



McDowell Holdings Limited

ANNUAL REPORT 2016 - 2017

McDOWELL HOLDINGS LIMITED

Directors	Mr. M. S. Kapur	<i>Independent Director (Chairman)</i>
	Mr. Anil Pisharody	<i>Non-executive Director</i>
	Ms. Tushita Patel	<i>Non-executive Director</i>
	Mr. Nitin Kochhar (w.e.f. February 14, 2017)	<i>Independent Director</i>
Company Secretary and Compliance Officer	Mr. Manoj Kumar	
Statutory Auditors	M/s Vishnu Ram & Co., Chartered Accountants No.12, Margosa Road, Malleswaram, Bengaluru – 560 003	
Registered Office	UB Tower, Level - 12, UB City, No. 24 Vittal Mallya Road, Bengaluru – 560 001	
Registrars and Share Transfer Agent	INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LTD CIN NO: U74900TN2015PTC101466 No. 30, Ramana Residency, 4th Cross, Sampige Road Malleswaram, Bengaluru – 560 003	

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McDOWELL HOLDINGS LIMITED

CIN: L05190KA2004PLC033485

Registered Office: UB Tower, Level-12, UB City, 24, Vittal Mallya Road, Bengaluru – 560 001

E-mail: mhlinvestor@ubmail.com Website: www.mcdowellholdings.co.in

Tel. : +91 80 3985 6500 Fax : +91 80 2227 4890

NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING of the members of McDowell Holdings Limited will be held at Conference Hall, Level - 1, UB Tower, UB City, 24, Vittal Mallya Road, Bengaluru – 560 001 on Tuesday, September 26, 2017 at 2:30 P.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mrs. Tushita Patel (DIN 07017591), who retires by rotation and, being eligible, offers herself for re-appointment.
3. Auditors' appointment and fixation of their remuneration.

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the Company hereby appoint M/s. BVC & Co., Chartered Accountants (Firm Registration No. 008154S), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Eighteenth Annual General Meeting subject to ratification at each subsequent Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. Appointment of Mr. Nitin Kochhar as an Independent Director:

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Nitin Kochhar (DIN 03559734), who was appointed as Additional Director of the Company with effect from February 14, 2017 in terms of Section 161 of the Companies Act, 2013 and Article 112 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Independent Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for 5 years with effect from February 14, 2017 not liable to retire by rotation."

By Order of the Board

Delhi
August 16, 2017

Manoj Kumar
DGM-Legal & Company Secretary
[Membership No. : F6698]

NOTES:

- 1) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, forms part of this Notice.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**
- 3) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Transfer Books and Register of Members will remain closed from Wednesday, September 20, 2017, to Tuesday, September 26, 2017 (both days inclusive).
- 4) Members are requested to intimate immediately to the Company's Registrars and Share Transfer Agent, Integrated Registry Management Services Private Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru 560 003 (Telephone No. 080-23460815-818 Fax No. 080 2346 0819), any change in their e-mail id / correspondence address along with Pin Code Number.
- 5) Members holding shares in the same name or same order of names under different ledger folios are requested to apply for consolidation of such folios, to the Company's Registrars and Share Transfer Agent at the address as stated in Note No. 4 above.
- 6) Members may address all their documents/correspondence relating to the equity shares of the Company directly to the Company's Registrars and Share Transfer Agent at the address as stated in Note No. 4 above.
- 7) Nomination facility for shares is available for Members. The prescribed form in this regard can be obtained from the Company's Registrars and Share Transfer Agent at the address as stated in Note No. 4 above.
- 8) The Company's equity shares are under compulsory dematerialisation. Accordingly, trading of these shares through the Stock Exchanges would be facilitated if the share certificates are in dematerialised mode. Members having physical share certificates are advised to consider opening a Demat Account with an authorised Depository Participant and arrange for dematerialising their shares in the Company.
- 9) The Company has designated an exclusive e-mail id viz, mhlinvestor@ubmail.com to enable the investors to post their grievances and monitor their redressal.
- 10) There is no unclaimed dividend required to be transferred to the Investor Education and Protection Fund.
- 11) The cut-off-date for the purpose of ascertaining shareholders who are eligible to receive this notice is Friday, August 25, 2017.
Members attending the Annual General Meeting are requested to bring with them the following:
 - a. Copy of the Annual Report and Notice, as no copies thereof would be distributed at the Meeting;
 - b. The Attendance Slip duly completed and clearly indicating their DP ID & Client ID, in case of shares held in dematerialised mode and Folio Number in case of shares held in physical mode, to facilitate identification of membership at the Meeting.
- 12) The Company would accept only the Attendance Slip from a member actually attending the Meeting, or from the person attending as a proxy under a valid proxy form registered with the Company not less than 48 hours prior to the Meeting. Attendance Slips of Members/valid proxies not personally present at the Meeting, or relating to Proxies which are invalid, will not be accepted from any other member/person.
- 13) The Meeting is for members or their proxies only. Please avoid being accompanied by non-members/children.
- 14) Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- 15) Members are requested to quote the Folio Number / Client ID/DP ID in all correspondence.
- 16) Members may note that the Notice of the Thirteenth Annual General Meeting and the Annual Report for 2016-17 is also available on the Company's website www.mcdowellholdings.co.in.
- 17) Physical copies of all documents referred to in the Notice and the Explanatory Statement shall be open

