 2013 in respect to Corporate Social Responsibility (CSR) is not applicable on the Company

**SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary company.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company have not given any loans, guarantees or made any investments under Section 186 of Companies Act, 2013 during the financial year 2015-16.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

Your Company does not have any activity relating to conversion of energy or technology absorption.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There were no foreign exchange earnings and outgo during the year under review.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The Company does not have any employees drawing remuneration in excess of the limits specified in Section 197(12).

**RATIO OF REMUNERATION OF EACH DIRECTOR**

The information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of annual general meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the Company in this regard.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

**RISK POLICY:**

The Company has formulated Risk Management Policy. The Board takes all necessary steps to identify and evaluate business risks and opportunities and take corrective steps.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size of its operations. Internal control systems.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The directors have prepared the annual accounts on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively

**DIRECTORS:**

**Changes in Board constitution, Directors & Key Managerial Personnel:**

Mrs. Priti K. Shah (DIN: 01652763) was appointed as an additional woman Director w.e.f. 21st October, 2015. Pursuant to the provision of Section 149 of the Act, She had submitted a declaration that she meets criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect her status as independent director during the year. The Board of Directors recommends her appointment at the ensuing Annual General Meeting as Independent Women Director.

In accordance with the provisions of the Companies Act, 2013, Mahendra C. Shah, (DIN No. 01650375) Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Vikram R. Shah (DIN: 01912716) Independent Director of Company resigned w.e.f. 21st May, 2016

During the year, the non-executive directors of the Company had no pecuniary relationship or transaction with the Company, other than reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

**Board Meetings**

The Board of Directors of your Company met 5 Times during the year to carry the various matters. The Meetings were convened on 27<sup>th</sup> May, 2015, 14th August, 2015, 21st October, 2015, 29th December, 2015 and 9th February, 2016 and further details of which are given in the Corporate Governance Report forming part of this Annual Report.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations pursuant to Section 149(7) from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of