



# **QUANTUM DIGITAL VISION (INDIA) LIMITED**

**36<sup>th</sup>  
ANNUAL REPORT (2015-16)**

**BOARD OF DIRECTORS**

|                               |  |
|-------------------------------|--|
| Himalay Pannalal Dassani      | Managing Director  |
| Rajkishan Shamboonarayn Singh | Independent Director   |
| Gajendra Kumar Bhandari       | Independent Director<br>(Resigned w.e.f. 9 <sup>th</sup> August, 2016)             |
| Shakuntla Panna Dassani       | Director   |
| Sunil Chopra                  | Additional Independent Director<br>(Appointed w.e.f. 9 <sup>th</sup> August, 2016) |

**REGISTERED OFFICE**

**Address:** 143 Athipattu Village , Ponneri Taluk ,Chengal ,Tamil Nadu -601 203

**Email:** [himalay@gmail.com](mailto:himalay@gmail.com)

**Website:** [www.qil.in](http://www.qil.in)

**AUDITORS**

**M/S. Shah & Taparia**

Chartered Accountants

**Add:** 12 Navjeevan Wadi, Dhobi Talao, Mumbai – 400 002

**Telefax:** 66319266/67/68

**E-mail:** [info@shahtaparia.com](mailto:info@shahtaparia.com)

**REGISTRAR & SHARE TRANSFER**

**SHAREX DYNAMIC (INDIA) PRIVATE LIMITED,**

**Add:** Unit No. 1, Luthra Industrial Premises,  
Andheri-Kurla Road, Safed Pool, Andheri (East),  
Mumbai – 400 072

**Tel:** 022-2851 5606/2851 5644

**Fax:** 2851 2885

**Email:** [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

**Web:** [www.sharexindia.com](http://www.sharexindia.com)

**ANNUAL GENERAL MEETING**

|              |   |
|--------------|---|
| <b>Day</b>   | Friday  |
| <b>Date</b>  | 23 <sup>rd</sup> September, 2016                                    |
| <b>Venue</b> | 143 Athipattu Village , Ponneri Taluk ,Chengal ,Tamil Nadu -601 203 |
| <b>Time</b>  | 11.00 AM  |

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**NOTICE TO THE MEMBERS**

**QUANTUM DIGITAL VISION INDIA LIMITED**

**CIN:** L35999TN1980PLC008235

**Add:** 143 Athipattu Village , Ponneri Taluk ,Chengal , Tamil Nadu -601 203

**Email:** himallay@gmail.com

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of **QUANTUM DIGITAL VISION (INDIA) LIMITED** will be held on **Friday, 23<sup>rd</sup> September, 2016** at **11.00 AM** at 143 Athipattu Village, Ponneri Taluk ,Chengal, Tamil Nadu -601 203 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2016, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Himalay Dasani (DIN: 06747412) who retires by rotation, and being eligible offers himself for reappointment.
3. To ratify appointment of Auditor

**“RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Audit and Auditors) Rules, 2014 (“Rules”) (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s. Shah & Taparia., Chartered Accountants, (FRN No. 109463W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS**

4. **To Regularize appointment of Mr. Sunil Chopra (DIN: 00153705) as an Independent Director as per Companies Act, 2013.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, schedule IV and all other applicable provisions of the Companies Act, 2013 read with (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force Mr. Sunil Chopra (DIN: 00153705), who was appointed as an Additional Director (Independent )pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the company 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 Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office, for five years effective from the date of appointment by the Board that is from 9<sup>th</sup> August, 2016 to 8<sup>th</sup> August, 2021.”

By order of Board  
**For Quantum Digital Vision (India)  
Limited**

**REGISTERED OFFICE:**

143 Athipattu Village, Ponneri Taluk,  
Chengal, Tamil Nadu -601 203

**SD**  
**Himalay Pannalal Dassani**  
**Managing Director**  
**Place: Tamil Nadu**  
**Date: 10<sup>th</sup> August, 2016**

## NOTES

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 2 of the accompanying Notice.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Share Transfer Books of the Company will remain closed from 17<sup>th</sup> September, 2016 to 23<sup>rd</sup> September, 2016 (both days inclusive) for the purpose of Annual General Meeting (AGM) of the Company to be held on September 23, 2016.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants.
11. Members who hold shares in physical form are requested to send their e-mail address to the following: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com).
12. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar i.e. Sharex Dynamics (I) Pvt Ltd, 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.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
14. E-Voting process

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their voting rights at the 36<sup>th</sup> Annual General Meeting (AGM) by

electronic means and the business may be transacted through 'remote e-voting' services provided by Central Depository Services (India) Ltd. (CDSL).

