



# **PRIYA LIMITED**

## **ANNUAL REPORT**

**2013 -2014**



**27<sup>TH</sup> ANNUAL GENERAL MEETING**

Day : Wednesday  
Date : 20<sup>th</sup> August, 2014.  
Time : 11.00 A.M.  
Place : "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

**BOARD OF DIRECTORS**

|                             |                         |
|-----------------------------|-------------------------|
| <b>SHRI A. K. BHUWANIA</b>  | Chairman                |
| <b>SHRI R. K. SARASWAT</b>  | Director                |
| <b>SHRI M. K. ARORA</b>     | Director                |
| <b>SHRI ASHISH BHUWANIA</b> | Executive Director      |
| <b>SHRI ADITYA BHUWANIA</b> | Executive Director      |
| <b>SHRI ANUJ BHARGAVA</b>   | Director                |
| <b>SHRI P. V. HARIHARAN</b> | Director                |
| <b>SHRI SAISHWAR DALVI</b>  | Company Secretary       |
| <b>SHRI RAKESH JAIN</b>     | Chief Financial Officer |

**BANKERS**

Indian Bank  
Bank of Maharashtra  
Union Bank of India

**AUDITORS**

M/s. M. L. Bhuwania & Co.  
Chartered Accountants  
Mumbai.

**REGISTERED OFFICE**

4<sup>th</sup> Floor, Kimatrai Building, 77-79,  
Maharshi Karve Marg, Marine Lines (E),  
Mumbai-400002.

**REGISTRAR AND SHARE TRANSFER  
AGENT (COMMON AGENCY)**

Bigshare Services Pvt. Ltd.,  
E-2/3, Ansa Industrial Estate, Sakivihar Road,  
Saki Naka, Andheri (E), Mumbai-400 072.  
Tel: 022-4043 0200, 2847 0652

**EQUITY SHARES ARE LISTED AT**  
The Bombay Stock Exchange Ltd (BSE)

**WEBSITE**

[www.priyagroup.com](http://www.priyagroup.com)

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## NOTICE

NOTICE is hereby given that the **Twenty-Seventh Annual General Meeting** of the members of **PRIYA LIMITED** (CIN:L99999MH1986PLC040713) will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Wednesday, the 20<sup>th</sup> Day of August, 2014 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Statement of Profit & Loss for the year ended on that date together with the Auditors' and Directors' Report thereon.
2. To declare dividend for the Financial Year 2013-2014.
3. To appoint a Director in place of Mr. Aditya Bhuwania (DIN:00018911), who retires by rotation and being eligible, offers himself for re-appointment
4. To consider & 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 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. M. L. Bhuwania & Co., Chartered Accountants having Registration No. 101484W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the year ending March 31, 2015"

### SPECIAL BUSINESS:

#### 5. Appointment of Mr. R. K. Saraswat as Independent Director of the Company

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

**"RESOLVED** that pursuant to the provisions

of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. R. K. Saraswat (DIN 00015095), a non-executive Independent Director of the Company, 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 with effect from 20<sup>th</sup> August, 2014 up to 19<sup>th</sup> August, 2019."

#### 6. Appointment of Mr. M. K. Arora as Independent Director of the Company

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

**"RESOLVED** that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. M. K. Arora (DIN 00031777), a non-executive Independent Director of the Company, 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 with effect from 20<sup>th</sup> August, 2014 up to 19<sup>th</sup> August, 2019."

#### 7. Appointment of Mr. Anuj Bhargava as Independent Director of the Company

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

**"RESOLVED** that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Anuj Bhargava (DIN 03090652), a non-executive Independent Director of the Company, 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

with effect from 20<sup>th</sup> August, 2014 up to 19<sup>th</sup> August, 2019.”

**8. To approve Borrowing limits of the Company**

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

“**RESOLVED** that in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on September 29, 1997 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs.100 crore.”

“**RESOLVED FURTHER** that the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

**9. Creation of Charges/ mortgage etc. on the assets of the Company**

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

“**RESOLVED** that in supersession of the resolution passed under Section 293(1)(a) of the Companies Act, 1956, at the Annual General Meeting of the Company

held on September 29, 1997 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/ foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs.100 crore together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.”

“**RESOLVED FURTHER** that the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

**10. To adopt new Articles of Association of the Company containing regulations in**



### conformity with the Companies Act, 2013

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

**RESOLVED FURTHER that** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### NOTES:

1. **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 MEMBER OF THE COMPANY.**
2. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The register of members and the share transfer books of the Company will remain closed from 14th August, 2014 to 20th August, 2014 (both days inclusive).
4. Dividend recommended for the year ended 31<sup>st</sup> March, 2014 if approved by the members will be paid to those eligible members whose names appear:
  - I. As Beneficial Owners, as on 14th August, 2014, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
  - II. As Members in the Register of Members of the Company as on 14th August, 2014.

5. Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.
6. Members are requested to bring their copy of the Annual Report to the Meeting.
7. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
8. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.  
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID no., to their respective Depository Participants.
9. Members are hereby informed that Dividends which remain unclaimed/unpaid over a period of 7 years from the date of transfer to the Unpaid Dividend Account have been transferred by the Company, pursuant to sub-section (5) of Section 205A of the Companies Act, 1956, to a fund called the Investor Education & Protection Fund established by the Central Government under sub-section (1) of Section 205C of the Companies Act, 1956. Please note that no claim shall lie against the Fund or the Company in respect of the dividend amount so transferred to the Investor Education & Protection Fund.
10. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE686C01014**.
11. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.

12. Members, who have not registered their e-mail addresses, are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned Depository Participants and members who hold shares in physical form are requested to send their details to Bigshare Services Pvt. Ltd (Registrar & Transfer agent) in order to enable the company to serve the notice/Documents including Annual Report through e-mail as an initiative in consonance with circular issued by Ministry of Corporate Affairs allowing paperless compliances by the companies.

13. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting.

**14. The procedure and instructions for the voting through electronic means is, as follows:**

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii. Click on "Shareholders" tab.
- iii. Now, select the "PRIYA LIMITED" from the drop down menu and click on "SUBMIT"
- iv. 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.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. 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.

vii. 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>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>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> |
| DOB                   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>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 member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>  |

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 relevant <PRIYA LIMITED> on which you choose to vote.
- 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same 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. Note for Institutional Shareholders & Custodians:
  - 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 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 they have to create 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.

- 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.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  15. The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.
  16. E-voting period will commence from 14<sup>th</sup> August, 2014 at 10:00 a.m. and will end on 16<sup>th</sup> August 2014 at 6.00 p.m.
  17. Mr. Sanjay Parab, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is [sanjay.parabcs@gmail.com](mailto:sanjay.parabcs@gmail.com).
  18. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  19. The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.priyagroup.com](http://www.priyagroup.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.

For and on behalf of the Board  
For Priya Limited

Place: Mumbai  
Dated: 16<sup>th</sup> May, 2014

**Saishwar Dalvi**  
Company Secretary

**Registered Office:**  
4<sup>th</sup> Floor, Kimatrai Building, 77-79,  
Maharshi Karve Marg, Marine Lines (E),  
Mumbai-400002

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item Nos. 5, 6 & 7:

The Companies Act, 2013 (Act) has been enacted. Rules issued in respect of significant chapters which include "Independent Director" have been made effective from April 1, 2014.

Pursuant to Section 149 of the Act, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Pursuant to Section 149(10) and 152 of the act, an independent director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing a Special Resolution in a general meeting and disclosure of such appointment in the Directors Report. Notwithstanding anything contained in sub-section (10), no independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.

However, SEBI Circular No.CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 in respect of Clause 49 provide that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

Mr. R. K. Saraswat, Mr. M. K. Arora and Mr. Anuj Bhargava, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

A brief profile of the Independent Directors to be appointed is given below:

**Mr. R. K. Saraswat**, aged 76 years, is a Chartered Accountant having rich knowledge and experience in the profession and is an expert in Financial Matters. Proficiency of him in the financial matter has helped company in bringing down operating cost of the Company. It will be advantageous for the Company to continue to avail expertise guidance and directions from him. He has been associated with the Company from the year 2000.

**Mr. M. K. Arora**, aged 73 years, is a Company Secretary having wide knowledge and professional expertise in the field of Corporate Laws, Securities Laws, Income Tax and Finance. It will be advantageous for the Company to continue to avail expertise guidance and directions from him. He has been associated with the Company from the year 2003.

**Mr. Anuj Bhargava**, aged 52 years, is a CMC and CWA having wide experience in the field of Management and IT Consultancy. It will be advantageous for the Company to continue to avail expertise guidance and directions from him. He has been associated with the Company from the year 2010.

Mr. R. K. Saraswat, Mr. M. K. Arora and Mr. Anuj Bhargava, respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

### Item Nos. 8 & 9:

At the Annual General Meeting of the Company held on September 29, 1997, the Members had, by way of Ordinary Resolutions and in pursuance of the provisions of Section 293(1)(a) and (d) of the Companies Act, 1956, approved of:

- (i) borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs.100 crore at any point of time; and
- (ii) creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed i.e. upto Rs. 100 crore, including interest, charges, etc. payable thereon, as the documents for the



said purpose could contain the power to take over the management of the Company, in certain events.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(a) and 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors commend the Resolutions at Item Nos.8 and 9 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item Nos.8 and 9.

