

MPIL CORPORATION LIMITED

ANNUAL REPORT
2013-14





MPIL CORPORATION LIMITED

ANNUAL REPORT 2013 - 14

Board of Directors

Sanjeev Jain
Ravindra K. Raje
G. S. Nayak
Drushti Desai

Company Secretary & Chief Financial Officer

Hinal Kothari

Auditors

M/s Lodha & Co.
Chartered Accountants

Registered Office

Udyog Bhavan, 2nd Floor,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai - 400 001.

Registrar & Share Transfer Agents

M/s Sharepro Services (India) Pvt. Ltd.
13 AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Andheri-Kurla Road,
Sakinaka, Mumbai - 400 072.

CONTENTS

Notice	1-6
Directors' Report	7-8
Report on Corporate Governance	9-15
Auditors' Report	16-17
Balance Sheet	18
Statement of Profit & Loss	19
Cash Flow	20
Notes to Financial Statements	21-29

NOTICE

NOTICE is hereby given that the fifty fifth Annual General Meeting of the Members of MPIL Corporation Limited will be held on Wednesday, 24th September, 2014 at K. K. Sheesha Banquets, Sagar Tech Plaza Complex, Third floor, Andheri Kurla Road, Saki Naka Junction, Mumbai- 400072 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R.K. Raje (DIN 00112003), who retires by rotation and being eligible, seeks re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration, and for that purpose, to pass the following Resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Lodha & Company, Chartered Accountants (Firm Registration No. 301051E), the retiring Auditors, be and is hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and is hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties."

SPECIAL BUSINESS:

4. To appoint Mr. Prabhakar G. Shevade (DIN 00843377) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification 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. Prabhakar G. Shevade (DIN 00843377) who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office upto the closing of the 60th Annual General Meeting of the Company or upto 23rd September, 2019, whichever is earlier.

5. To appoint Mr. Sanjeev Jain (DIN 00119762) as Whole Time Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mr. Sanjeev Jain (DIN 00119762) as a Whole Time Director, designated as Whole Time Director of the Company, for a period of five years with effect from 1st September, 2014, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit same not exceeding the limits specified under the Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

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

NOTES:

1. **A MEMBER/BENEFICIAL OWNER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.

2. The Register of Members/Beneficial Owners and the Share Transfer Registers relating to the Equity Shares of the Company will remain closed from 13th September, 2014 to 24th September, 2014 (both days inclusive).

ANNUAL REPORT 2013-14

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed thereto. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, of person seeking re-appointment/appointment as Director under Item No.2, 4 and 5 of Notice, is also annexed.
4. AS PER COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 READ WITH CHAPTER VII OF THE COMPANIES ACT, 2013, THE SHAREHOLDERS OF THE COMPANY ARE REQUESTED TO FURNISH THEIR INFORMATION AS PER ANNEXURE ATTACHED IN THE ANNUAL REPORT AND ARE REQUESTED TO SUBMIT THE SAME WITH M/S SHAREPRO SERVICES (INDIA) PVT. LTD., – RTA OF MPIL CORPORATION LIMITED ON OR BEFORE 30TH SEPTEMBER, 2014.
5. Corporate members intending to send their authorized 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.
6. Members/Beneficial Owners are requested to notify change of address, if any, to their respective Depository Participant in case of shares held in electronic form or to the Registrar & Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd., Unit: MPIL Corporation Limited, at 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri-Kurla Road, Sakinaka, Mumbai – 400 072, in case of shares held in physical form.
7. Any Member/Beneficial Owner desirous of obtaining any information pertaining to the Accounts may forward such queries in writing to the Finance & Accounts Department at the Registered Office at least 7 days prior to the Meeting in order to enable the Company to keep the information ready to the extent possible.
8. Members/Beneficial Owners or their Authorised Representatives/Proxies are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate to the Company's Registrar & Share Transfer Agents, the ledger folios of such accounts, for consolidation of all such shareholdings into one account.
11. All relevant documents referred in accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 10.00 a.m. and 5.30 p.m. up to the date of the Meeting.
12. Non-Resident Indian Members are requested to inform M/s Sharepro Services (India) Pvt. Ltd., immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Members intending to dematerialise their shareholdings may approach any Depository Participant for opening a Beneficiary Demat Account. For any additional information/clarifications, members may contact National Securities Depositories Ltd. or Central Depository Services (India) Ltd.
14. In terms of the provisions of Section 72 of the Companies Act, 2013, in respect of the physical shares held by them in the company, can make nominations in Form SH-13, which can be procured from the Registrar and Share Transfer Agent M/s Sharepro Services (India) Pvt. Ltd. The Members holding shares in demat form may contact their respective depository.
15. Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their 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 or to the Registrar and Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd.
16. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail addresses to the Company or to the Registrar and Share Transfer Agents, M/s Sharepro Services (India) Pvt. Ltd.