**The instructions for shareholders voting electronically are as under:**

- (i) The remote e-voting period begins on 20<sup>th</sup> September, 2016 at 9.00 am and ends on 22<sup>nd</sup> September, 2016 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16<sup>th</sup> September, 2016, 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  
For CDSL: 16 digits beneficiary ID,  
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,  
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:

|                              | <b>For Members holding Shares in Demat Form and Physical Form</b>   |
|------------------------------|---|
|                              | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>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.<br>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.<br>If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
|                              | 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.   |
| <b>Dividend Bank Details</b> | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.<br>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).  |

- (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 Quantum Digital Vision (I) 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 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 Corporate.
  - 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 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.
- (xix) Those persons, who have acquired shares and have become Members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on cut-off date i.e. 16<sup>th</sup> September, 2015 shall view the Notice of the 36<sup>th</sup> AGM on the Company’s website or on the website of CDSL. Such Members shall exercise their voting rights through remote e-voting by following the procedure as mentioned above or by voting at the AGM.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) M/s PAYAL TACHAK & ASSOCIATES., Practicing Company Secretaries has been appointed as a Scrutinizer to scrutinize the remote e-voting and voting process at the AGM in a fair and transparent manner. E-Voting is optional to the shareholders, the shareholders can alternatively vote in the AGM by physically attending the AGM. The facility for voting, through ballot paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM. A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member casts his/her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
- (xxii) The Voting Results along with the Consolidated Scrutinizer’s report shall be placed on the Company’s website and on the website of CDSL not later than three days of conclusion of the AGM of the Company and communicated to the Bombay Stock Exchange (BSE).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013****ITEM NO. 4**

Mr. Sunil Chopra (DIN: 00153705) was appointed as an Additional Independent Director by the Board of Directors on 9<sup>th</sup> August, 2016. In accordance with the provisions of Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member of the company proposing his candidature for appointment as Independent Director of the Company in accordance with the provisions of section 160 of the Companies Act, 2013. Mr. Sunil Chopra is not disqualified from being appointed as a Director in terms of section 164 of the act. Section 149 of the Act stipulates the criteria of Independence and pursuant to said section an independent director can hold office for a term upto 5(five) consecutive years on the Board of the company w.e.f. the date of appointment by the Board, i.e. from 9<sup>th</sup> August, 2016 to 8<sup>th</sup> August, 2021 and shall not be included in the total number of directors for retirement by rotation. The Company has received a declaration from Mr. Sunil Chopra (DIN: 00153705) that he meets the criteria of Independence as prescribed under sub- section(6) of section 149 of the Act. The Board feels that presence of Mr. Sunil Chopra (DIN: 00153705) on the Board is desirable and would be beneficial to the company and hence recommend the resolution for adoption.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested in the proposed resolution except Mr. Sunil Chopra.

The Board recommends the Resolutions as set out at item Nos. 4 of the Notice for your approval.

**Registered Office:**

**By Order of the Board**

**Place: Tamil Nadu**  
**Date: 10<sup>th</sup> August, 2016**

**Himalay Dassani**  
**Managing Director**

**ANNEXURE TO ITEM 2 and 4 OF THE NOTICE**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting

|  |   |  |
|--|---|--|
| Name of the Director   | Mr. Himalay Dassani   | Mr. Sunil Chopra   |
| Director Identification Number (DIN)   | 00622736  | 00153705   |
| Date of Birth  | 27 <sup>th</sup> November, 1968   | 13 <sup>th</sup> June, 1959  |
| Nationality  | Indian  | Indian   |
| Date of Appointment on Board   | 28/08/1993  | 09/08/2016   |
| Qualification  | Engineer in Packaging and Technology  | C.A.   |
| Shareholding in the Company  | 1,78,500  | 0  |
| List of Directorships held in other Companies (excluding foreign, and Section 8 Companies)             | Genesis E Tech Limited<br>Dreamworks Pictures Limited<br>Everonn Dassani Literate Limited | Comfi Consultants Pvt. Ltd<br>Prajyot Mercantile Pvt. Ltd<br>Apex Leasing Pvt. Ltd<br>Ashadeep Mercantile Pvt. Ltd |
| Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies | --  | --   |



**DIRECTOR'S REPORT**

To,

The Members,

Your Directors have pleasure in presenting their 36<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY**

