

SAKA LIMITED



ANNUAL REPORT
2013-2014

BOARD OF DIRECTORS

S. C. Rustagi

B. P. Yadav

Mrs. Chandra Nithyanand

V. K. Gupta

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
osl.complaints@yahoo.in**

REGISTRAR & SHARE TRANSFER AGENT

**Mas Service Limited
T-34, 2nd Floor,
Okhla Industrial Area, Phase-II,
New Delhi- 110 020**

SAKA LIMITED

NOTICE is hereby given that the annual general meeting of the members of Saka Limited will be held on Monday, the 29th day of September, 2014 at 9:00 A.M. at Shiva Farm House, Rama Garden, Jaitpur Road, New Delhi - 110044 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.

By order of the Board

July 28, 2014
New Delhi

S. C. Rustagi
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 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.
4. 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.
5. 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.

6. 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 "Saka Limited - 140901087" from the drop down menu and click on "SUBMIT".
- d) Now Enter your User ID. 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 a first time user, follow the steps given below:

PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department
DOB#	Enter the Date of Birth (DOB) in dd / mm / yyyy format as recorded in the company records for the said folio.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in the company records for the said folio.

* Members who have not updated their PAN with the company are requested to use the first two letters of their name and the last 8 digits of the 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 Rajender Kumar with folio number 200 then enter RA00000200 in the PAN field.

Please enter any one of the details in order to login. Incase both the details are not recorded with the company please enter the member id / folio number in the Dividend Bank details field.

- g) After entering all details appropriately, click on "SUBMIT".
Members holding shares in physical form will be directed to the company selection screen.
- h) Click on the EVSN for the relevant business of Saka Limited to vote.
- i) 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.
- j) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- k) 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.
- l) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

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

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 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.

D) 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) 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.
 - d) The Results shall be declared on or after the AGM of the company. The Results declared alongwith 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.
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.

SAKA 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 ₹. 1,17,721/- against ₹. nil in the previous year ended 31st March 2013. The loss for the period under review was ₹. 1,04,863/- as against loss of ₹. 2,20,733/- 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 herself for re-appointment.

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.

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

Date: July 28, 2014
Place: New Delhi

S.C. Rustagi
Director
DIN: 00076278

B. P. Yadav
Director
DIN: 01173428

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 conservation 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.

Not Applicable

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

ANNEXURE 'B TO DIRECTORS' REPORT

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

➤ **OBSERVATION**

Balances grouped under Sundry Creditors, Advances from Customers and Advances recoverable are under reconciliation and subject to confirmation from respective parties.

• **RESPONSE**

The balances have been reconciled and confirmation of balances is being received.

➤ **OBSERVATION**

Advances recoverable include an amount of ₹ 143.79 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 balances have been obtained from the parties, no provision has been made for the advances.

➤ **OBSERVATION**

The company has closed down its manufacturing operations w.e.f. 20.7.2004 under the provisions of 6W to be read with 6V of U.P. Industrial Disputes Act, 1947. The accounts have been prepared as a going concern of the fact the company has closed down its manufacturing operations and its entire net worth has been eroded.

• **RESPONSE**

Though the existing operations of the company have been closed, the company's Board has not yet resolved not to start the any operations yet.

DIRECTORS' REPORT ON CORPORATE GOVERNANCE**1. Philosophy on Code of Corporate Governance**

The Board of Directors monitors company performance, approves and reviews policies / strategies and evaluates management performance. The Board ensures legal and ethical conduct and accurate financial reporting.

2. Board of Directors**i) Composition & Category**

The following is the composition of the Board as on 31st March 2014:

Directors	Category
Mr. B. P. Yadav	Independent & Non-Executive Director
Mr. S. C. Rustagi	Non-Executive Director
Mr. V. K. Gupta	Non-Executive Director
Ms. Chandra Nithyanand	Independent & Non-Executive Director

ii) Attendance of each Director at the Board Meetings and the last annual general meeting:

Name of the Director	No. of Board Meetings		Attendance at last AGM
	Held during the tenure of Director	Attended	
Mr. B. P. Yadav	5	5	Yes
Mr. S. C. Rustagi	5	5	Yes
Mr. V. K. Gupta	5	0	No
Ms. Chandra Nithyanand	5	0	No

Note :

- None of the directors is related to any other director.
- During the year the Board of Directors of Sake Limited met five times i.e. on April 12, 2013, May 28, 2013, July 30, 2013, October 30, 2013 and January 31, 2014. The maximum gap between any two meetings was less than four months.

3. Other Directorship/Membership and Committees of the Board

Number of outside directorship of the members of Board of Directors:

Name	No. of outside directorship held	No. of membership in Committee of Directors	Chairmanship held in committee of Directors
Mr. B. P. Yadav	1	2	2
Mr. S. C. Rustagi	Nil	Nil	Nil
Mr. V. K. Gupta	Nil	Nil	Nil
Ms. Chandra Nithyanand	Nil	Nil	Nil

2. COMMITTEES OF THE BOARD

Currently there are two committees of the Board, the Audit Committee and the Investors' Grievance Committee. The composition and the number of meetings held during the financial period and the related attendance are provided below: