



MONICA ELECTRONICS LIMITED

ANNUAL REPORT
2013-2014

BOARD OF DIRECTORS

B. P. Yadav

Amarjeet Singh

A.K. Dhingra

Rajeev Saxena (Addl. Director)

AUDITORS

Agarwal Seth & Co.

Chartered Accountants

212A, Ocean Plaza,

Sector-18,

NOIDA-201301 (U.P.)

REGD. OFFICE

Shop No. 21,

C/o Aashiyana Residency,

Chaudhary Dharambir Market,

Near Sebel Cinema, Badarpur,

New Delhi -110044

'Designated email id for investors' grievances'

mel.complaints@yahoo.in

REGISTRAR & SHARE TRANSFER AGENT

Mas Service Limited

T-34, 2nd Floor,

Okhla Industrial Area, Phase-II,

New Delhi- 110 020

MONICA ELECTRONICS LIMITED

NOTICE is hereby given that the annual general meeting of the members of the Monica Electronics Limited will be held on Monday, the 29th day of September 2014 at 10:00 A.M. at Shiv Farm House, Rama Garden, Jaitpur Road, New Delhi - 110044 New Delhi to transact the following business:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and Statement of Profit & Loss for the financial year ended 31st March, 2014 and the reports of Director's and Auditor's thereon.
2. To appoint a director in place of Mr. B. P. Yadav, who retires by rotation and being eligible, offers himself for reappointment
3. To appoint M/s Agarwal Seth & Co., Chartered Accountants to hold office from the conclusion of this meeting till the conclusion of the next annual general meeting and fix their remuneration.

AS SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Rajeev Saxena, in respect of whom the company has received a notice in writing proposing his candidature for the office of director, be and hereby appointed a director of the company liable to retirement by rotation."

By order of the Board

Aug 04, 2014
New Delhi

Rajeev Saxena
Director

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT TIME OF THE MEETING.
2. The register of members and share transfer books of the company will remain closed from Saturday, September 20, 2014 to Monday, September 29, 2014 (both days inclusive).
3. Members holding the shares in physical form can avail of the nomination facility in terms of Section 72 of the Companies Act, 2013, by furnishing Form SH. 13 (in duplicate) to the Company or its R&T Agent. The said form will be made available on request. In case of shares held in demat form, a nomination form will have to be lodged by members with their Depository Participants.
4. Electronic copy of the notice of the Annual General Meeting (AGM) of the company inter alia indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) 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 notice of the AGM of the company is being sent in the permitted mode.
5. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the company ten days in advance of the meeting so that the answer may be made readily available.
6. Members are requested to produce the enclosed attendance slip duly signed, in accordance with specimen signatures registered with the company for admission to the meeting place.

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7. E-voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is providing the electronic facility to its members to exercise their right to vote at the AGM. The business at the AGM may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion. The procedure and instructions for e-voting are as follows:

A. In case of members:

- a. Open your web browser during the voting period and log on to the e-voting website : www.evotingindia.com
- b. Click on "Shareholders" tab.
- c. Select "Monica Electronics Limited - 140901089" from the drop down menu and click on "SUBMIT"
- d. Now Enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in demat form and had voted on an earlier voting of any company by logging on to www.evotingindia.com, then your existing password is to be used.
- g. If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth (DOB) in dd / mm / yyyy format as recorded in your demat account or in the Company records for the said demat account or folio.
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.

* 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 e.g. if your name is Tilak Kumar with folio number 100 then enter TI00000100 in the PAN field.

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.

- h. After entering all details appropriately, click on "SUBMIT".
- i. Members holding shares in physical form will be directed to 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 such 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.

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- j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the EVSN for the relevant business of Monica Electronics Limited on which you choose to vote.
- l. 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.
- m. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions.
- n. 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 choice, click on “CANCEL” and modify your choice. Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- o. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- p. If Demat account holder has forgotten the password then “Enter the User ID” and the image verification code and click on Forgot Password & enter the details as prompted by the system.

