

24TH ANNUAL REPORT 2013-2014
OF
SEVEN HILL INDUSTRIES LIMITED
(Formerly known as KOSIAN INDUSTRIES LIMITED)

BOARD OF DIRECTOR

DHEERAJ KUMAR SINGH	- DIRECTOR
RAHUL SINGH	- DIRECTOR
GULAB SINGH	- DIRECTOR

AUDITOR

M/S. Y. D. & CO.
Chartered Accountants
LUDHIANA

SHARE TRANSFER AGENT

M/s SATELLITE CORPORATE SERVICES PRIVATE LIMITED

B-302, Sony Apartment, Opp. St. Judge's High School,
Off Andheri-Kurla Road,
Jarimari, Sakinaka,
Mumbai-400072 Maharashtra, INDIA

REGISTERED OFFICE

2103, 21ST FLOOR, G SQUARE BUSINESS PARK,
SECTOR 30A, OPP. SANPADA RAILWAY STATION,
VASHI (W), NAVI MUMBAI-400705,
MAHARASTRA, INDIA

INDEX

Contents	Page No.
Notice of Annual General Meeting	01
Report of the Directors	06
Corporate Governance Report	09
Auditors' Report	14
Balance Sheet	18
Profit and Loss Account	19
Cash Flow Statement	20
Notes forming part of the financial statements	21

N O T I C E

NOTICE is hereby given that the **TWENTY FORTH ANNUAL GENERAL MEETING** of the Members of **SEVEN HILL INDUSTRIES LIMITED (Formerly Known as KOSIAN INDUSTRIES LIMITED)** will be held at the Registered Office of the Company at **2103, 21st Floor, G Square Business Park, Sector 30A, Opp. Sanpada Railway Station, Vashi (W), Navi Mumbai-400705, Maharashtra, INDIA** on **Saturday, 27th day of September, 2014 at 12:00 P. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at **31st March, 2014** and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof), the retiring auditors, M/s. Y. D & Co., Chartered Accountants (Firm Registration No. 018846N), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. DHEERAJ KUMAR SINGH (DIN 06679809), who was appointed as an Additional Director of the Company on 31.10.2013 under Articles of Association of the Company and who by virtue of Section 260 of the erstwhile Companies Act, 1956 and Section 149, 152 & 161 of the Companies Act, 2013 to the extent applicable, holds office up to the date of this Annual General Meeting but being eligible, offers himself for re-appointment and in respect of whom the company has received Notice in writing from member proposing his candidature for office of Director be and hereby appointed as director of the Company and whose office liable to retire by rotation"

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. GULAB AWADHPAL SINGH (DIN – 01650984), an Independent Director of the Company, who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 24th Annual General Meeting up to the conclusion of the 29th Annual General Meeting."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. RAHUL GULAB SINGH (DIN: 06679808) who was appointed on 30.10.2013 as an Additional Director of the Company and holds office up to the date of this Annual General Meeting under section 161(1) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 24th Annual General Meeting up to the conclusion of the 29th Annual General Meeting."

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board
For, SEVEN HILL INDUSTRIES LIMITED**

PLACE: NAVI MUMBAI

DATE: 25.08.2014

**(DHEERAJ KUMAR SINGH)
CHAIRMAN**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Members are requested to notify the Company of any change in their address (in full) with the postal area pin code number, quoting their folio numbers.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
5. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's facility to exercise their right to vote by electronic means, as an alternative to vote physically at the Annual General Meeting (AGM) and the business may be transacted through e-Voting Services provided by CENTRAL DEPOSITORY SERVICES LIMITED (CDSL).

Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physical and e-voting, then votes cast through e-voting shall be only be taken into consideration and treated valid whereas votes cast physically at the meeting shall be treated as invalid.

6. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
7. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business of the Notice is annexed hereto.
8. The Company's Register of Members and Transfer Books will remain closed from 20.09.2014 to 27.09.2014 (both days inclusive) for the purpose of Annual General Meeting and Cut-off date for the purpose of E-voting is August 29, 2014. The voting period for the electronic voting will be started from 9.00 AM. On September 22, 2014 to 6.00 P.M. September 24, 2014 after this period the event will be no longer available for casting votes by "E-Voting" mechanism.

9. M/s. SATELLITE CORPORATE SERVICES PRIVATE LIMITED at B-302, Sony Apartment, Opp. St. Judge's High School, Off Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai-400072 are Registrars and Share Transfer Agents for Company's shares in Demat and Physical Form. Members holding shares in physical form are requested to advise any change of address mandates immediately to the Company / Registrar and Transfer Agent.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
11. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agent.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of section 108 of the Companies Act, 2013, read with Companies (Management & Administration) Rules, 2014 the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set out forth in the Notice convening the Annual General Meeting. The Company has engaged the services of CENTRAL DEPOSITORY SERVICES LIMITED (CDSL) to provide e-voting facility

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) 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 last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 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 number of shares held by you as on the cut off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.

- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant **SEVEN HILL INDUSTRIES LIMITED** on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 22.09.2014, 09:00 A.M and ends on 24.09.2014, 6:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29.08.2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

The Company has appointed Mr. KRUNAL NAVINCHANDRA MAHESHWARI, Chartered Accountant (in whole-time Practice) as the Scrutinizer for purpose of E voting to count the votes casted in favor or against the resolution proposed for all the items of the notice as mentioned in the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The Explanatory Statement sets out all the material facts relating to the Special Business mentioned under are accompanying this notice:

Item No. 3

The Board of Directors at their meeting held on 31.10.2013 co-opted Mr. DHEERAJ KUMAR SINGH in the Board as Additional Director under Articles of Association of the Company and who by virtue of Section 260 of the erstwhile Companies Act, 1956 and Section 149, 152 & 161 of the Companies Act, 2013 to the extent applicable his tenures of office expires at the ensuing Annual General Meeting. Mr. DHEERAJ KUMAR SINGH having rich experience in the field of Law and Marketing. Considering the same Board recommends to keep him on the board.

The Board recommends the resolution for the approval of shareholders.

Mr. GULAB AWADHPAL SINGH, Mr. DHEERAJ KUMAR SINGH and MR. RAHUL GULAB SINGH who shall be deemed to be concerned or interested in the resolution.

Item No. 4

Mr. Gulab Awadhpal Singh is an Independent Director on the Board of the Company. He was appointed on the Board at its meeting held on 06.05.2013. Mr. Gulab Awadhpal Singh was appointed as a Director liable to retire by rotation. In terms of section 149 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the Act), which are made applicable from April 1, 2014.

Mr. Gulab Awadhpal Singh being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of the 29th Annual General Meeting. In the opinion of the Board, Mr. Gulab Awadhpal Singh fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

The Board recommends the resolution for the approval of shareholders.

Mr. GULAB AWADHPAL SINGH, Mr. DHEERAJ KUMAR SINGH and MR. RAHUL GULAB SINGH who shall be deemed to be concerned or interested in the resolution.

Item No. 5

Mr. RAHUL GULAB SINGH was appointed as an Additional Director of the Company with effect from 31.10.2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 read Articles of Association of the Company. Mr. RAHUL GULAB SINGH holds office upto the date of ensuing Annual General Meeting of the Company. It is proposed to appoint Mr. RAHUL GULAB SINGH as Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 29th Annual General Meeting of the Company.

The Board recommends the resolution for the approval of shareholders.

Mr. GULAB AWADHPAL SINGH, Mr. DHEERAJ KUMAR SINGH and MR. RAHUL GULAB SINGH who shall be deemed to be concerned or interested in the resolution.

Item No. 6

The Articles of Association ("AOA") of the Company as presently in force was amended from time to time since incorporation of the Company. With the coming into force of the Companies Act, 2013 ("the Act") several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table 'F' (Articles of Association meant for a Company limited by shares) of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the Special Resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

D I R E C T O R S ' R E P O R T

DEAR SHAREHOLDERS,

Your Directors here by present the Twenty Fourth Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on **31st March 2014**.

OPERATIONS REVIEW:

During the year under review due to sluggish market condition and financial crisis company faces huge set back. So company not in position to generate any revenue from the operation but due to some fixed cost company posted Net Loss of Rs. 796697/-.

The management has taken measures as part of its continuous improvements to strengthen operations and viability.

DIVIDEND:

Your Directors have not declared any dividend during the year under review due to loss incurred.

FIXED DEPOSIT:

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956.

DIRECTORS:

Mr. DHEERAJ KUMAR SINGH was appointed as an Additional Director of the Company on 31.10.2013 be and hereby appointed as director of the Company and whose office liable to retire by rotation.

Mr. GULAB SINGH an Independent Director of the Company, who was appointed as a Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 24th Annual General Meeting up to the conclusion of the 29th Annual General Meeting.

Mr. RAHUL SINGH who was appointed on 31.10.2013 as an Additional Director of the Company and holds office up to the date of this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this 24th Annual General Meeting up to the conclusion of the 29th Annual General Meeting."

Mr. KETANBHAI SORATHIYA and MR. VIPUL TRIVEDI were resigned as a Director of the Company with effect from 31.10.2013 and 06.02.2014.

CHANGE OF REGISTERED OFFICE OF THE COMPANY

During the year company shift its registered office from Kandivali (E), Mumbai to Vashi (W), Navi Mumbai by passing special resolution through portal ballot on 18.06.2013.

AUDITORS AND AUDITORS' REPORT:

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith. The Audit Committee of the Company has regularly reviewed internal Control System of the company.

PARTICULARS OF EMPLOYEES:

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.

CORPORATE GOVERNANCE REPORT:

Your Company has been complying with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. A separate report on Corporate Governance along with Auditors' Certificate on compliance with the Corporate Governance norms and stipulated in Clause 49 of the Listing Agreement, forming part of this report is [annexed](#) herewith.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1)(e) of the Companies Act 1956, are not applicable to our Company, as our Company has not carried out in the manufacturing activities. The foreign exchange earnings on account of the operation of the Company during the year was Rs. Nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) Directors have prepared the accounts on a "going concern basis".

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

**For and on Behalf of the Board
For, SEVEN HILL INDUSTRIES LIMITED**

**PLACE: NAVI MUMBAI
DATE: 25.08.2014**

**(DHEERAJ KUMAR SINGH)
CHAIRMAN**