

## 19th Annual Report 2012-2013

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### Notice

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of RAP MEDIA LTD. will be held on Wednesday, the 25th September, 2013, at 11.00 A.M. at the Registered Office of the Company at Arora House, 16, Golf Link, Union Park, Khar (West), Mumbai – 400 052 to transact the following business:

#### **ORDINARY BUSINESS :**

1. To Receive, consider and adopt the Audited Balance Sheet and the Profit and Loss Account as at and for the year ended 31st March, 2013 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr.Chandir Gidwani, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and to authorize the Board to fix their remuneration. In this connection, 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 224 and other applicable provision, if any, of the Companies Act, 1956 M/s. Vinay Gudi & Associates, Chartered Accountants, be and are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board in consultation with the said auditors in addition to payment for other services and reimbursement of out of pocket expenses.”

#### **SPECIAL BUSINESS:**

4. To appoint Shri Hrushikesh Deodhar as Director of the Company.

Mumbai, Dated: 14th August, 2013

#### **Registered Office:**

Arora House,  
16, Golf Link,  
Union Park, Khar (West)  
Mumbai- 400 052

#### **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. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies in order to be effective must be received by the Company not less than 48 hours before the scheduled time of the meeting. A blank form is annexed to this notice.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 18th September, 2013 to Wednesday, the 25th September, 2013. (both days inclusive).
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.

## **RAP MEDIA LTD.**

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### **ANNEXURE TO THE NOTICE**

#### **Explanatory Statement pursuant to Section 173(2) of The Companies Act, 1956**

#### **SPECIAL BUSINESS:**

##### **Item No.4**

The Board of Directors of the Company (the Board), pursuant to the provision of Section 260 of the Companies Act, 1956 ('the Act') appointed Shri Hrushikesh Deodhar as an Additional Director of the Company at its meeting held on 14th August, 2013.

In terms of the provision of Section 260 of the Act, Shri Hrushikesh Deodhar would hold office up to the date of the Annual General Meeting.

The Company has received a notice in writing under the provision of Section 257 of the Act from a member along with a deposit of Rs.500/- proposing the candidature of Shri Hrushikesh Deodhar for the office of Director of the Company.

Shri Hrushikesh Deodhar is a Chartered Accountant and is a Director in 5 more Companies. Apart from his knowledge in his field of Finance and taxation, he has vast experience in fields like education, chemicals and Real Estate.

It will be in the interest of the Company, if Shri Hrushikesh Deodhar is appointed as a Director liable to retire by rotation, in accordance with the provisions of the Articles of Association of the Company.

The Board recommends the Resolution set out at item No.4 of the Notice for your approval.

None of the Directors, except Shri Hrushikesh Deodhar, is in any way concerned or interested in passing of the resolution.

Mumbai, Dated: 14th August, 2013

#### ***Registered Office:***

Arora House,  
16, Golf Link,  
Union Park, Khar (West)  
Mumbai- 400 052

## 19th Annual Report 2012-2013

### Directors' Report

to the Shareholders

Your Directors present before you the Nineteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2013.

	2012-2013 (Rupees)	2011-2012 (Rupees)
Profit before Finance Charges And Depreciation	38,19,026	1,02,54,055
Less: Interest	-	14,056
Profit before Depreciation and	38,19,026	1,02,39,999
Less: Depreciation	35,72,809	36,97,716
Profit/(Loss) after Depreciation	2,46,217	65,42,283
Less: Provision for Taxation		
Provision for Deferred Tax	9,15,323	(1,55,368)
Income Tax Current Year	25,000	12,50,000
Profit/(loss) for the Year	(6,94,106)	54,47,651
Loss brought forward from Previous Year	(34,07,622)	(88,55,273)
Loss carried to Balance Sheet	(41,01,728)	(34,07,622)

### PERFORMANCE

The total income of the Company was Rs.189.90 lacs as compared to Rs.297.14 lacs of the previous year. The loss after tax was Rs.6.94 lacs as compared to Profit of Rs.54.48 lacs of the previous year. The Company has kept all its projects on hold due to adverse market conditions.

### DIVIDEND

The Board of Directors regrets its inability to declare dividend in view of loss.

#### 1. DIRECTORS' RESPONSIBILITY STATEMENT

Directors confirm and state the following in pursuance of provisions of Section 217(2AA) of the Companies Act, 1956-

- that in the preparation of annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of Loss for the year the Company for that year.
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the Directors have prepared the annual accounts on a going concern basis.

#### 2. CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchange, a detailed Corporate Governance Report is annexed to the Director' Report.

## **RAP MEDIA LTD.**

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### **3. DIRECTORS**

Mr.Chandir Gidwani retires by rotation and being eligible for offers herself for reappointment.