for inspection at the Registered Office of the Company during normal business hours on all working days except on Saturdays, Sundays and Public Holidays up to and including the date of Annual General Meeting of the Company.

- 18) The relevant information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Mr. Nitin Kochhar and Mrs. Tushita Patel, Directors seeking appointment/re-appointment are given in the Annexure to the Notice and forms part of the Corporate Governance Report.
- 19) Electronic copies of the Annual Report and Notice are being sent to all the Members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report and Notice and being sent in the permitted mode. Members who require communication in physical form in addition to e-communication, or have any queries may write to Company on mhlinvestor@ubmail.com

20) Voting options:

I. Voting through electronic means:

- A. In terms of the provisions of Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard SS-2 issued by the Institute of Company Secretaries of India, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to members holding shares as on Wednesday, September 20, 2017

(end of day) being the Cut-off Date (Record Date for the purpose of Rule 20 (3) (vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central Depositories Services (India) Limited (CDSL).

- B. The remote e-voting period begins on Saturday, September 23, 2017 at 9:00. a.m. and ends on Monday, September 25, 2017 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the Cut-off Date Wednesday, September 20, 2017 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- C. The members may participate even after casting their votes through e-voting but shall not be allowed to cast vote again at the AGM.
- D. The instructions for members for voting electronically are as under:
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.
 - (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 share holders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Company "McDowell Holdings Limited".
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

II Voting at Annual General Meeting

Members who have not cast their votes through remote e-voting, can exercise their voting rights at the AGM.

- A. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- B. 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.
- C. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

- D. A Member can opt for only one mode of voting i.e. either in person or through proxy at the Meeting or through remote e-voting. Members attending the Annual General Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Annual General Meeting. Members who have already cast their vote by remote e-voting shall not be allowed to vote again at the Annual General Meeting. If a member casts votes by all the modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.
- E. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the Cut-off Date i.e. Wednesday, September 20, 2017, may obtain a copy of the Notice by sending a request at helpdesk.evoting@cdslindia.com/ mhlinvestor@ubmail.com. Such persons may follow the instructions given in the Notice for casting their votes through e-voting provided by CDSL. In case of any assistance on e-voting, please contact the Registrars at irg@integratedindia.in/ Phone No. 080-23560815-818/ Fax: 080-23460819.
- F. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
21. The Company has appointed Mr. Sudhir Hulyalkar, Company Secretary in Practice (Membership No. FCS 6040, CP No. 6137), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
22. The Scrutinizer shall immediately after the conclusion of the General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman within a period not exceeding three (3) days from the conclusion of the Annual General Meeting.
23. The Results shall be declared at or after the Annual General Meeting of the Company by the Chairman or the person authorised by him. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company- www.mcdowellholdings.in and on the website of CDSL – www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Nitin Kochhar was appointed as an Additional Director of the Company with effect from February 14, 2017 pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013, Article 112 of the Articles of Association of the Company, Section 149(1) of the Companies Act, 2013 and the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He was appointed in the capacity of Non-executive Independent Director. He holds office upto the date of this Annual General Meeting.