#### **Item No. 10**

The existing Articles of Association ("AoA") are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The New Companies Act, 2013("Act") is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

The Directors commend the Resolutions at Item No.10 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No.10.

#### **Details of the Directors seeking appointment / re – appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

| Particulars         | Mr. Aditya Bhuwania<br>(DIN:00018911)   | Mr. R. K. Saraswat<br>(DIN:00015095) | Mr. M. K. Arora<br>(DIN:00031777) | Mr. Anuj Bhargava<br>(DIN:03090652) |
|---------------------|---|--------------------------------------|-----------------------------------|-------------------------------------|
| Date of Birth       | 13.02.1973  | 17.04.1938                           | 05.04.1941                        | 24.09.1962                          |
| Date of Appointment | 13.08.2005  | 30.08.2000                           | 30.08.2003                        | 27.05.2010                          |
| Qualification       | B.Sc.(Business Computer System) from Bradley University, Pearie, Illinois (U S A) | Chartered Accountant                 | Company Secretary                 | CMC, CWA,                           |
| Expertise           | Hardware Industry   | Finance                              | Secretarial & Legal               | Management & IT Consultancy         |

## DIRECTORS' REPORT

Dear Members,

### Priya Limited

Your Directors take great pleasure in presenting the **27<sup>th</sup> Annual Report** and Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March, 2014.

### FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year 2013-14 in comparison to the previous financial year 2012-13 are summarised as below:

|  | (Rs. in Lacs)            |                          |
|--|--------------------------|--------------------------|
|  | Year Ended<br>31/03/2014 | Year Ended<br>31/03/2013 |
| Revenue from operation                                   | 17720.72                 | 21162.26                 |
| Other Income   | 234.43                   | 161.08                   |
|  | <b>17955.15</b>          | <b>21323.34</b>          |
| Profit/ (Loss) before Tax and Extra Ordinary Item        | 286.28                   | 280.99                   |
| Extra ordinary item                                      | -----                    | -----                    |
| Profit/ (Loss) before Tax and after Extra Ordinary Items | 286.28                   | 280.99                   |
| Provision for taxation-Current Tax                       | 95.73                    | 98.90                    |
| Provision for taxation-Deferred Tax                      | (0.47)                   | (30.77)                  |
| (Add)/Less: Taxation of earlier years                    | 19.63                    | 0.20                     |
| Profit/(Loss) After Tax                                  | 171.39                   | 212.66                   |
| Add: Balance brought forward                             | 822.24                   | 644.70                   |
| Profit available for appropriation                       | 993.63                   | 857.36                   |
| Appropriations   |                          |                          |
| Proposed Dividend  | 30.02                    | 30.02                    |
| Corporate Dividend Tax                                   | 5.10                     | 5.10                     |
| Balance carried to Balance Sheet                         | 958.51                   | 822.24                   |

### DIVIDEND

Your Directors have recommended a dividend of Re.1.00/- per equity share (i.e.@ 10%) on 30,02,300 fully paid equity shares of Rs. 10/- each for the financial year ended 31<sup>st</sup> March 2014 amounting to Rs. 30,02,300/- (exclusive of Tax of Rs. 5.10 Lac).

### OPERATIONS

During the year under review the aggregate turnover of your Company was Rs.17720.72 lac as compared to Rs.21162.26 lac in the previous year. The Company has earned profit after tax and exceptional item of Rs.171.39 lac in 2013-2014 as compared to Rs. 212.66 lac in the previous year.

Due to recessionary trends which continued

globally, your company's turnover decreased to Rs.17720.72 lac in comparison to performance of previous year. The aforesaid decrease in turnover was a result of economic slowdown globally and not restricted to USA & European countries.

Your Company is focused to concentrate on the hardware business which has been major revenue earner, which mainly includes marketing of VXL thin clients and has now started marketing various software products, and offering solutions for different industries. This year has been challenging, as the company had to shrink its import activities in response to high volatility in foreign currency and devaluation of rupee.

As regards to infrastructure, your Company's head office and all the branches are adequately equipped to provide complete support to the customers. Internal control systems have been well established and cost consciousness in branch operations will lead to improved profitability in the long run.

Your Directors are confident that the company will strive hard to improve the performance in the current year.

### DIRECTORS

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. R. K. Saraswat, Mr. M. K. Arora and Mr. Anuj Bhargava as Independent Directors of the Company.

As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

Mr. Aditya Bhuwania, Director, retires by rotation and being eligible has offered himself for re-appointment.

### AUDITORS

M/s. M. L. Bhuwania & Co., Chartered Accountants who are to retire at the conclusion of the forthcoming Annual General meeting, have offered themselves for re-appointment as Auditors of the Company. A written certificate to