The Board of Directors has appointed Shri Hrushikesh Deodhar as an Additional Director, who holds office upto the date of ensuing Annual General Meeting. It is proposed to obtain approval of Shareholders at the ensuing Annual General Meeting for the appointment of Shri Hrushikesh Deodhar as a Director liable to retire by rotation.

### **4. LISTING ON STOCK EXCHANGES**

The Company is listed on the Bombay Stock Exchange Limited only. The annual listing fees have been paid and there is no outstanding payment due to the Exchange, as on date.

### **5. AUDITORS' REPORT**

The observations of the Auditors are self explanatory.

### **6. AUDITORS**

M/s. Vinay Gudi & Associates, Chartered Accountants retire and are eligible for re-appointment. M/s. Vinay Gudi & Associates, have informed that they are willing to act as Auditors, if appointed.

### **7. PARTICULARS OF EMPLOYEES**

The particulars of employees required to be given under provisions of Section 217 (2A) of the Companies Act,1956- NIL.

### **8. ACCEPTANCE OF PUBLIC DEPOSITS**

The Company has not accepted public deposits during the year under review nor proposes to accept any public deposit in future.

For and on behalf of the Board of Directors

**RUPINDER SINGH ARORA**  
*Chairman & Managing Director*

Mumbai, Dated:14th August, 2013

***Registered Office:***

Arora House,  
16, Golf Link,  
Union Park, Khar (West)  
Mumbai- 400 052

## 19th Annual Report 2012-2013

### Report of the Directors on Corporate Governance

(As per clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd., Mumbai)

#### 1. Company's philosophy on code of Governance.

The company is committed to adhere to the code of corporate governance as it means adoption of best business practices aimed at growth of the Company coupled with bringing benefits to investors, customers, creditors, employees and the society at large.

The objective of the Company is not just to meet the statutory requirements of the Code of Corporate Governance as prescribed under Clause 49 of the Listing Agreement but, to develop such systems and follow such practices and procedures to satisfy the spirit of the law.

#### 2. Board of Directors

The present strength of the Board of Directors of the Company is 5 Directors. The Board comprises of 1 Promoter-Chairman-cum Managing Director, and 4 Non-Executive Directors with independent judgment in the deliberation and decisions of the Board 60% of the total number of Directors are independent Directors. The number of Non Executive directors is 80% of the total number of the Directors. The Board reviews and approves the strategy and oversees the actions and results of management to ensure that the long term objectives are achieved.

The senior management has made disclosure to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large.

The Board of Directors met four times during the year 2012-2013 on May 31, 2012, August 14, 2012, November 09, 2012, February 14, 2013. The maximum gap between any two meetings was not more than four months. All meetings were attended by all the Directors.

Attendance of each Director at the Board Meetings and last AGM.

Sr.No	Name of the Director	Category	No. of Board Meetings attended	Attendance in last AGM
1.	Mr. Rupinder Singh Arora	Chairman Managing Director	4	Yes
2.	Ms. Ritika Arora	Non Executive Director	4	Yes
3.	Mr. Chandir Gidwani	Non Executive Independent Director	4	Yes
4.	Mr. Navin Marwah	Non Executive Independent Director	4	Yes
5.	Mr. Hrushikesh Deodhar	Non-Executive Independent Director	-	-

Date of last AGM – September 25, 2012

Number of other companies or committees the Director is a Director / Member.

Name of Director	No. of other Directorships in Public Limited Companies	No. of other Board Committees in which Member
Mr. Rupinder Singh Arora	2	NIL
Ms. Ritika Arora	NIL	NIL
Mr. Chandir Gidwani	6	1
Mr. Navin Marwah	1	1
Mr. Hrushikesh Deodhar	2	1

The Company sends a detailed agenda folder to each director sufficiently before Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Chairman appraises the Board at every meeting on the overall performance of the Company. The Board provides overall strategic directions and periodically reviews strategy and business plans, annual operating and capital expenditure budgets and oversees the actions and results of the management to ensure that the long term objectives of enhancing shareholders' value are met.

## **RAP MEDIA LTD.**

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The Board also inter alia, reviews and considers investment and exposure limits, review of major legal issues, adoption of quarterly/ half yearly/annual results, transactions pertaining to purchase/ disposal of property, major accounting provisions and write offs, corporate restructuring, minutes of meetings of committees of the Board and information on recruitment of officers just below the Board level including the Compliance officer.

The Board periodically reviews compliance reports of all laws applicable to the company, as well as steps taken by the company to rectify instances of all non compliances, if any.

The Board has laid down the Code of Conduct for the Board members and for designated senior management personnel of the Company. All Board members and designated senior management personnel have affirmed compliance with code of conduct.

The Company has a well defined risk management framework in place. The risk management framework adopted by the company is discussed in detail in the Management discussion and analysis chapter of this annual report. Your company has established procedures to periodically place before the Board the risk assessment and minimization procedures being followed by the company and steps taken by it to mitigate these risks.

Your company has two major Board Level Committees- Audit Committee and Shareholders'/Investors' Committee. All decisions regarding the constitution of committees, appointment of members and fixing of terms of services for committee members is taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided in this report.

### **Audit Committee**

#### **Terms of Reference**

The terms of reference of Audit Committee, inter-alia, are:-

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956,
  - b. Changes, if any, in accounting policies and practices and reasons for the same,
  - c. Major accounting entries involving estimates based on the exercise of judgment by management,
  - d. Significant adjustments made in the financial statements arising out of audit findings,
  - e. Compliance with listing and other legal requirements relating to financial statements,
  - f. Disclosure of any related party transactions,
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval

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6. Reviewing, with the management, performance of statutory auditors, and adequacy of the internal control systems.
7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
8. To look into the reasons for substantial defaults in the payment to the depositors, shareholders and creditors.
9. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Generally all items listed in Clause 49 II D of the Listing Agreement are covered in the terms of reference. The Audit committee has been granted powers as prescribed under Clause 49 II C

The Audit Committee of the Company comprises of (1) Mr. Chandir Gidwani (Chairman) (2) Mr. Navin Marwah, (3) Ms. Ritika Arora and (4) Mr. Hrushikesh Deodhar. This committee has been empowered to cover all the matters specified under Section 292A of the Companies Act, 1956, and also the matters listed under the Listing Agreement with Stock Exchanges.

Number of Audit Committee meetings – 4.

Attendance of each member of the Audit Committee

Name of the Director	No. of meetings held	No. of Meetings attended
Mr. Chandir Gidwani	4	4
Mr. Navin Marwah	4	4
Ms. Ritika Arora	4	4
Mr.Hrushikesh Deodhar	-	-

Audit Committee met four times during the year 2012-2013 on May 31, 2012, August 14, 2012, November 09, 2012, February 14, 2013 The time gap between any two meetings was less than four months.

### Remuneration Committee

The Company is too small to have a Remuneration Committee.

Details of remuneration paid/ payable to whole-time Director.

Name of the Director	Remuneration Including all benefits
Mr. Rupinder Singh Arora – Chairman & Managing Director	Rs.6.20 Lacs (Salary & Perks)

Details of Sitting fees paid to non-executive Directors for attending Board meetings and Audit Committee meetings.

Name of the Director	Sitting fees paid (Rs.)
Mr. Chandir Gidwani	25,000.00
Ms. Ritika Arora	25,000.00
Mr.Navin Marwah	25,000.00

### 5. Shareholders'/Investors' Committee

This committee comprising of four Non Executive Directors viz. Mr. Chandir Gidwani, Mr.Navin Marwah, Mr. Hrushikesh Deodhar and Ms.Ritika Arora.The Committee functions with the objective of looking into redressal of shareholders/investors relating to non-receipt of Annual Report, delay in transfer or transmission of shares, and cases of refusal of transfer or transmission of shares etc. The company did not receive any complaint during the year ended on 31st March, 2013. No complaints were pending as at 31.03.2013. The Compliance officer of the Company is Mr.Deepak Mishra.

## RAP MEDIA LTD.

### 6. General Body Meetings.

General Meeting	Date and Time	Place	No. of Special Resolution Passed
Annual General Meeting	25th September, 2012 at 11.30 a.m	At the Registered office of the company at Arora House, 16, Golf Link, Union Park, Khar (West), Mumbai-400052	
Annual General Meeting	26th September, 2011 at 11.00 a.m.		
Annual General Meeting	29th September, 2010 at 11.00 a.m.		

During the Financial year 2012-2013, the Company has not passed any Special Resolution through postal ballot.

The company has fully complied with the applicable mandatory requirements of the Clause 49.

### 7. Disclosures

None of the transactions with any of the related parties were in conflict with the interests of the Company. The Company has complied with all the requirements of Stock Exchange or SEBI or any other authority related to the Capital markets during the last 4 years. During the Financial year 2012-2013, there were no materially significant transactions entered into between the company and its promoters, Directors or the management or relatives that may have potential conflict with the interests of the company at large. The company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. The company has complied with all the requirements of regulatory authorities. No penalties/ strictures were imposed on the company by the stock exchanges or SEBI or any statutory authority on any matter related to capital market. In compliance with the SEBI regulations on prevention of insider trading, the company has instituted a comprehensive code of conduct for prevention of insider trading for its designated employees. The code lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the company, and cautioning them on the consequences of violations.