Voting through Electronic Means:

- 1 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 members facility to exercise their right to vote at the 55th Annual General Meeting (AGM) to be held on Wednesday, 24th September, 2014, at 10.00 a.m. by electronic means and the business may be transacted through e-Voting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The detailed instructions for e-voting 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) 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. For members holding shares in Physical Form Folio Number registered with the Company (6 Digit Alpha-Numeric).
- (iv) Next enter the Captcha code 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.
DOB*	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details*	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* 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 directly reach the Company selection screen. However, members holding shares in demat form will 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 the company opts for e-voting through CDSL platform. It is strongly recommended that you do 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 "MPIL Corporation 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 print-out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) Demat account holders who have forgotten the changed password may enter the User ID and the Captcha code and click on Forgot Password and enter the details as prompted by the system.

ANNUAL REPORT 2013-14

- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. 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.co.in 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.
- (xviii) The voting period begins on 17th September, 2014 at 10.00 a.m. and ends on 19th September, 2014 at 5.30 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 of (record date) of 12th September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
2. 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 (record date) of 12th September, 2014.
 3. Ms. Ragini Chokshi for M/s. Ragini Chokshi & Co. Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the evoting process in a fair and transparent manner.
 4. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 5. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.mpilcorporation.com and on the website of CDSL within two(2) days of passing of the resolutions at the 55th AGM of the Company on 24th September, 2014 and communicated to the BSE Limited, Pune Stock Exchange and Calcutta Stock Exchange.

All the Above documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.30 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board of Directors
For **MPIL Corporation Limited**

Place: Mumbai
Date: 5th August, 2014

Hinal Kothari
Company Secretary & Chief Financial Officer

Registered Office:
Udyog Bhavan, 2nd floor,
29 Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001

ANNEXURE TO NOTICE**Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)**

Name	R.K. Raje	Prabhakar G. Shevade	Mr. Sanjeev Jain
DIN	00112003	00843377	00119762
Date of Birth	June 30, 1955	July 18, 1956	December 5, 1961
Date of Appointment	13.07.2005	-	05.08.2014
Qualification	Fellow member of the Institute of Chartered Accountants of India. He is also Qualified Company Secretary and a Bachelor of Law.	Fellow member of the Institute of Chartered Accountants of India	Associate Member of chartered Accountants of India.
Expertise in specific functional areas and past experience	39 years experience at various levels in the field of finance, taxation, and corporate laws.	More than two decades of experience at various level in the field of financial appraisal and financial management.	24 years experience at various levels in the fields of finance and corporate laws.
Directorship in other companies (excluding foreign Companies, Private Companies & Section 25 companies)	Narmada Gelatins Ltd. GWL Properties Limited SMN Engineers Ltd.	NONE	Narmada Gelatins Ltd. GWL Properties Limited SMN Engineers Ltd.
Memberships/ Chairmanships or committees across public companies	MPIL Corporation Limited Audit Committee - Member GWL Properties Limited Audit Committee - Chairman Shareholders' Investors' Grievance Committee - Member Narmada Gelatins Limited Audit Committee - Member	NONE	MPIL Corporation Limited Shareholders' Investors' Grievance Committee - Member GWL Properties Limited Audit Committee - Member Shareholders' Investors' Grievance Committee - Member
Shareholding	1 equity share	Nil	Nil

EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

Pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Prabhakar Shevade (DIN 00843377) is being proposed for appointment as an Independent Director of the Company and shall hold office up to the closing of the 60th Annual General Meeting of the Company or upto 23rd September, 2019, whichever is earlier with a view to bring about independence in the Board's deliberation on various issues and to safeguard and balance any conflicting interest of shareholders particularly minority shareholders and to assist the Company in implementing the best corporate governance and business practices.

The Board Nomination and Remuneration Committee and the Board of Directors have recommended appointment of Mr. Prabhakar Shevade (DIN 00843377) as an Independent Director of the Company. Mr. Prabhakar Shevade (DIN 00843377) has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Prabhakar Shevade (DIN 00843377) the nominated persons fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as Independent Director of the Company and he is independent of the management and not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has given his consent to act as a Director of the Company.

Notice has been received from a member proposing his appointment as a Director along with a deposit of Rs.1,00,000/-.

