

## **20th Annual Report 2013-2014**

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### **NOTICE**

**NOTICE** is hereby given that the twentieth Annual General Meeting of the Members of **RAP MEDIA LTD.** will be held on Monday, the 22nd September, 2014, at 4.00 P.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, 2014 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Ms.Ritika Arora, who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint M/s. Vinay Gudi & Associates, Chartered Accountants, as Auditors for a period of three years at the ensuing Annual General Meeting and to be ratified their appointment every year in the Annual General Meeting and fix their remuneration.

#### **SPECIAL BUSINESS:**

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

##### **Appointment of Independent Director of the Company**

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.Chandir G. Gidwani (Holding DIN-00011916), Director of the Company be and is hereby appointed as an Independent Director of the Company at the ensuing Annual General Meeting to hold office for five consecutive years for a term up to 22nd September, 2019 not liable to retire by rotation.

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

##### **Appointment of Independent Director of the Company**

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.Hrushikesh Deodhar (Holding DIN 02038084 ), Director of the Company be and is hereby appointed as an Independent Director of the Company at the ensuing Annual General Meeting to hold office for one year up to 22nd September, 2015 not liable to retire by rotation.

Mumbai, Dated: 12th August, 2014

By Order of the Board of Director

#### **Registered Office:**

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

**Ravindra Joshi**  
*Company Secretary*

#### **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.

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- 2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 16th September, 2014 to Monday, the 22nd September, 2014. (both days inclusive).
- 3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 4. In compliance with the provisions of section 108 of the Companies Act 2013 and the rules framed there under and as per Clause 35B of Listing agreement, the members are provided with the facility to cast their vote electronically, though the e- voting services provided by CDSL, on the resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on Wednesday 17th September, 2014, 10.00am and ends on Thursday the 18th September, 2014 at 6.00 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 29.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “COMPANY NAME: Rap Media Ltd” from the drop down menu and click on “SUBMIT” (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)•  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.•  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 Pawan Kumar with sequence number 1 then enter PA00000001 in the PAN field.
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.
DividendBank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

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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 (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for RAP MEDIA LIMITED EVSN on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) 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.
- (xix) Note for Institutional Shareholders
  - 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 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.
- (xx) In case you have any queries or issues regarding evoting, 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).

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### **Other Instructions:**

- i. The e-voting period commence on Wednesday 17th September, 2014, 10.00am and ends on Thursday the 18th September, 2014 at 6.00 pm. During this period, member of the company holding share either in physical form or in dematerialize form as on 29.08.2014 may cast their vote electronically. The e-voting module shall be disabling by CDSL for voting Thereafter. Once the vote on resolution is cast by the member, he shall not be allowed to change it subsequently.
- ii. The voting rights of members shall be incorporation to their shares of the paid-up equity share capital of the company as on 29.08.2014.
- iii. Mrs. Deepa Sathe of D.M. Sathe & Company, Practicing company secretary of the company (membership No: ACS 12641 has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The scrutinizer, shall ,within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make scrutinizer's report of the vote cast in favour or against, if any, forthwith to the chairman of the company.
- v. The results declared along with the scrutinizers report shall be placed on the company [websitewww.rapmedia.co.in](http://www.rapmedia.co.in) and with the website of CDSL within two days of passing of resolutions at the 20th AGM of the company on 22nd September 2014 and communicated to the BSE Limited where the share of the company are listed.

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### ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of The Companies Act, 2013

#### SPECIAL BUSINESS:

##### Item No.4

Mr.Chandir G. Gidwani is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 01-04-2004. Mr.Chandir G. Gidwani is a member of the Audit Committee and Nomination and Remuneration Committee. He is a member of Stakeholders Grievance Committee of the Board of Directors of the Company.

Mr.Chandir G. Gidwani is a Chartered Accountant and is having versatile experience stretching to over 2 decades in the field of Taxation, Accounts, Audit and Corporate Management. He is not holding any equity shares of the Company. Mr.Chandir G. Gidwani is Director in following Companies.

Name of the Company/LLP	Name of the Company/LLP
CENTRUM CAPITAL LIMITED	HOLICOW INFRA PRIVATE LIMITED
BUSINESS MATCH SERVICES (INDIA) PRIVATE LIMITED	PJP ESTATES PRIVATE LIMITED
CENTRUM FISCAL PRIVATE LIMITED	VIJAYATEJ HOSPITALITY PRIVATE LIMITED
SONCHAJYO INVESTMENTS AND FINANCE PRIVATE LIMITED	WALKWATER MEDIA LIMITED
NANIKRAMI AGRO PRIVATE LIMITED	OLIVE BAR AND KITCHEN PRIVATE LIMITED
OCEAN EXPRESS PRIVATE LIMITED	SUSSEGADO BAR & KITCHEN PRIVATE LIMITED
CASBY GLOBAL AIR PRIVATE LIMITED	JOIE DE VIVRE RESTAURANT PRIVATE LIMITED
CASBY LOGISTICS PRIVATE LIMITED	OASIS COUNSEL & ADVISORY PRIVATE LIMITED
EXPRESSIT LOGISTICS WORLDWIDE LIMITED	CLUB 7 HOLIDAYS LTD
CENTRUMDIRECT LIMITED	INDIAALTERNATIVES INVESTMENT ADVISORS PRIVATE LIMITED
P & M INFRASTRUCTURES LIMITED	OLIVE CAFES SOUTH PRIVATE LIMITED
PRIME FOCUS LIMITED	MOVING KITCHEN PRIVATE LIMITED
SKYLINE DEVELOPERS PRIVATE LIMITED	SOUL FRY BAR & KITCHEN PRIVATE LIMITED
MAURYA SUGAR LIMITED	ROYALE THRILL VENTURES PRIVATE LIMITED
NANIKRAMI ESTATES PRIVATE LIMITED	ADLABS ENTERTAINMENT LIMITED
	PB LIFESTYLE LIMITED