B. In case of Institutional shareholders:

- a. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- b. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- c. 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.
- d. 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.
- e. Institutional shareholders 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.

C. Voting Period

- a. The voting period begins from 9:00 a.m. on Monday, September 22, 2014 and ends at 5:30 P.M. on Wednesday, September 24, 2014. During this period, shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

E. General:

- a. 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.co.in under Help section or write an email to helpdesk.evoting@cdslindia.com.
- b. If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- c. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of September 15, 2014.
- d. Mr. Kundan Agarwal, Practising Company Secretary, (Membership No. F-7631 and CP no. 8325), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e. 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 notice board and on the website of CDSL within two days of declaration of the result of the resolution and forthwith communicated to the all the stock exchanges where the shares of the company are listed.

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7. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
8. The members, who have voted by e-voting, are not eligible to vote at the annual general meeting.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 4 is attached hereto.

EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

Item No. 4

Mr. Rajeev Saxena was appointed an additional director of the company on July 26, 2014. He holds office till annual general meeting of the company. A notice has been received along with required deposit from a shareholder signifying his intention to propose the appointment of Mr. Rajeev Saxena as a director. A brief profile of Mr. Rajeev Saxena is attached to this notice.

Mr. Rajeev Saxena is interested in the resolution. No other director or their relatives are in any concerned or interested in the resolution. The directors recommend the resolution for shareholders' approval.

ANNEXURE

The brief profile of Mr. Rajeev Saxena

Name	Mr. Rajeev Saxena
Date of Birth	December 15, 1969
Date of appointment on the Board	July 26, 2014
Qualification	MBA and Bachelor of Commerce
Expertise in specific functional areas	Finance & Accounts
Brief Biography	Mr. Rajeev Saxena is a graduate in commerce. He has also completed MBA. He was associated with M/s. Garg & Associates and Bansal Cosmocare Ltd. and has nearly 20 years experience in accounts and finance. Presently he is working with Mirc Electronics Ltd. as a Regional Manager (Finance & Accounts).
List of other Companies in which he holds Directorship	Nil
Chairman / member of Committees of the Board of the other companies in which he is as a Director	Nil
Relationship with other Director(s)	None
Equity Shares held in the Company	Nil

By order of the Board

Aug 04, 2014
New Delhi

Rajeev Saxena
Director

MONICA ELECTRONICS LIMITED

DIRECTORS' REPORT TO THE MEMBERS

The directors submit their report and accounts for the financial year 2013-14

OPERATIONS

During the year ended March 31, 2014, the sales and other income were ₹ 5,00,914/- as against ₹ 2923/- in the previous year ended March 31, 2013. The loss for the period under review was ₹ 9,10,645/- as against loss of ₹ 2,58,355/- in the previous year.

DIVIDEND

The directors do not recommend any dividend.

DIRECTORS' RESPONSIBILITIES STATEMENT

- i) The financial accounts are prepared in conformity with the accounting standards issued by the Institute of Chartered Accountants of India and requirements of the Companies Act, 1956 to the extent applicable to the company.
- ii) The accounting policies used in preparation of financial statements have been consistently applied. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, such financial statements reflect in a true and fair manner, the state of affairs of the company at the year ended on 31.3.2014 and loss of the company for the year ended 31.3.2014.
- iii) Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 has been taken for safe- guarding the assets of the company and preventing and detecting fraud and other irregularities, to the best of our knowledge and ability.
- iv) The annual accounts have been prepared on a going concern and on accrual basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the company, Mr. B. P. Yadav Director retires by rotation and being eligible, offers himself for re-appointment.

Mr. Rajeev Saxena was appointed as an additional director of the company. He holds office till the annual general meeting. The company has received a notice from a shareholder along with the required deposit signifying his intention to proposed the name of Mr. Rajeev Saxena as a director of the company. The directors recommend the resolution for shareholders; approval.

