



SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

TWENTY SECOND ANNUAL REPORT

2015-2016

SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

REGISTERED OFFICE:	WOCKHARDT TOWERS, 2ND FLOOR, EAST WING, C-2, G BLOCK, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI – 400 051. TEL.No.: +91-22-42410400 FAX: +91-22-27566634
ADMINISTRATIVE HEAD OFFICE & CORRESPONDENCE:	CK-6, 2ND FLOOR, SECTOR II, SALT LAKE CITY, KOLKATA- 700 091 TEL. NO.: +91-33-23373012 TELEFAX NO.: +91-33-23373014 Website: www.shriramamc.com
BOARD OF DIRECTORS:	MR. PRABHAKAR KARANDIKAR-Chairman MR. AKHILESH KUMAR SINGH-Managing Director MR. R.SUNDARA RAJAN MR. DHIRUV MEHTA MR. ARINDOM MUKHERJEE MRS. JAYASHREE MAHESH
CHIEF INVESTMENT OFFICER AND FUND MANAGER:	MR. PARTHA RAY
CHIEF FINANCIAL OFFICER:	MRS. CHANDANA DUTT
COMPANY SECRETARY:	MRS. REENA YADAV
COMPLIANCE OFFICER FOR MUTUAL FUND:	MR. TANMOY SENGUPTA
AUDITORS:	M/S K.S.AIYAR & CO. CHARTERED ACCOUNTANTS, 9, SYED AMIR ALI AVENUE, FLAT 2, 4TH FLOOR, KOLKATA -700 017
REGISTRAR AND SHARE TRANSFER AGENTS:	PURVA SHAREGISTRY (INDIA) PVT. LTD. 9, SHIV SHAKTI INDUSTRIAL ESTATE, J.R.BORICHA MARG, MUMBAI – 400 011 TEL.NO.: +91-22-23016761 TELEFAX NO.: +91-22-23012517

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SHRIRAM ASSET MANAGEMENT COMPANY LIMITED

CIN: L65991MH1994PLC079874

Registered Office: Wockhardt Towers, 2nd Floor, East Wing, C-2, G Block,

Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Tel. No.: +91-22-42410400 Fax: +91-22-27566634

Email ID: srmf@shriramamc.com Website: www.shriramamc.com

NOTICE

Notice is hereby given that the TWENTY SECOND Annual General Meeting (AGM) of the Members of Shriram Asset Management Company Limited will be held at Hotel Parle International, Agarwal Market, Vile Parle (East), Mumbai - 400 057 on Tuesday, August 09, 2016 at 2.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2016 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Jayashree Mahesh (DIN 06993492) who retires by rotation and being eligible, offers herself for reappointment;
3. To appoint M/s. K. S. Aiyar & Co., Chartered Accountants, Kolkata (Firm Registration Number 100186W) as Auditors of the Company to hold such office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting, on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the said Auditors.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Dhruv Mehta (DIN 02083226), be and is hereby re-appointed as Non – Independent Director of the Company, whose period of office is liable to determination by retirement by rotation.”

By order of the Board of Directors

For Shriram Asset Management Company Limited

Place: Mumbai

Date: April 28, 2016

Reena Yadav
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed on Friday, August 05, 2016 to Tuesday, August 09, 2016 (both days inclusive).
4. Additional information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as 'Listing Regulations' with the stock exchange in respect of Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.

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5. Members/ Proxies are requested to produce at the entrance, the attached admission slip for admission to the meeting hall. Duplicate admission slips will not be provided at the hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID nos. for easy identifications for attendance at the meeting.
6. In case of joint holders attending the meeting, only such joint holders who are higher in order of the names will be entitled to vote.
7. Members are requested to bring with them a copy of Annual Report dispatched to them by the Company.
8. Members are requested to notify change in address, if any, in case of shares held in electronic form to the concerned depository participants quoting their Client ID nos. and in case of physical shares, to their Share Transfer Agents quoting their Folio Number.
9. Pursuant to Section 72 of the Companies Act, 2013, facility for making nominations in the prescribed Form SH-13 is available to the Members in respect of the shares held by them in physical form. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company. Members holding shares in dematerialized form may approach their respective Depository Participants to avail and / or effect any change to the nomination facility.
10. The Annual Report 2015-16 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.shriramamc.com and also on the website of Stock Exchange www.bseindia.com.
11. All documents referred to in the accompanying Notice and Statement setting out material facts are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. and 12 noon up to the date of the 22nd AGM.
12. Shareholders seeking any information with regards to Accounts are requested to write to the Registered Office of the Company at least 15 days in advance so as to keep the information ready at the Meeting.
13. Members holding shares in physical form under multiple folios are requested to send Company's Registrar and Share Transfer Agent details of such folios together with the Share Certificate to consolidate their holdings in a single folio so as to enable us to serve them in a better, most efficient and effective manner. The Share Certificate will be returned to the Members after making the requisite changes, thereon.
14. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Company i.e. Purva Sharegistry (India) Pvt. Ltd., Mumbai-400 011.
15. Shareholders are requested to update their email ids with Registrar and Share Transfer Agents.
16. Shareholders are requested to bring along their photo ID proofs for attending the AGM.
17. A route map showing directions to reach the venue of the 22nd AGM is given at the end of the Annual Report as per the requirement of the Secretarial Standards-2 on "General Meeting".
18. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and sub clause (1) and (2) of Regulation 44 of Listing Regulations, the Company is pleased to provide members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The procedure for voting at the AGM will be explained at the time of the poll at the venue of the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Registrars as on the cut-off date shall be entitled to vote. If a person has ceased to be the member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