The Board's Report shall be prepared based on the standalone financial statements of the company.

| Particulars                                      | 2015-2016   | 2014-2015   |
|--|-------------|-------------|
| Gross Income                                     | 40,03,062   | 64,40,778   |
| Profit / (Loss) Before Interest and Depreciation | 15,15,100   | (2,15,562)  |
| Less: Finance Charges                            | --          | (16,63,997) |
| Gross Profit/(Loss)                              | 15,15,100   | (18,79,559) |
| Less: Provision for Depreciation                 | (13,54,342) | (29,98,936) |
| Extraordinary Item                               | --          | --          |
| Net Profit/(Loss) Before Tax                     | 1,60,760    | (48,78,495) |
| Less: Provision for Tax                          | (7,30,950)  | (3,90,205)  |
| Net Profit/(Loss) After Tax                      | (5,70,190)  | (52,68,700) |
| Balance of Profit brought forward                | --          | --          |
| Balance available for appropriation              | --          | --          |
| Proposed Dividend on Equity Shares               | --          | --          |
| Tax on proposed Dividend                         | --          | --          |
| Transfer to General Reserve                      | --          | --          |
| Surplus carried to Balance Sheet                 | (5,70,190)  | (52,68,700) |

**2. COMPANY'S PERFORMANCE AFFAIR**

Your Directors are positive about the Company's operations and making best efforts to implement the cost reduction measures to the extent feasible.

**3. DIVIDEND**

During the year, the Directors had made the Provision for dividend to be payable on Preference Shares @ 0.5%. Due to the requirement of Fund for further expansion, the Directors do not recommend any equity dividend.

During the year, no amount was transferred to General Reserves.

**4. RESERVES AND SURPLUS**

The balance of Profit & Loss statement amounting to Rs. -12,99,75,869 for financial year under review is transferred to reserves. The total reserves for the financial year 2015-16 is Rs-12,99,75,869/-.

**5. SHARE CAPITAL**

The total paid up capital of the Company as on March 31, 2016 is Rs. 6,99,50,000/- comprising of 30,35,000 Equity Shares of Rs. 10/- each amounting to Rs. 3,03,50,000/- and 39,60,000 @0.5% Redeemable Non-Cumulative Preference Shares of Rs. 10/- each amounting to Rs. 3,96,00,000/- and 2,500,000 (Twenty Five Lacs) Preference Shares of the Company of the face value of Rs. 10/- (Ten) each, for an aggregate value not exceeding Rs. 2,50,00,000, as Non-Convertible Redeemable Preference Shares ("Preference Shares").

**6. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with provisions of the Companies Act, 2013, Mr. Himalay Dassani, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Further, the appointment of Mr. Sunil Chopra is regularized as per Section 161 of the Companies Act, 2013, who was appointed as an Additional Independent Director on 9<sup>th</sup> August, 2016 for the term upto the ensuing Annual General Meeting.

Mr. Gajendra Kumar Bhandari Independent Director of the Company Resigned from the Directorship w.e.f. 9<sup>th</sup> August, 2016.



The Company has received declaration from all the Independent Directors of the Company confirming that they meet criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

## 7. MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Four Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given as under.

| Sr. No.       | Date      | Sr. No.         | Date      |
|---------------|-----------|-----------------|-----------|
| Board Meeting |           | Audit Committee |           |
| 1.            | 25-May-15 | 1.              | 25-May-15 |
| 2.            | 12-Aug-15 | 2.              | 12-Aug-15 |
| 3.            | 05-Nov-15 | 3.              | 05-Nov-15 |
| 4.            | 11-Feb-16 | 4.              | 11-Feb-16 |

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## 8. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration.

## 9. COMMITTEES OF THE BOARD

During the year, in accordance with provisions of Companies Act, 2013, the Board of Directors of the Company has constituted/re constituted following 3 committees:

### 1) Audit Committee

The Audit Committee of the Company reviews the reports to be submitted with the Board of Directors with respect of auditing and accounting matters. It also supervises the Company's financial reporting process. The Audit Committee Comprises of 3 Directors. The Chairman of the Audit Committee is a Non-executive and Independent Director. The Composition of the Audit Committee is as under:

| Sr. No. | Name                         | Nature of the Directorship | Designation in Committee |
|---------|------------------------------|----------------------------|--------------------------|
| 1.      | Mr. Gajendra Kumar Bhandari* | Independent Director       | Chairman                 |
| 2.      | Mr. Rajkishan Singh          | Independent Director       | Chairman                 |
| 3.      | Mr. Himalay Dassani          | Managing Director          | Member                   |
| 4.      | Mr. Sunil Chopra**           | Independent Director       | Member                   |

\* Ceased to be a Chairman and Member of the Audit Committee w.e.f. 9<sup>th</sup> August, 2016.