The company has received declaration from independent directors confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013.

AUDITORS' REPORT

Auditors' observations have been explained in annexure 'B' which forms part of this report.

AUDITORS

The auditors M/s. Agarwal Seth & Co., Chartered Accountants retire at the conclusion of the forthcoming annual general meeting. M/s Agarwal Seth & Co. have expressed their willingness to continue as auditors of the company, if appointed. They have further confirmed that the said appointment, if made, would be within the prescribed limits under section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Board of Directors recommend the re-appointment of M/s Agarwal Seth & Co. as statutory auditors of the company.

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PARTICULARS OF EMPLOYEES, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

The company does not have any employee whose remuneration falls under the limits prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. The information under section 217 (1) (e) of the said act read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is set out in annexure 'A' and forms part of this report.

ACKNOWLEDGMENT

Your directors wish to thank and deeply acknowledge the valuable assistance; co-operation and support extended by the Central and State government authorities and banks during the year under review. The Board also gratefully acknowledges the support and goodwill extended by the shareholders of the company.

For and on behalf of the Board of Directors

Rajeev Saxena
Director

B. P. Yadav
Director

Date: Aug 04, 2014
Place: New Delhi

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ANNEXURE 'A' TO DIRECTORS' REPORT

1. CONSERVATION OF ENERGY

a. Energy conservation measures taken

The operations of the company remained closed during the year and no energy was consumed. Hence, no measures were taken.

b. Additional investments and proposals, if any, being implemented for reduction of energy.

There being no energy consumption in view of closed manufacturing operations, no additional measures and proposals implemented for reduction of energy used.

c. Impact of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production.

Not applicable.

2. RESEARCH AND DEVELOPMENT

a. Specific areas in which R&D carried out by the company.

The operations of the company being closed, no R&D activity was carried out.

b. Benefits derived as a result of above R&D

Not Applicable

c. Future plan of action.

Not Applicable

d. Expenditure on R&D

Not Applicable

3. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.

a. Efforts made towards technology absorption, adaptation and innovation.

The operations of the company being closed, no R&D activity was carried out.

b. Benefits derived as a result of above efforts.

Not Applicable

c. Particulars relating to improved technology.

Not Applicable

4. FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Activities relating to exports:

As the manufacturing operations of the company remained closed, no initiatives for export were undertaken.

b. Foreign Exchange Earnings and Outgo

i) Earnings..... Nil

ii) Outgo by way of import of raw material and other expenditure Nil

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ANNEXURE 'B TO DIRECTORS' REPORT

MANAGEMENT'S COMMENTS IN RESPECT OF REMARKS OF AUDITORS UNDER SECTION 217(3) OF THE COMPANIES ACT, 1956

➤ **OBSERVATION**

Advances recoverable include an amount of ₹. 232.40 lacs due from corporate companies for which no provision has been made. However, as per analysis of their net worth as per financial statements available, the amounts are doubtful of recovery.

• **RESPONSE**

Since the confirmations of balance have been obtained, no provision has been made for the advances.

➤ **OBSERVATION**

Advances recoverable include a sum of ₹. 3 lacs being fixed deposits with banks held in the names of ex-employees of the company and are pledged with District Court, New Delhi.

• **RESPONSE**

Efforts are being made to realize the remaining amount. Interest accrued on above has not been provided in view of uncertainty regarding its realisation.

➤ **OBSERVATION**

Balances grouped under Advances received from customers and Advances recoverable are under reconciliation and subject to confirmation from respective parties.

• **RESPONSE**

The company has started the reconciliation and process of obtaining confirmation from the respective parties. The final adjustment, if any, shall be made on reconciliation of the same.

➤ **OBSERVATION**

The accounts have been prepared as a going concern in spite of the fact that due to labour problem the company has closed down its manufacturing operations and its entire net worth has been eroded.

• **RESPONSE**

Though the company has closed down its existing manufacturing operations, the company's Board has not yet decided not to start the any operations yet.