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The Company has appointed Mr. Suhas S. Ganpule, Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Scrutinizer shall submit his report to the Chairman or any person authorised by him in writing. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.shriramamc.com and on the website of CDSL i.e. www.evotingindia.com after the declaration of the result by the Chairman or by the person authorised by him in this behalf. The results shall also be uploaded on the BSE Listing Portal.

It is hereby clarified that it is not mandatory for a member to vote using the remote e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

The Procedure / Instructions to members for voting electronically are as under:

- (i) The voting period begins on Saturday, August 06, 2016 at 9.00 A.M. and ends on Monday, August 08, 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 i.e. August 04, 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.
- (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 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:

	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) <ul style="list-style-type: none">• 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 Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none">• 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).

- (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.

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- (xi) Click on the EVSN for "SHRIRAM ASSET MANAGEMENT COMPANY LIMITED".
- (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 and 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 base mobiles. The m-Voting app can be downloaded from Google Play Store i-Phone and Windows Phone user can download the app from the app store and the Windows Phone Store respectively on or after June 30, 2016. Please follow the instruction 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 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.
 - 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 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 e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By order of the Board of Directors
For Shriram Asset Management Company Limited

Place: Mumbai
Date: April 28, 2016

Reena Yadav
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 4

Mr. Dhruv Mehta was appointed as an Independent Director w.e.f. March 01, 2015 for the period of five years by the shareholders by way of Postal Ballot. Mr. Mehta vide letter dated April 13, 2016 expressed desire to be re-designated as Non - Independent Director. The Board of Directors at its meeting held on April 28, 2016 took note of the same.

The Company has received from Mr. Mehta intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

The resolution seeks the approval of shareholders for the re-appointment of Mr. Mehta as a Non- Independent Director, whose period of office is liable to determination by retirement by rotation.

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The Board of Directors commend passing of the resolution set out in item No. 4 of the Notice for the approval of the shareholders.

No Director except Mr. Mehta, Key Managerial Personnel or their relatives, is interested or concerned, financial or otherwise in the resolution.

By order of the Board of Directors
For Shriram Asset Management Company Limited

Place: Mumbai
Date: April 28, 2016

Reena Yadav
Company Secretary

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:-

Name of the Director	Mrs. Jayashree Mahesh	Mr. Dhruv Mehta
Date of Birth	August 25, 1964	July 26, 1961
Date of Appointment	October 21, 2014	March 01, 2015
Qualifications	BE (ECE) from College of Engineering, Anna University, Chennai and PGDM from Indian Institute of Management, Bangalore. Gold Medalist from IIM Bangalore.	A.C.A from The Institute of Chartered Accountants of India and AICWA from The Institute of Cost and Works Accountants of India.
Expertise in specific functional area	She is a management professional with over 25 years of rich experience in the areas of Financial Modelling, Project and Corporate Finance. She was associated with ICICI Limited from 1991 to 2001. Thereafter, she worked with ICICI Bank Limited as Chief Manager from the year 2001 to 2006. Currently she is working with Shriram Foundation managing Corporate Social Responsibility projects. She also consults in the areas of financial modeling, equity valuation and risk management. She works closely with NBFCs and is familiar with regulatory development in the NBFC and micro-finance space. She is an Engineering Graduate from Anna University, Chennai and alumnus of IIM, Bangalore.	He has overall experience of 25 years in the field of finance and financial services and an independent financial advisor for over 10 years.
Directorships held in other companies	NIL	<ul style="list-style-type: none"> Malabar Capital Private Limited Malabar Capital Advisors Pvt. Ltd. Excalibur Management Consulting Pvt. Ltd. Foundation of Independent Financial Advisors Institution of Mutual Fund Intermediaries
Membership/Chairmanship of Committees of other public companies (including only Audit Committees and Stakeholders Relationship Committee)	NIL	NIL
No. of shares held in the Company	NIL	NIL
Relationship with other Directors	Mrs. Jayashree Mahesh is not related to any Director.	Mr. Dhruv Mehta is not related to any Director.

