



Monotype India Ltd

**MONOTYPE INDIA LIMITED**

**CIN : L72900MH1974PLC287552**

**43<sup>rd</sup> ANNUAL REPORT**

**2017-2018**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Naresh Jain	- Whole Time Director
Mr. Harsh Jain	- Executive Director
Mr. Akhilesh Jain	- Independent Director (Resigned w.e.f 17.07.2018)
Mr. Suryakant Kadakane	- Independent Director
Mrs. Preeti Doshi	- Independent Director
Mr. Rajendra Redekar	- Independent Director (Appointed w.e.f 17.07.2018)

### **CHIEF FINANCIAL OFFICER**

Mr. Harsh Jain

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Sneha Soni (Appointed w.e.f 19.07.2017)

### **STATUTORY AUDITORS**

M/s. Motilal & Associates, Chartered Accountants, Mumbai

### **INTERNAL AUDITOR**

M/s. Dhawan & Co., Chartered Accountants, Mumbai

### **SECRETARIAL AUDITOR**

M/s. Rohit Oza & Co., Practicing Company Secretaries

### **BANKERS**

Axis Bank Ltd.

### **REGISTRARS AND TRANSFER AGENTS**

M/s. Niche Technologies Pvt. Ltd.  
D-511, Bangree Market,  
71 B R B Basu Road,  
Kolkata, West Bengal – 700 017  
E-mail id.: nichetechpl@nichetechpl.com  
Telephone: 033- 22357270/22357271  
Website: www.nichetechpl.com

### **REGISTERED OFFICE**

602, 6th Floor Raheja Chambers,  
213 Nariman Point, Mumbai- 400 021  
E-mail id.: monotypeindia@gmail.com  
Telephone: 022-40068190  
Website: www.monotypeindia.in

## **CONTENTS**

Notice.....	1
Directors' Report.....	9
Management Discussion and Analysis Report.....	33
Corporate Governance Report.....	34
Independent Auditors Report.....	45
Balance Sheet.....	52
Statement of Profit & Loss.....	53
Cash flow statement.....	54
Notes forming part of the Accounts.....	55
Attendance slip, Proxy form & Ballot Paper.....	72

### **NOTICE**

**NOTICE** is hereby given that the 43rd Annual General Meeting (AGM) of the members of Monotype India Limited will be held on Friday, the 28th day of September, 2018 at 11:00 a.m. at the registered office of the Company at 602, 6th Floor, "Raheja Chambers", 213 Nariman Point, Mumbai - 400 021 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2018 together with the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in the place of Mr. Harsh Jain (DIN: 02457584), who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

3. To appoint Mr. Rajendra Siddhoji Redekar (DIN: 02713973) 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 the provisions of Sections 149, 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 SEBI (LODR) Regulations, 2015, Mr. Rajendra Siddhoji Redekar (DIN: 02713973), who was appointed as an Additional Director pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting 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 to hold office for 5 (five) consecutive years from 17th July, 2018 to 16th July, 2023."

4. Approval of the limits for the Loans and Investments by the Company in terms of the provisions of Section 186 of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company

and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

By Order of the Board of Directors of  
**MONOTYPE INDIA LIMITED**

**Date:** 14.08.2018

**Place:** Mumbai

Sd/-

**Sneha S. Soni**  
Company Secretary  
**M. No. 51629**

**NOTES:**

1. M/s. Motilal & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 41st Annual General Meeting held on 29th December, 2016 till the conclusion of the AGM of the Company to be held in the calendar year 2021. Pursuant to Notification issued by the Ministry of Corporate Affairs on 07th May, 2018 amending Section 139 of the Companies Act, 2013 and the rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting (“AGM”) has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member. Proxies in order to be effective, the instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed herewith.**
3. **A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in 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 the 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.**
4. The explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to items of special business to be transacted at the Annual General Meeting (the “Meeting”) is annexed hereto.
5. Members/Proxies/Authorised Representative are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2018 to 28th September, 2018 (both days inclusive) for the purpose of AGM.
7. The Company's Registrars and Share Transfer Agent for its Share Registry Work (Physical and Electronic) are M/s. Niche Technologies Pvt. Ltd. having their office at D- 511, Bagree Market, 71 B R B Basu Road, Kolkata - 700 001. The said Registrar is also the depository interface of the Company.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and Niche Technologies

Private Limited, the Company's Registrars and Share Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Niche Technologies Private Limited.

9. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or M/s. Niche Technologies Private Limited for assistance in this regard.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Niche Technologies Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
11. Members seeking any information with regard to the accounts, are requested to write to the Company atleast 7 days before, so as to enable the Management to keep the information ready at the AGM.
12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.monotypeindia.in](http://www.monotypeindia.in). Members holding shares in physical form may submit the same to Niche Technologies Private Limited. Members holding shares in electronic form may submit the same to their respective depository participant.
14. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
15. Members are requested to bring the copy of the Annual Report sent to them.
16. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
17. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with the Depository Participant (in case of Shares held in dematerialised form) or with M/s. Niche Technologies Pvt. Ltd. (in case of Shares held in physical form).
18. As required under SS-2 issued by ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed herewith and forms part of this Notice.
19. In all correspondence with the Company, Members holding shares in physical mode are requested to quote their Folio numbers and in case their shares are held in the dematerialized mode, Members are requested to quote their DP Id and Client Id.
20. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically through e-voting services provided by CDSL on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
21. The instructions for shareholders voting electronically are as under:

- i. The e-voting period begins on 25th September, 2018 at 10:00 A.M. and ends on 27th September, 2018 at 05:00 P.M. During this period, the shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholders.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii. 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"> <li>x 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.</li> <li>x 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</li> </ul>
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> <p>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 (v)</p>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. 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.

- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for MONOTYPE INDIA LIMITED on which you choose to vote.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. 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.
- xix. Shareholders can also use Mobile app – "m-Voting for e-voting. m-voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their evoting credentials to vote for the company resolution(s).
- xx. 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](http://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](mailto: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](mailto: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.
- xxi. 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

22. The facility for voting by polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise

their right to vote at the AGM.

23. The notice of Annual General Meeting will be sent to the members whose names appears in the register of members / depositories as at closing hours of business on 24th August, 2018.
24. A copy of this notice and Annual Report 2017-18 has been placed on the website of the Company viz. [www.monotypeindia.in](http://www.monotypeindia.in) and the website of the CDSL.
25. The Board of Directors has appointed Mr. Rohit Oza, Practicing Company Secretaries (Membership No. 33497, C.P No.16076) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
26. The results shall be declared after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of the company [www.monotypeindia.in](http://www.monotypeindia.in) and will also be communicated to the Stock Exchanges where the securities of the Company are listed.
27. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to M/s. Niche Technologies Pvt. Ltd., Registrars and Share Transfer Agent (RTA) of the Company. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole / first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant (s).
28. As per Regulation 40 (7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax Permanent Account Number (PAN) Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA i.e. M/s. Niche Technologies Pvt. Ltd. for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
29. Members are requested to kindly note that if physical documents viz. Demat Request Forms (DRF) and Share Certificates, etc. are not received from their DPs by the RTA within a period of 15 days from the date of generation of the Demat Request Number (DRN) for dematerialization, the DRN will be treated as rejected / cancelled. This step is taken on the advice of NSDL and CDSL, so that no demat request remains pending beyond a period of 21 days. Upon rejection / cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with the Share Certificates by the DPs to the RTA. This note is only to caution Members that they should ensure that their DPs do not delay in sending the DRF and Share Certificates to the RTA after generating the DRN.



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE 43rd ANNUAL GENERAL MEETING.****Item No. 03:**

The Board of Directors appointed Mr. Rajendra Siddhoji Redekar (DIN: 02713973) as an Additional Director (Independent Director) of the Company with effect from 17th July, 2018 in accordance with the provisions of Section 161 of the Companies Act, 2013 who shall hold office upto the forthcoming 43rd Annual General Meeting. Mr. Rajendra Redekar is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 and has also given a declaration that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI (LODR) Regulations, 2015. The Company has received notice under section 160 of the Companies Act, 2013 from a member signifying his intension to propose Mr. Rajendra Siddhoji Redekar (DIN: 02713973) for the office of Independent Director of the Company at the forthcoming Annual General Meeting for a term of 5 (five) consecutive years.

Brief resume of Mr. Rajendra Siddhoji Redekar, nature of his expertise in specific functional areas and name of the companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015 are provided in the Corporate Governance Report which forms part of this Annual Report and annexed herewith as **Annexure-A**.

The Board recommends the passing of the Ordinary Resolution as set out at item no. 03 of the accompanying notice for members approval.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Rajendra Siddhoji Redekar, are concerned or interested in passing of the abovesaid resolution.

**Item No. 04:**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186 (3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account, whichever is higher.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the 43rd Annual General Meeting for an amount not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crore Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommends the passing of the Special Resolution as set out at item no. 04 of the accompanying notice for members approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in this resolution.

**ANNEXURE A TO THE EXPLANATORY STATEMENT****Details of Directors seeking re-appointment at the 43<sup>rd</sup> Annual General Meeting**

Particulars	Mr. Harsh Jain	Mr. Rajendra Redekar
Date of Birth (Age)	20 <sup>th</sup> August, 1990 (28 years)	16 <sup>th</sup> May, 1969 (49 Years)
Date of Appointment	11/02/2015	17/07/2018
Qualification	B. Com	B.Com
Expertise in specific functional areas	Wide experience in the field of Management & Administration.	Wide experience in the field of Marketing & Finance.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Jupiter City Developers (India) Limited	Nil
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Nil	Nil
Number of shares held in the Company	452	Nil

By Order of the Board of Directors of  
**MONOTYPE INDIA LIMITED**

**Date:** 14.08.2018

**Place:** Mumbai

Sd/-

**Sneha S. Soni**  
Company Secretary  
**M. No. 516299**