The Board confirms that in making this recommendation, it has given careful consideration to the proposed Director's balanced skills, knowledge and experience and is satisfied that he will have sufficient time to discharge his duties effectively, taking into account his other commitments

Copy of the draft letter for appointment of Independent Director setting out the terms and conditions would be available for inspection, without any fee, by the Members at the registered office of the Company during normal business hours on any working day, excluding Saturdays.

ANNUAL REPORT 2013-14

A brief profile of an Independent Director to be appointed, including his expertise and other disclosure as required under clause 49 of the Listing Agreement, is provided at annexure of this Notice.

Save and except Mr. Prabhakar Shevade (DIN 00843377) none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

Item No. 5

The Board of Directors of the Company (the 'Board'), at its meeting held on 5th August, 2014 has, subject to the approval of members, appointed Mr. Sanjeev Jain (DIN 00119762) as Whole Time Director, for a period of five years with effect from 1st September, 2014 without any remuneration, recommended by the Nomination and Remuneration Committee of the Board.

The appointment is subject to the approval of members. The terms and conditions of his appointment are as follows:

1. Period of appointment: Five years from 1st September, 2014 to 31st August, 2019.
2. Nature of Duties: Mr. Sanjeev Jain shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.
3. Remuneration, perquisites, allowances and benefits: Mr. Sanjeev Jain will not be entitled to any remuneration, perquisites, allowances or benefits for his services to the Company.
4. That the agreement, executed between the Company and Mr. Sanjeev Jain, may be terminated by either party by giving three months' notice in writing of such termination.
5. That the terms and conditions of the appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, subject to such approvals as may be required.
6. That during his association with the Company, Mr. Sanjeev Jain agrees to adherence at all times with the Code of Conduct of the Company.
7. That during his association and thereafter, Mr. Sanjeev Jain will not communicate or divulge to any person, any information detrimental to the interest of the company and maintain confidentiality.
8. That Mr. Sanjeev Jain shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
9. That during the continuance of this agreement, Mr. Sanjeev Jain shall not reveal company secrets or confidential information with regards to the affairs and business of the company to any third party.

Mr. Sanjeev Jain (DIN 00119762) satisfies all the conditions set out in Part I of Schedule V of the Companies Act, 2013 as also conditions set out under sub-section (3) of Section 196 of the Act for being appointed as director in terms of Section 164 of the Act.

The copies of relevant resolutions of the Board and agreement with respect to the re-appointment is available for inspection by members at the registered office of the Company during working hours on any working day till the date of the ensuing Annual General Meeting.

Save and except Mr. Sanjeev Jain (DIN 00119762) none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Shareholder.

By Order of the Board of Directors
For **MPIL Corporation Limited**

Place: Mumbai
Date: 5th August, 2014

Hinal Kothari
Company Secretary & Chief Financial Officer

Registered Office:
Udyog Bhavan, 2nd floor,
29 Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 55th Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2014.

SUMMARISED FINANCIAL RESULTS

	(₹ Lakhs)	
	Year ended 31.03.2014	Year ended 31.03.2013
Income	106.45	95.44
Less: Expenditure	96.44	89.73
Profit/(Loss) before Tax	10.01	5.71
Provision for Taxation:		
Current Tax	1.91	1.09
Tax Adjustments for earlier years	-	0.04
Profit/(Loss) after Tax	8.10	4.58
Balance brought forward from last year	118.90	114.32
Profit/(Loss) carried to Balance Sheet	127.00	118.90

REVIEW OF OPERATIONS

During the year under review, the Company earned a profit of ₹ 8.10 lacs as compared to a profit of ₹ 4.58 lacs for the previous year.

DIVIDEND

The Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS

The Company has not accepted any deposits from the public during the year under review and does not have any fixed deposits as at the date of the Balance Sheet.

DIRECTORS

During the year Mrs. K C Wazir (DIN 00138111) resigned as a Director of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Ravindra K. Raje (DIN 00112003), Director retires by rotation, and being eligible, offers himself for reappointment. The Board of Directors recommends his re-appointment.

Mr. Prabhakar Shevade (DIN 00843377) is being proposed for appointment as an Independent Director of the Company at the ensuing Annual General Meeting of the Company in accordance with the provisions of Section 149 of the Companies Act, 2013. The Board of Directors recommends his appointment as Independent Director for a period of 5 years.

Mr. Sanjeev Jain (DIN 00119762), Director of the Company has been appointed as a Whole Time Director of the Company for a period of 5 years with effect from 1st September, 2014 at the meeting of Board of Directors held on 5th August, 2014, subject to approval of the Members. His vast and rich experience is of immense benefit to the Company. Resolution seeking approval of the Member for appointment of Mr. Sanjeev Jain (DIN 00119762) as a Whole Time Director has been incorporated in the Notice of the forthcoming Annual General Meeting along with brief details about him.

The appointment of the Director is in compliance with the provisions of Sections 196, 197 and 203 read with Schedule V the Companies Act, 2013 and the Companies (Appointment and remuneration of Managerial Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time. The Board of Directors recommends his appointment as Independent Director for a period of 5 years without remuneration.

The appointment of the Directors is in compliance with the provisions of Section 164(2) of the Companies Act, 2013 read with rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Brief resume of the Directors proposed to be appointed/re-appointed, nature of his expertise in specific functional areas and names of companies in which he hold directorship and membership/chairmanship of committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in the Annexure to the Notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm:

- That in the preparation of Annual Accounts for the financial year ended on 31st March, 2014, the applicable accounting standards had been followed alongwith proper explanation relating to material departures, if any;
- That the Directors had 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 ended 31st March, 2014 and of the profit of the Company for that year;
- That the Directors had, as far as possible, 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, to the best of their knowledge and ability; and
- That the Directors had prepared the Annual Accounts for the financial year ended on 31st March, 2014 on a going concern basis.

ANNUAL REPORT 2013-14

AUDITORS

M/s Lodha & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting, and are eligible for reappointment.

The Company has received a letter from them signifying their willingness to be reappointed as Statutory Auditors and have also confirmed that their reappointment, if made at the ensuing Annual General Meeting, would be within the prescribed limit under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for such reappointment within the meaning of Section 141 of the said Act.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL REVIEW

During the year under review, the Company earned an income of ₹106.45 lacs. After providing for depreciation and tax, the profit for the year under review after tax was ₹8.10 lacs.

OUTLOOK

India's growth slowed down markedly, reflecting global developments and domestic supply constraints, while inflation remains stubbornly high. The slowdown manifested in GDP growth falling from 8.9% in 2010-11 to 6.8% in 2011-12 and 4.5% in 2012-13. With reduced infrastructure and corporate investments, the slowdown penetrated to other sectors of the economy.

India, being dependent on large imports of crude oil, experienced an adverse impact on economic growth as well as currency management. Rupee experienced huge depreciation vis-à-vis US Dollar and other major currencies in the first half of the financial year, which continued till the third quarter of the year. Some correction did take place in the last quarter on account of high forex inflows into the country on the back of the upswing in the equity markets. With the election of a majority ruling party at the Centre and the bullish sentiments in the market, it is forecasted that economic reforms and manufacturing and agricultural sector will be given the much needed push to galvanise the growth rate. It is expected that the rupee will firm up and that inflation will be brought down to manageable levels which will help and boost the inflow of investments.

While the new Government has permitted FDI in certain sectors, its clear stand on FDI in retail and various other sectors is awaited. Your Company, being a foreign-held entity, continues to closely follow these developments. In the meanwhile, the Company will continue to invest the surplus funds in money-market instruments and utilise the assets of the company to generate revenues.

INTERNAL CONTROL SYSTEM

The Company has an appropriate system of internal control. The Company ensures adherence to internal control policies and procedures. Internal audit is conducted on a periodical basis to review internal controls. The Audit Committee of the Board of Directors also reviews the reports of the internal audits conducted and the adequacy of internal control system.

HUMAN RESOURCE DEVELOPMENT

The Company maintains a core team to maintain the existing assets.

CAUTIONARY STATEMENT

Statement in this Management Discussion & Analysis describing the Company's objectives, projections, estimates and expectations may be a forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

CORPORATE GOVERNANCE

The Company has complied with the mandatory Corporate Governance Requirements stipulated under Clause 49 of the Listing Agreement. Report on the Corporate Governance is annexed hereto forming a part of this Report. Certificate from the Auditors of the Company, M/s Lodha & Co., confirming compliance of the conditions of the aforesaid Corporate Governance, is annexed to and forms part of the Directors' Report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION ETC.

The provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption do not apply to the Company.

During the year under review, there were no Foreign Exchange Earnings or Outgoings.

PARTICULARS OF EMPLOYEES

None of the employees of the Company is in receipt of remuneration exceeding the limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Therefore, the information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the statutory authorities, banks, shareholders, employees and other stakeholders for their valued support.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 5th August, 2014

R K Raje
Director
(DIN 00112003)

Sanjeev Jain
Director
(DIN 00119762)