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Twenty Second Annual Report and the Audited Statements of Accounts for the financial year ended March 31, 2016.

Financial Highlights:

Particulars	Year Ended March 31, 2016 (₹)	Year Ended March 31, 2015 (₹)
Gross Income for the year	17,975,343	14,264,441
Total Expenditure before Depreciation and Tax	29,000,785	20,803,246
Profit /(Loss) before Depreciation and Tax	(11,024,829)	(6,538,805)
Less: Depreciation	428,107	467,461
Profit /(Loss) after Depreciation and Tax	(11,453,549)	(7,006,266)
Balance brought forward from previous year	(29,419,248)	(22,367,254)
Less: WDV of Fixed assets w/o to retained earnings	-	(45,728)
Profit /(Loss) available for Appropriation	(40,872,797)	(29,419,248)
Balance carried to Balance Sheet	(40,872,797)	(29,419,248)

Dividend:

In the absence of profits, your Directors do not recommend payment of any dividend for the Financial Year 2015-2016.

State of Company's Affairs:

Market was edgy and volatile for a major part of the financial year amidst pessimism about growth in the global economy especially after sharp fall in Chinese markets (including Yuan devaluation) which resulted in concerns related to emerging market economies. Moreover status of emerging economies took a backseat with the Fed raising interest rates. With oil touching its lowest level in a decade (~\$30 per barrel), allocation of sovereign funds from the oil-rich countries went down leading to FIIs withdrawing funds from India.

During FY16, FIIs withdrew ₹ 14,172 crores from equity markets after remaining net buyers for the last six years (from FY10-FY15). On the contrary, domestic institutional investors during this period purchased shares worth ₹ 80,433 crores aided by rise in mutual fund inflows. Better penetration into smaller towns and falling interest rate in bank FDs attracted more investors to mutual funds. As a result, AUMs of mutual funds rose 14% to ₹ 13.53 lakhs crores in FY16.

The benchmark Nifty index lost ~9% during FY16 with a majority of the sectors being in the negative zone. PSU Banks was the worst performer with 28% loss as mounting bad loans led to higher provisioning that adversely affected earnings amidst low credit growth scenario. Performance of other prominent sectors were not encouraging either - Auto (down 6%), FMCG (down 0.6%), IT (down 6.4%), Metal (down 18%). Media (6%) and Energy (1.9%) were the only sectors to be in the positive zone.

Economic news for the domestic economy remains mixed with inflation being in the comfort zone of the RBI over the past few months. Controlled inflation coupled with gradually improving index of industrial production growth and forecast of good monsoon this year (after two years of drought) augurs well for an improving domestic economy. While shrinking trade deficit is good news for the economy the continued dip in exports due to global slowdown is really worrisome.

The current market outlook presents a mixed bag with positive and negative factors equally balanced thus supporting an overall view of cautious optimism. The country would stand to gain from a benign outlook on the soft prices of crude and has been one of the biggest beneficiaries of the same in the past year. If the government's attempt of getting the GST bill passed succeeds it will be a game changing reform for the economy.

On balance, it is our view that India will remain a very attractive destination for investors in the long term and therefore it would be ideal for investors who seek to achieve their respective financial goals through active participation in the Indian capital markets. The portfolio has been designed to deliver superior returns over a longer term horizon in the realm of 5 years and beyond as the stocks and sectors within it are clear market winners and segment leaders and offer sustainable and reasonable returns from their businesses.

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It is our pleasure to declare that the maiden scheme launched by your Company, Shriram Equity & Debt Opportunities Fund (a hybrid equity oriented asset allocation fund) in the year 2013, has declared dividend thrice since inception with dividend of ₹ 1.15 per unit (face value of ₹ 10/-) being the latest in FY 2016 (₹ 0.25 in FY14 and ₹ 1.05 in FY15). Amidst market volatility the consistency in dividend payment was a result of prudent and moderately conservative investment strategy and supports the fund objective of longer term durable superior risk adjusted returns. The fund has delivered return of 25.041% (at the end of March 2016) since inception, marginally behind its benchmark by 1.03% accompanied by lower levels of volatility.

The fund is ideally suited for the small retail saver and common investors whose principal objective is to build long term wealth within an acceptable level of risk and therefore has an ideal investment horizon of three to five years. Equity investors with a medium-to-long term perspective should not be perturbed with the recent volatility as stable and improving macros (moderate inflation, lower current account deficit, a controlled fiscal deficit and India being one of the largest growing big economies), a very low market cap to GDP ratio that has been constantly falling over the last 7 years, and almost reasonable to fair valuations. Thus, retail investors would do well to maintain their exposure to large liquid and high quality stocks through regular small investments for sustainable growth that will outpace inflation.

The fund has ~24% exposure to defensive sectors such as Software, Consumer durables and non-durables, Pharmaceuticals, which acts as cushion in current turbulent period. Though Banks continue to be the sector with maximum weight of 15% in our portfolio, exposure to PSB is a mere 1.4% through SBI. This is significant as the grueling impact of NPA recognition is more in PSBs compared to Private Banks. Stock selection has been done based on impeccable fundamentals in the form of low financial leverage, strong and capable managements, and businesses that were anchored in strong brands in growing developed and regulated markets.

In view of the strong potential of Indian equities and considering the prevailing market scenario, your Company is also in the process of finalizing and filing new schemes that have a complementary objective to our existing offering and address the need of lower risk adjusted stable returns from the idle funds of investors without compromising liquidity.

Nature of Business:

There was no change in the nature of the business.

Share Capital:

During the year under review Company allotted 10 Lakhs Redeemable Non-Convertible Preference Shares (RNCPS) of ₹ 100/- each to the following:

- 1) Shriram Credit Company Limited - 4,00,000 (Four Lakhs) RNCPS of ₹ 100/- each aggregating to ₹ 4,00,00,000/- (Rupees Four Crores Only).
- 2) Shriram Insight Share Brokers Limited - 6,00,000 (Six Lakhs) RNCPS of ₹ 100/- each aggregating to ₹ 6,00,00,000/- (Rupees Six Crores Only).

The total paid up Share Capital as on March 31, 2016 was 20 Crores comprising of 60 Lakhs Equity Shares of ₹ 10/- each and 14 Lakhs Redeemable Non-Convertible Preference Shares of ₹ 100/- each.

Material Changes and Commitments:

No material changes or commitments affecting the financial position of the Company have taken place from March 31, 2016 till the date of this report.

Particulars of Loans, Guarantees or Investments:

Company has not given any guarantees or loans covered under the provisions of Section 186 of Companies Act, 2013 (Act). As regards the details of the Investments covered under the provisions of Section 186 of the Act, the same are given in the notes to the financial statements.

Cash Flow Statement:

The Cash Flow statement for the year 2015-16 is attached to the Balance Sheet.

Directors:

In accordance with the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mrs. Jayashree Mahesh retires by rotation at the ensuing AGM and being eligible, offers herself for reappointment. Mr. Dhruv Mehta was appointed as an Independent Director w.e.f. March 01, 2015 for the period of five years by the shareholders by way of Postal Ballot. Mr. Mehta vide letter dated April 13, 2016 expressed desire to be re-designated as Non-Independent Director. The Board of Directors at its meeting held on April 28, 2016 took note of the same.

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Necessary proposals for reappointment of the aforesaid Directors have been included in the notice convening the AGM and the respective Resolutions are recommended for your approval.

Requirement of Regulation 21 (1) (d) relating to the composition of the Board in respect of Independent Directors as per Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, will be abided by within the time permitted therefore.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred to as 'Listing Regulations'.

Profile of the Directors, as required under Regulation 36 of the Listing Regulations, are given in the Notice of the 22nd Annual General Meeting.

Fixed Deposits:

During the year under report, your Company has not accepted any fixed deposits.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, 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 Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Policy on Directors' Appointment and Remuneration:

The Board has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

The key features of the policy are as follows:

1. Criteria for appointment and removal of Director, Key Managerial Personnel and Senior Management.
2. Criteria for performance evaluation.
3. Criteria for fixing the remuneration of Director, Key Managerial Personnel and Senior Management.

The details of this policy are explained in the Corporate Governance Report.

Meetings:

During the year 4 Board Meetings and 4 Audit Committee Meetings were convened and held. The details of the meetings are given in the Corporate Governance Report. The gap between the Meetings was within the period prescribed under the Act and as per Regulation 17(2) and 18 (2) of the Listing Regulations respectively.

Risk Management:

Pursuant to the requirement of Regulation 21 of the Listing Regulations, the Company has constituted Risk Management Committee. The Company has in place a Risk Management Policy, commensurate with its size of operations, which lays down a process for identification and mitigation of risks that could materially impact its performance.

Directors' Responsibility Statement:

Pursuant to the provisions of Section 134(3) (c) of the Act, the Directors confirm that to the best of their knowledge and belief:

- a) In the preparation of Annual Accounts and Financial Statements for the year ended March 31, 2016, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently, and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the Loss of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken 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;
- d) The Annual Accounts have been prepared on an ongoing concern basis;