Mr. Kochhar is a Practicing Company Secretary with more than 15 years' experience and has vast experience in the areas of accounts, finance, taxation and corporate laws.

A notice in writing in the prescribed manner as required by Section 160 of the Companies Act, 2013 and Rules made thereunder has been received from a Member proposing the candidature of Mr. Kochhar for the office of Independent Director of the Company and necessary deposit has been made by the shareholder as required under law.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Kochhar. Accordingly, the Board recommends the resolution as set out under Item No. 4 for the appointment of Mr. Kochhar as an Independent Director for a term of 5 years w.e.f. February 14, 2017 for approval by the Members of the Company as Ordinary Resolution. If appointed, Mr. Kochhar will be an Independent Non-executive Director, not liable to retire by rotation.

Except Mr. Kochhar, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4. Mr. Kochhar does not hold any equity shares of the Company.

By Order of the Board

Delhi
August 16, 2017

Manoj Kumar
DGM-Legal & Company Secretary
[Membership No. : F6698]

Annexure to Notice of Thirteenth Annual General Meeting

Sl. No.		Mr. Nitin Kochhar	Mrs. Tushita Patel
1	Director Identification Number (DIN)	03559734	07017591
2	Date of Birth	29-11-1978	19-12-1969
3	Date of Appointment	14-02-2017	20-03-2015
4	Qualifications	Fellow member of the Institute of Company Secretaries of India	BA (Honours Political Science), Presidency College Calcutta
5	Expertise in specific field	Finance, Accounts, Taxation and Corporate laws	Business Management and Administration
6	Directorship in other Companies	<ul style="list-style-type: none"> • Hindustan Thermaprojects Ltd. • NSK Corporate Advisors Pvt. Ltd. • Geeta Devi Foundation 	<ul style="list-style-type: none"> • Bestride Consultancy Pvt. Ltd. • Ganpathy Mallya Investments Pvt. Ltd. • Talesi Venture Pvt. Ltd. • Vittal Investments Pvt. Ltd.
7	Membership in Committees	<ul style="list-style-type: none"> • Audit Committee • Nomination and Remuneration Committee • CSR Committee 	<ul style="list-style-type: none"> • Stakeholder Relationship Committee
8	Shareholding in McDowell Holdings Limited	Nil	Nil
9	Number of Board Meetings attended during the year 2016-17	One	Six

The above details do not include Committee Memberships not prescribed for the purpose of reckoning of limits in terms of Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Brief profile of the above directors also forms part of the Corporate Governance Report. The above Directors are not related to any of the Directors and Key Managerial Personnel of the Company.

Route Map for the venue of the Annual General Meeting
“Conference Hall, Level 1, UB Tower, UB City, # 24 Vittal Mallya Road, Bangalore - 560 001”
forming part of this Notice is on the back inner cover page of this Annual Report.

Report of the Directors

TO THE MEMBERS,

The Directors have pleasure in presenting the Thirteenth Annual Report of the Company along with Audited Accounts for the year ended March 31, 2017.

Financial Performance for the year ended March 31, 2017:

Particulars	For the Financial Year Ended	
	31.03.2017 (₹)	31.03.2016 (₹)
Income	1,07,64,190	10,66,00,154
Less : Expenditure	5,10,10,143	17,46,49,169
Loss before Provisions, write off and diminution in value of investments	(4,02,45,953)	(6,80,49,015)
Less : Provision for doubtful advances	4,92,52,995	15,09,26,605
Less : Advances no longer recoverable	158,77,10,261	165,72,77,723
Less : Diminution in value of investments	-	1980,73,525
Loss before tax and exceptional item	(167,72,09,209)	(207,43,26,868)
Exceptional item : Profit on sale of pledged shares	146,61,41,592	189,73,86,112
Profit/(Loss) before Tax	(21,10,67,617)	(17,69,40,756)
Tax Expense (MAT)	3,35,064	3,70,00,000
Profit/(Loss) after Tax	(21,14,02,681)	(2139,40,756)
Less : Transfer to statutory reserve	-	-
Surplus/(Deficit) carried to Balance Sheet	(21,14,02,681)	(2139,40,756)

Dividend

In view of the losses during the financial year, no dividend has been recommended for the financial year ended March 31, 2017.

