

# ANNUAL REPORT

## 2016 - 2017



**SEASONS<sup>®</sup>**  
**TEXTILES LIMITED**

## BOARD OF DIRECTORS

**Mr. Inderjeet Singh Wadhwa**  
Chairman & Managing Director

**Mrs. Neelam Wadhwa**  
Executive Director

**Mr. Kailash Chandra Mehra**  
Non - Executive, Independent Director

**Dr. Pramod Kumar Hari**  
Non – Executive, Independent Director

**Dr. Bijoya Kumar Behera**  
Non – Executive, Independent Director

### CHIEF FINANCIAL OFFICER

Sanjay Katyal  
Email Id : sanjay@seasonsworld.com  
Tel No. : 0120-4690000

### COMPANY SECRETARY & COMPLIANCE OFFICER

Kavita Rani  
Email Id : cs.stl@seasonsworld.com  
Tel No. : 0120-4690000

### AUDIT COMMITTEE

Mr. Kailash Chandra Mehra	Chairman
Mrs. Neelam Wadhwa	Member
Dr. Pramod Kumar Hari	Member

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Kailash Chandra Mehra	Chairman (Independent Director)
Mr. Inderjeet Singh Wadhwa	Member (Executive Director)

### NOMINATION & REMUNERATION COMMITTEE

Mr. Kailash Chandra Mehra	Chairman
Dr. Pramod Kumar Hari	Member
Dr. Bijoya Kumar Behera	Member

### STATUTORY AUDITORS

Anuj Garg & Company  
Chartered Accountants  
New Delhi – 110005

### REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.  
D – 153A, First Floor, Okhla Industrial Area,  
Phase - I, New Delhi - 110020  
Tel: 011-64732681-88  
E-mail: admin@skylinerta.com

### REGISTERED OFFICE

26, Feroze Gandhi Road,  
Lower Ground Floor  
Lajpat Nagar - III,  
New Delhi -110 024

### CORPORATE OFFICE AND WAREHOUSE

B-18, Sector-5, Noida-201301 (U.P)

### MANUFACTURING PLANT

Plot No. 466-67,  
HSIIDC Industrial Estate,  
Barhi Sonapat (Haryana)

### INTERNAL AUDITORS

Ashok Kantoor & Co.  
Chartered Accountants  
New Delhi - 110005

### SECRETARIAL AUDITORS

Pramod Kothari & Co.  
Company Secretaries  
Noida – 201301 (U.P)

### BANKERS Canara Bank

Parliament Street,  
New Delhi - 110001

### IDBI Bank Ltd.

51 / 3, Desh Bandhu Gupta Road  
Karol Bagh (Opposite Khalsa College)  
New Delhi - 110 005



## SEASONS TEXTILES LIMITED

CIN - L18101DL1986PLC024058

Regd. Off: 26, Feroze Gandhi Road, Lower Ground Floor,  
Lajpat Nagar - III, New Delhi -110 024

Phone : 0120-4690000, Fax : 0120-4351485

Website : [www.seasonsworld.com](http://www.seasonsworld.com), E mail : [cs.stl@seasonsworld.com](mailto:cs.stl@seasonsworld.com)

### Notice of Annual General Meeting

**NOTICE** is hereby given that the 31<sup>st</sup> Annual General Meeting of the Members of **SEASONS TEXTILES LIMITED** will be held at 11.00 AM on Friday, the 29<sup>th</sup> day of September, 2017 at Royal Vatika, Main Bus Stand, Khera Khurd, Alipur Block, Delhi – 110 082, to transact the following business:

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditor's thereon.
2. To appoint a Director in place of Mrs. Neelam Wadhwa (DIN No. 00050911), who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** Mrs. Neelam Wadhwa (DIN No. 00050911) who retires by rotation and who is eligible for re- appointment be and is hereby re-appointed as Director of the Company."

3. To appoint Statutory Auditors and to fix their remuneration and to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors the Company Rakesh Varshney & Associates, Janakpuri, New Delhi (Firm's Registration No. 022399N) be and are hereby Appointed as the Statutory Auditors of the Company in place of M/s Anuj Garg & Co. Chartered Accountants, New Delhi, to hold the office of Auditors from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company to be held in 2022 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 subject to the ratification by the members in every Annual General Meeting of the Company."

By Order of the Board of Directors  
For **Seasons Textiles Limited**

Place: New Delhi  
Date: 14.08.2017

(Inderjeet S Wadhwa)  
Chairman and Managing Director

#### NOTES :

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself /herself and such proxy need not be a member of the Company. Proxies in order to be effective must be lodged at the registered office of the Company not less than 48 hours before the commencement of 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.
- 2) The Register of Members and Share Transfer Register of the Company will remain closed from 23<sup>rd</sup> September, 2017 to 29<sup>th</sup> September, 2017 (both days inclusive).
- 3) A Member desirous of getting any information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
- 4) Members holding shares in physical form, are requested to notify immediately any change in their address and Bank particulars to the Company or its Share Transfer Agents. In case the shares are held in dematerialized form, this information should be furnished directly, without any delay, to their respective Depository Participants.
- 5) In all correspondence with the Company, Members are requested to quote their folio number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
- 6) Members are requested to bring their copies of the Annual Report in the meeting and the Attendance Slip, duly filled-in and signed

as per the specimen signature recorded with the Company / Depository Participant for attending the meeting. Members, who hold shares in dematerialized Form, are requested to write their Client ID and DP ID Nos., and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

- 7) The Ministry of Corporate Affairs has taken a "Green Initiate in Corporate Governance" by allowing service of notice/documents including Annual Report by email to its members.

Those who are holding shares in demat form may register their email address to their respective Depository Participants.

Those holding shares in physical form may register their email address with Registrar & Share Transfer Agent Skyline Financial Services Private Limited or to the Company Secretary at cs.stl@seasonsworld.com or corporate office of the Company.

- 8) Notice is being sent to all the members of the Company whose names appear in the Register of Members / Record of Depositories as on Friday, September 1, 2017 ("Cut-off date" or "Record date"). Voting rights shall be reckoned on the paid up value of the shares registered in the name of the members of the Company as on Cut-off date / Record date i.e Friday, September 1, 2017.
- 9) **Voting through electronic means** In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote at the meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service Limited (CDSL).

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

- (i) The voting period begins on September 26, 2017 (10.00 A.M.) and ends on September 28, 2017 (5.00 P.M.). 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 September 22, 2017 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).
- (iii) Click on Shareholders.
- (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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both 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 SEASONS TEXTILES 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **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 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 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 linked in the login 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.

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).

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 31<sup>st</sup> Annual Report along with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS :

The financial results for the year under review are summarized below for your perusal:

(Rs. in Lakhs)

Particulars	Financial Year Ended 31st March, 2017	Financial Year Ended 31st March, 2016
Total Income	4167.29	4005.07
Expenditure other than Interest and Depreciation	3525.55	3327.07
Interest and Finance charges	346.44	351.46
Depreciation	241.88	262.61
Profit before Tax	53.42	63.93
Provision for Tax including deferred & Earlier Year taxes	19.86	1.19
Profit after Tax	33.56	62.74

### REVIEW OF OPERATIONS

The gross revenue of the company during the year stands at Rs. 4167.29 Lacs as against Rs. 4005.07 Lacs in the previous year. The profit before tax during the year stands at Rs. 53.42 Lacs as against Rs. 63.93 Lacs. The profit after tax during the year is Rs. 33.56 Lacs as against Rs 62.74 Lacs in the previous year.

### SHARE CAPITAL

The paid up equity capital as on March 31, 2017 was Rs.749.03 Lakhs. During the year under review the company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### DIVIDEND

In order to plough back profits for future requirements of the company your Directors do not recommend any dividend for the year ended March 31, 2017.