In terms of Section 149 and any other applicable provision of the Companies Act, 2013, Mr.Chandir G. Gidwani being eligible and offering himself for appointment is proposed to be appointed as an independent Director for five consecutive years for a term upto 22nd September, 2019.

In the opinion of the Board, Mr.Chandir G. Gidwani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr.Chandir G. Gidwani as an Independent Director. Accordingly the Board recommends the resolution relating to appointment of Mr.Chandir G. Gidwani as an Independent Director for the approval of the Shareholders of the Company. The said Independent director is not liable to retire by rotation.

Except Mr.Chandir G. Gidwani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution set out at item No.4. This Explanatory Statement may also be regarded as disclosure under clause 49 of the Listing Agreement with Stock Exchange.

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### **SPECIAL BUSINESS:**

#### **Item No.5**

Mr. Hrushikesh V. Deodhar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14th August, 2013. Mr. Hrushikesh V. Deodhar is a member of the Audit Committee and Nomination and Remuneration Committee. He is a member of Stakeholders Grievance Committee of the Board of Directors of the Company.

Mr. Hrushikesh V. Deodhar is a Chartered Accountant and is having versatile experience in the field of Taxation, Accounts, Audit and Corporate Management. He is not holding any equity shares of the Company. Hrushikesh V. Deodhar is Director in following Companies:

- a. Arora Fibres Limited
- b. Hemat Processing Company Limited
- c. Easy Online Education Private Limited
- d. Kuldatta Chemicals Private Limited

In terms of Section 149 and any other applicable provision of the Companies Act, 2013, Hrushikesh V. Deodhar being eligible and offering himself for appointment is proposed to be appointed as an independent Director for one year upto 22nd September, 2015.

In the opinion of the Board, Mr. Hrushikesh V. Deodhar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Hrushikesh V. Deodhar as an Independent Director. Accordingly the Board recommends the resolution relating to appointment of Mr. Hrushikesh V. Deodhar as an Independent Director for the approval of the Shareholders of the Company. The said Independent director is not liable to retire by rotation.

Except Mr. Hrushikesh V. Deodhar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolution set out at item No.5. This Explanatory Statement may also be regarded as disclosure under clause 49 of the Listing Agreement with Stock Exchange.

Mumbai, Dated: 12th August, 2014

By Order of the Board of Director

#### **Registered Office:**

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

**Ravindra Joshi**  
*Company Secretary*

## 20th Annual Report 2013-2014

### Directors' Report

to the Shareholders

Your Directors present before you the Twentieth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2014.

	2013-2014 (Rupees)	2012-2013 (Rupees)
Profit before Depreciation	23,70,981	38,19,026
Less: Depreciation	34,86,021	35,72,809
Profit/(Loss) after Depreciation	(11,15,040)	2,46,217
Less: Provision for Taxation		
Provision for Deferred Tax	8,099	9,15,323
Income Tax Current Year	-	25,000
Profit/(loss) for the Year	(11,23,139)	(6,94,106)
Loss brought forward from Previous Year	(41,01,728)	(34,07,622)
Loss carried to Balance Sheet	(52,24,867)	(41,01,728)

### PERFORMANCE

The total income of the Company was Rs.183.30 lacs as compared to Rs.189.91 lacs of the previous year. The loss after tax was Rs.11.23 lacs as compared to loss of Rs.6.94 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 of 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 Directors' Report.

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### **3. DIRECTORS**

Ms.Ritika Arora retires by rotation and being eligible for offers herself for reappointment.

### **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:12th August, 2014

***Registered Office:***

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



## 20th Annual Report 2013-2014

### 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 4 Directors. The Board comprises of 1 Promoter-Chairman-cum Managing Director, Non-Executive Directors with independent judgment in the deliberation and decisions of the Board. 50% of the total number of Directors are independent Directors. The number of Non Executive directors is 75% 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 2013-2014 on May 30, 2013, August 14, 2013, November 15, 2013, February 15, 2014. 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. Hrushikesh Deodhar	Non Executive Independent Director	3	Yes
5.	Mr. Navin Marwah	Non-Executive Independent Director	2	No

Date of last AGM – September 25, 2013

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. Hrushikesh Deodhar	2	1

## **RAP MEDIA LTD.**

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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.

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' Grievance 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:-

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.