Operations of the Company

The total income of the Company during the financial year under review was ₹ 1,07,64,190 as against ₹ 10,66,00,154 in the previous financial year. The reduction in income was primarily due to reduction in dividends and non-receipt of commission and interest income.

The total expenditure during the year was ₹ 5,10,10,143 as against ₹ 17,46,49,169 in the previous financial year. The reduction in expenditure was primarily due to decrease in Finance costs.

During the year under review, a lender, in whose favour one of the Company's investments was pledged to secure the loans made to certain promoter companies, sold the pledged shares to liquidate the loan of a promoter company, resulting in a profit of ₹ 146,61,41,592.

Pursuant to the corporate guarantee given by the Company on behalf of some group companies and an erstwhile group company's borrowings, the lender invoked the corporate guarantee on non-payment of the borrowings and sold pledged securities and proceeds thereof of ₹ 151.55 crores and a cash margin of ₹ 7.22 crores were utilised by the lender to liquidate the loans of the said borrowing companies. Your Directors have consequently written off a sum of ₹ 158,77,10,261. However, the Company has initiated steps to recover the dues from the borrowing companies.

After making provision for tax, the net loss was ₹ 21,14,02,681 as against the loss of ₹ 21,39,40,756 in the previous year.

The Hon'ble High Court of Karnataka on February 7, 2017 has passed an order for winding-up of a promoter company in which your Company holds 52,60,002 equity shares. The said company has filed an appeal against the said order which is pending and hence the investment continues to be shown at cost.

Market Value of Company's investment

The Company's net worth taking into account the market value of the Company's investment stocks, would be more than adequate to meet its liabilities and to continue its operations in future.

Future Prospects

Your Company continues to hold strategic investments in UB Group companies and dividend distribution by the investee companies would enhance its revenue progressively.

The Company does not have minimum prescribed net owned funds, capital risk adequacy ratio, etc. for being classified as Non-Banking Financial Company (NBFC). As advised by the Reserve Bank of India, the Company had made an application for re-classification of the Company as a Core Investment Company.

In order to strengthen the prospects of the Company, your Directors are evaluating different options to enter into additional activities. Should such opportunities prove to be attractive, your Company would consider them during the current year.

Directors and Key Managerial Personnel

Since the last Annual General Meeting, the following changes have taken place in the Board of Directors:

Mr. N. Srinivasan (DIN 00004195) an independent director of the Company resigned with effect from December 1, 2016. The Board placed on record its appreciation for the valuable guidance and support given by Mr. Srinivasan during his tenure as a Director of the Company.

Mr. Nitin Kochhar (DIN 03559734) was appointed as an Additional Director of the Company on the capacity of Independent Director with effect from February 14, 2017. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received from a member pursuant to Section 160 of the Companies Act, 2013 proposing Mr. Nitin Kochhar as a candidate for the office of Independent Director of the Company.

Mrs. Tushita Patel (DIN 07017591) Non-executive Director is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment.

The Nomination and Remuneration Committee has recommended the appointment and reappointment of Mr. Nitin Kochhar and Mrs. Tushita Patel as Directors of the Company.

The Company presently does not have a Managing Director and Chief Financial Officer. The only Key Managerial Personnel of the Company is the Company Secretary. The affairs of the Company are conducted under the supervision and guidance of the Board of Directors of the Company and the Group Chairman.

None of the Directors of the Company are disqualified under Section 164 (2) of the Companies Act, 2013. Your Directors have made necessary disclosures as required under the provisions of the Companies Act, 2013.

Directors' Responsibility Statement

The Board of Directors of the Company hereby states that:

- (a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the loss of the Company for that period;