### LONG TERM AND SHORT TERM BORROWINGS

During the year under review, your Company has both long term and short term borrowings, aggregating to Rs. 1649.66 Lacs.

### FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of section 73 of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### FINANCE

Cash and cash equivalents as at March 31, 2017 was Rs. 187.91 lakhs. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

### INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured.

### LISTING PARTICULARS

The Equity Shares of the Company are listed on the Bombay Stock Exchange and Calcutta Stock Exchange.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given any loans or made any investments covered under the provisions of section 186 of the Companies Act, 2013. As on date there is no Corporate Guarantee existed in the books of the Company.

### INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The members at its Meeting held on September 30, 2014, had appointed Mr. Kailash Chandra Mehra, Mr. Bijoya Kumar Behra and Mr. Pramod Kumar Hari as Independent Directors of the Company for a period of five years and not liable to retire by rotation.

Mr. Inderjeet Singh Wadhwa, Chairman Managing Director, Mr. Sanjay Katyal, Chief Financial Officer and Mrs. Kavita Rani, Company Secretary are the Key Managerial Persons (KMPs) of the Company as per the provisions of the Act.

Mrs. Neelam Wadhwa, who retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for reappointment and your Board of Directors recommend for the same.

All the directors of the Company have confirmed that they are not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013.

## **Board Evaluation**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

## **Remuneration Policy**

The Board has, on the recommendation of the Appointment & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **Meetings**

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director etc. is provided in Corporate Governance Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with the accounting and financial reporting requirements under section 134 (3) (c) and 134 (5) of the Companies Act 2013, in respect of financial statements, your directors state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had 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 the financial year and of the profit and loss of the company for that period;
- the directors had 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;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **PARTICULARS OF EMPLOYEES**

The Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as "**Annexure A**".

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 : NIL

## **AUDITORS**

The term of our Auditor M/s Anuj Garg & Co., Chartered Accountant, New Delh is expiring in this AGM hence Audit Committee has recommended the Board to appoint Rakesh Varshney & Associates, Chartered Accountants, New Delhi, as statutory Auditors of the Company.

The Company has already received a certificate from M/s Rakesh Varshney & Associates, Chartered Accountant stating that their appointment, if made will be within the limits specified in section 224(1B) of Companies Act 1956.

The Board recommends appointing of Rakesh Varshney & Associates, Chartered Accountants, New Delhi, as the Statutory Auditors of the Company in place of M/s Anuj Garg & Co., Chartered Accountants to hold office of the Auditors from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company to be held in 2022 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 subject to the ratification by the members in every Annual General Meeting of the Company.

## **STATUTORY AUDITORS REPORT**

The report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

## **SECRETARIAL AUDIT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s Pramod Kothari & Co., a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company.

## **SECRETARIAL AUDITOR'S REPORT**

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report for the Financial Year 2016-17. The Secretarial Audit Report is annexed herewith as "**Annexure B**". There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2016-17 which call for any explanation from the Board of Directors.

## **SIGNIFICANT OR MATERIAL ORDERS**

There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status and the Company's operations in future.

## **MATERIAL CHANGES**

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of the Report.

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. Further, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee and Board for approval. The transactions entered into pursuant to the approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationship on transactions vis-a-vis the Company.

## **SUBSIDIARY COMPANIES**

The Company does not have any subsidiary.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal Audit plays a key role in providing an assurance to the Board of Directors with respect to the Company having adequate Internal Control Systems. The Internal Control Systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. The details about the adequacy of Internal Financial Controls are provided in the Management Discussion and Analysis Report.

## **CODE OF CONDUCT**

Your Company has adopted a Code of Conduct for members of the Board and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company.



Your Company has received confirmations from all concerned regarding their adherence to the said Code.

As per the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per Sec. 177(9) of the Companies Act, 2013, applicable Rules and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the company has established a vigil mechanism (whistle blower policy) for their directors and employees to report their genuine concerns. The vigil mechanism provide for adequate safeguards against victimization of persons who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in accordance with the Companies Act, 2013, applicable rules and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

#### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

#### **RISK MANAGEMENT POLICY**

The Company has formulated a Risk Assessment & Management Policy. The details of the Risk Management are covered in the Corporate Governance Report.

#### **PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2016 - 17, no complaints were received by the Company related to sexual harassment.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure C”.

#### **CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION ANALYSIS**

Your Company follows principles of effective Corporate Governance. The endeavor of your Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay a strong emphasis on integrity transparency and overall accountability.

A separate Section on Management Discussion & Analysis and Corporate Governance is included in the Annual Report. A certificate from the Practicing Company Secretary of your Company regarding compliance with Corporate Governance norms stipulated in SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is also annexed to the report on Corporate Governance.

#### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information in accordance with the provisions of section 134(3)(m) of the Companies Act, 2013, along with rules regarding the conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this report. (Annexure “D”)

#### **ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made your company successful in the business.

#### **CAUTIONARY NOTE**

The statements forming part of the Directors' Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

**For and on behalf of the Board of Directors**

Place : New Delhi  
Dated : 14<sup>th</sup> August, 2017

(Inderjeet Singh Wadhwa)  
Chairman & Managing Director

### ANNEXURE 'A' FORMING PART OF DIRECTORS REPORT.

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S.No.	Requirements	Disclosure
1.	The ratio of remuneration of each Director to median remuneration of employees for the financial year	Mr. Inderjeet Singh Wadhwa : 24.07 X Mrs. Neelam Wadwa : 15.13 X
2.	The Percentage increase in remuneration of each director, CFO, CS in the financial year	Except for salary increase of 6.70% in case of CFO and 8.05% in case of CS there was no increase made in the remuneration of any director during the financial year 2016-17.
3.	The Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in financial year 2016-17 was decreased by 28.63 %.
4.	The numbers of permanent employees on the rolls of Company	175 as on March 31, 2017
5.	The explanation on the relationship between average increase in remuneration and company performance	The increase in remuneration is linked to the performance of the Company as a whole, the concerned division, the employees and other factors like industry trends and economic environment.
6.	Comparison of the remuneration of the key ManagerialPerson against the performance of the Company	As per the Company's policy of rewarding the employees, including Key Managerial Personnel, the increase in remuneration and variable pay is based on an individual performance rating and business unit performance and the bench mark study is also factored. Considering the performance of the KMPs in the year, they were appropriately compensated.
7.	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	The market capitalization as on March 31, 2017, was Rs. 5.78 crore and Rs. 4.71 crore as on March 31, 2016. Price Earnings ratio of the Company was 17.13 times as at March 31, 2017 and was 7.49 times as at March 31, 2016. No Public offer was made by the company after the Initial Public Offer dated 11 <sup>th</sup> February, 1993.
8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; The average percentile increase in the remuneration of employees compared to increase in remuneration of Key Managerial Personnel is in line with bench mark study and the performance of the Company over a period of time. There is no exceptional increase in the Managerial Remuneration.	The average percentile increase in the remuneration of employees compared to increase in remuneration of Key Managerial Personnel is in line with bench mark study and the performance of the Company over a period of time. There is no exceptional increase in the Managerial Remuneration.
9.	Comparison of the each remuneration of the Key ManagerialPersonnel against the performance of the Company	Remuneration of Key Managerial Personnel is in line with the bench mark study and performance of the Company.
10.	The key parameters for any variable component of remuneration availed by the directors	Depends on the performance parameters set for key managerial personnel as approved by the Compensation Committee of the Board.
11.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Nil
12.	Affirmation that the remuneration is as per the remuneration policy of the Company	We confirm.