\*\* Appointed as a Member of the Audit Committee w.e.f. 9<sup>th</sup> August, 2016.

### 2) Nomination & Remuneration Committee

The Company has re-constituted Nomination & Remuneration Committee and presently the Remuneration committee comprises of 3 (Three) Directors.

| Sr. No. | Name                         | Nature of the Directorship | Designation in Committee |
|---------|------------------------------|----------------------------|--------------------------|
| 1.      | Mr. Gajendra Kumar Bhandari* | Independent Director       | Chairman                 |
| 2.      | Mr. Rajkishan Singh          | Independent Director       | Chairman                 |
| 3.      | Mr. Himalay Dassani          | Managing Director          | Member                   |
| 4.      | Mr. Sunil Chopra**           | Independent Director       | Member                   |

\* Ceased to be a Chairman and Member of the Audit Committee w.e.f. 9<sup>th</sup> August, 2016.

\*\* Appointed as a Member of the Audit Committee w.e.f. 9<sup>th</sup> August, 2016.

### 3) Stakeholder Relationship Committee

The Board of Directors of the Company has renamed its 'shareholders'/Investors Grievance Committee' as Stakeholder Relationship Committee consisting of two members chaired by non executive Director. The Committee, inter-alia, deals with various matters relating to:

| Sr. No. | Name                         | Nature of the Directorship | Designation in Committee |
|---------|------------------------------|----------------------------|--------------------------|
| 1.      | Mr. Gajendra Kumar Bhandari* | Independent Director       | Chairman                 |
| 2.      | Mr. Rajkishan Singh          | Independent Director       | Chairman                 |
| 3.      | Mr. Sunil Chopra**           | Independent Director       | Member                   |

\* Ceased to be a Chairman and Member of the Audit Committee w.e.f. 9<sup>th</sup> August, 2016.

\*\* Appointed as a Member of the Audit Committee w.e.f. 9<sup>th</sup> August, 2016.

#### **10. REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

#### **11. DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company for the year under review.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **12. AUDITORS**

The Auditors, M/s Shah & Taparia., Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment for a period of the conclusion of this Annual General Meeting [AGM] till the conclusion of Thirty Seventh (37<sup>th</sup>) Annual General Meeting.

#### **13. AUDITORS' REPORT**

The Directors are of opinion that the comments in the Auditors report are self explanatory and do not call for any further explanations.

#### **14. SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Act and Rules made there under, Ms. Teena Dedhia, proprietress of M/s. Teena Dedhia & Associates, Practicing Company Secretary had been appointed as Secretarial Auditor of the Company for the Financial Year 2015-16, but due to personal reasons she had resigned as Secretarial Auditor of the Company, hence the Board has appointed Ms. Payal Tachak, proprietress of M/s. Payal Tachak & Associates, Practicing Company Secretary for the FY 2015-16.

Secretarial Auditor's observation and Management's explanation to the Auditor's observation –

The Director refers to the Auditor's observation in the Secretarial Audit Report and as required under Section 204(1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

- a) Non appointment of Company Secretary & Compliance Officer

The Board would like to bring to your notice that the Company has been trying to recruit a Company Secretary on best efforts basis since a long time but the Company has not been successful.

- b) Clause 1.2.4 of Secretarial Standard 2 – Map of the Venue of the Annual General Meeting in the Notice of AGM for the Year 2014-15.

The Company will comply with the same in Annual General Meeting to be held on 2015-16.

- c) Regulation 14 of the SEBI (Listing Obligations and Disclosures Requirements) Reg. 2015- Payment of Annual Listing fees to Stock Exchange within 30 days from Financial Year end.

The Company will pay the Listing fees to the BSE Limited for Financial Year 2016-17 in near future.

- d) 100% Promoter Shareholding in Demat Form - SEBI Circular SEBI/Cir/ISD/05/2011 dated 30<sup>th</sup> September, 2011 and SEBI Circular SEBI/Cir/ISD/03/2011 dated 17<sup>th</sup> June, 2011.

The management is trying to do the needful to comply with the said provisions.

- e) Provision for Payment of Interest on 0.5% Preference shares