### 8. Means of Communication

The quarterly results are normally published in "Free Press Journal" and "Nav Shakti". The Annual Report is sent every year to the shareholders.

### 9. General Shareholder Information :

Annual General Meeting	25th September, 2013
Financial Year	31st March, 2013
Book Closure	18.09.2013 to 25.09.2013
Dividend Payment date	No Dividend
Listing on Stock Exchange	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Stock Code	531583(Mumbai)



## 19th Annual Report 2012-2013

### Market Price Data :

	HIGH	LOW
April, 2012	42.00	25.50
May, 2012	38.15	27.40
June, 2012	26.90	20.75
July, 2012	24.95	18.05
Aug, 2012	29.75	19.40
Sept, 2012	24.05	17.10
Oct, 2012	24.10	18.70
Nov, 2012	26.15	18.40
Dec, 2012	22.90	18.55
Jan, 2013	24.60	17.30
Feb, 2013	22.75	17.25
Mar, 2013	20.65	11.20

Number of share transfers pending- Nil.

### Registrars and Share Transfer Agents :

#### Sharex Dynamic (India) Pvt Ltd.

Unit – I, Luthra Ind. Premises, Safed Pool, Andheri – Kurla Road,  
Andheri (E), Mumbai – 400 072.

### Share Transfer system

Shares lodged for transfer at the Registrars' address are normally processed within 21 days from the date of lodgment, and requests for dematerialization of shares are processed and the confirmation is given to the depositories within 21 days from the date of lodgment, if the documents are clear in all respects.

The Compliance Officer verifies the transfer Register sent by the Registrars. Investors' grievances, if any, are resolved by the Compliance Officer, failing which, they would be referred to the Shareholder's/ Investors' Grievance Committee.

### Distribution of Shareholding as on 31/03/2013:

Sr. No.	No. of equity shares held	No. of Shareholders	% of total shareholders	No. of Shares Held	% of Total Shares.
1	UPTO TO 100	3953	67.98	170464	2.90
2	101 TO 200	664	11.42	114583	1.95
3	201 TO 500	667	11.47	244961	4.17
4	501 TO 1000	283	4.87	221840	3.77
5	1001 TO 5000	202	3.47	413645	7.03
6	5001 TO 10000	23	0.40	162543	2.76
7	10001 TO 100000	16	0.28	507631	8.63
8	100001 TO ABOVE	7	0.12	4045333	68.79
	<b>** T O T A L **</b>	<b>5815</b>	<b>100.00</b>	<b>5881000</b>	<b>100.00</b>

## RAP MEDIA LTD.

### Shareholding pattern as on 31st March, 2012:

Category	No. of Shares	% of Total Capital
Promoter's Shareholding	23,32,202	39.657
Non-Resident Indians/ Overseas Corporate bodies	0	0
Foreign Institutional Investor	0	0
Mutual Funds & Unit Trust of India	0	0
Banks	0	0
Bodies Corporate	18,06,577	30.719
Indian Public	17,21,114	29.265
Clearing Members-NRI	21,107	0.359
<b>Total Shares</b>	<b>58,81,000</b>	<b>100</b>

A brief resume of the Directors proposed to be appointed or re-appointed is given below:

**Shri Chandir Gobind Gidwani**, is the Chairman of Centrum Capital Limited, incorporated in 1977 and listed on the Bombay Stock Exchange Limited. Centrum is an integrated India based financial services group. He holds a Masters Degree in Commerce from Bombay University and is a qualified Chartered Accountant. He is also a member of various Industry associations e.g. FICCI, CII, etc. and on the board of many companies.

**Shri Hrushikesh Deodhar** is a Chartered Accountant and is a Director in 5 more Companies. Apart from his knowledge in his field of Finance and taxation, he has vast experience in fields like education, chemicals and Real Estate.

### Dematerialisation of Shares and Liquidity

The shares of the Company are fully under the category of compulsory delivery in dematerialized mode by all categories of investors. The company has signed agreements with both the depositories i.e. National Securities Depository Ltd. and Central Depository Services (India) Ltd.

The ISIN No. allotted to the equity shares of the Company is INE 483D01014.

The company has not issued any GDR / ADR / Warrants or any convertible instruments.

### Address for correspondence:

The Registered Office and Correspondence Office of the Company is located at Arora House, 16, Golf Link, Union Park, Khar (West), Mumbai – 400 052.

For and on behalf of the Board of Directors

**RUPINDER SINGH ARORA**  
*Chairman & Managing Director*

Mumbai, Dated: 14th August, 2013

### Registered Office:

Arora House, 16, Golf Link,  
Union Park, Khar (West),  
Mumbai- 400 052.