

# SEQUEL E – ROUTERS LIMITED



## ANNUAL REPORT 2015-2016

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SEQUEL E-ROUTERS LIMITED WILL BE HELD ON 1<sup>st</sup> August 2016 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS.**

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2016 and Balance sheet as at that date together with Directors Report and Auditors Report thereon.
- 2) To appoint a Director in place of Mr. Sunilkumar M Gandhi, who retires by rotation and being eligible offers himself for reappointment.
- 3) To consider and if thought it, to pass with or without modifications, the following Resolution as an ORDINARY RESOLUTION:

**“Resolved that** pursuant to the provisions of sections 139 (2) and 142(1) of the Companies Act 2013 the retiring Auditor **GAURANG VORA & ASSOCIATES** Chartered Accountants, be and are hereby reappointed as Auditors of the Company to hold office for a term of 5 years subject to ratification by members at every Annual General Meeting from the conclusion of this meeting until the conclusion of the next Annual General Meeting at such Remuneration as may be determined by the Board of Directors of the Company from time to time.

**DATE : 11<sup>TH</sup> JUNE, 2016**  
**PLACE: AHMEDABAD**

**BY ORDER OF THE BOARD**

**Sd/-**  
**CHAIRMAN**  
**SUNILKUMAR GANDHI**

### 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 AND PROXY NEED NOT BE A MEMBER. Proxy in order to be valid must be received by the company not less than forty-eight hours before the time of holding the Meeting.
2. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
3. The Register of Members and share transfer books of the Company will remain closed from 25.07.2016 TO 01.08.2016 (both days inclusive)
4. Members desiring any information regarding the accounts are requested to write to the Company at least Seven Days before the meeting so as to enable the management to keep the same ready.

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period begins on 29.07.2016 at 12.00 P.M. and ends on 31.07.2016 at 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 22.07.2016, 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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. The Sequence Number is printed on Attendance Slip.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Details	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
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- (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 **SEQUEL E-ROUTERS 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 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 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) 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).

# **Board's Report**

To,  
The Members of  
M/s. Sequel E-Routers Limited

Your Directors have pleasure in presenting the Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2016.

## **FINANCIAL HIGHLIGHTS**

<b>Particulars</b>	<b>(Rs. In Lacs)</b>	
	<b>Standalone</b>	
<b>Particulars</b>	<b>2015-2016</b>	<b>2014-2015</b>
Gross Income	<b>36.38</b>	<b>25.57</b>
Profit Before Interest and Depreciation	<b>0.60</b>	<b>0.75</b>
Finance Charges	<b>0.00</b>	<b>0.00</b>
Gross Profit	<b>0.60</b>	<b>0.75</b>
Provision for Depreciation	<b>0.00</b>	<b>0.00</b>
Net Profit Before Tax	<b>0.60</b>	<b>0.75</b>
Provision for Tax	<b>0.19</b>	<b>0.23</b>
Net Profit After Tax	<b>0.41</b>	<b>0.52</b>
Balance Carried to Profit and Loss Account	<b>0.41</b>	<b>0.52</b>

## **DIVIDEND**

However with the view to conserve the resources of company the directors are not recommending any dividend.

## **AMOUNTS TRANSFERRED TO RESERVES**

The Board of the company has decided to carry the current year profit to its reserves.

## **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

Company does not have any Subsidiary, Joint venture or Associate Company.

## **CHANGES IN SHARE CAPITAL, IF ANY**

During the Financial Year 2015-16, there is no change in the face value of the company's shares.

## **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

## **MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

## **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information.

## **MEETINGS OF THE BOARD OF DIRECTORS**

During the Financial Year 2015-16, the Company held **eight** board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

<b>S No.</b>	<b>Date of Meeting</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
1	29.05.2015	4	4
2	13.08.2015	4	4
3	18.08.2015	4	4
4	04.09.2015	4	4
5	09.11.2015	4	4
6	31.12.2015	4	4
7	11.02.2016	4	4
8	31.03.2016	4	4

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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;
- (c) 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;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) 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.
- (f) 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.

## **AUDITORS and REPORT thereon**

The Auditors, M/s. Gaurang Vora & Associates, Chartered Accountants, retiring at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment.

Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. .

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2016 is annexed herewith for your kind perusal and information

## **LOANS, GUARANTEES AND INVESTMENTS**

The Company has given Loans and advances and also made an investment during the year.

## **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. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company.

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

### **(A) Conservation of energy and Technology absorption**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

### **(B) Foreign exchange earnings and Outgo**

There were no foreign exchange earnings and outgo during the year under review.

## **RISK MANAGEMENT**

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

## **DIRECTORS and KMP**

There has been no Change in the constitution of Board during the year.

## **DEPOSITS**

The company has not accepted any deposits during the year.



## **CORPORATE SOCIAL RESPONSIBILITY**

The company does not fall into the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

## **RATIO OF REMUNERATION TO EACH DIRECTOR**

The Company is not paying any remuneration to the directors.

## **ANNUAL 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 and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

## **CORPORATE GOVERNANCE**

The company does not fall into the criteria for corporate governance. Hence the report on Corporate Governance is not applicable to company.

## **INDEPENDENT DIRECTORS and DECLARATION**

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

## **NOMINATION AND REMUNERATION COMMITTEE**

As per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of three Non-executive Directors. The table sets out the composition of the Committee:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Chandubhai Vaghela	Chairman	Non Executive Independent Director
Mr. Rajubhai Desai	Member	Non Executive Independent Director
Ms. Ashaben S. Darji	Member	Non Executive Independent Director

## **Terms of Reference**

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial

Personnel and other employees.

3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
4. Regularly review the Human Resource function of the Company
5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
6. Make reports to the Board as appropriate.
7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

### **REMUNERATION POLICY**

#### **Remuneration to Executive Directors:**

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

#### **Remuneration to Non Executive Directors:**

The Non Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

### **AUDIT COMMITTEE**

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Rajubhai Desai	Chairman	Non Executive Independent Director
Mr. Chandubhai Vaghela	Member	Non Executive Independent Director
Mr. Sunilkumar Gandhi	Member	Executive Director