

VCCL LIMITED



**TWENTY EIGHTH ANNUAL REPORT
2013-2014**

CIN: L34103UP1984PLC006695

BOARD OF DIRECTORS

RAVINDRA KUMAR CHADHA, *Non-Executive Director*
GOPI KRISHNA MALVIYA, *Independent Director*
HARI MOHAN KAPOOR, *Independent Director*

COMPANY SECRETARY & COMPLIANCE OFFICER

VIMAL PRASAD GUPTA

AUDITORS

ONKAR TANDON & CO.
Chartered Accountants,
Kanpur- 208 001. (U.P.)

REGISTERED OFFICE

C-3, Panki Industrial Estate, Site-I,
Kanpur- 208 022. (U.P.)

ADMINISTRATIVE & COMMERCIAL OFFICE

714, Raheja Chambers,
Nariman Point,
Mumbai – 400 021.

WORKS

Salon,
District – Amethi.
PIN – 229 127. (U.P.)

REGISTRAR AND SHARE TRANSFER AGENT

ALANKIT ASSIGNMENTS LIMITED
Alankit House, RTA Division,
2E/21, Jhandewalan Extension,
New Delhi – 110 055.

CONTENTS	Page No(s)
Notice	2 - 7
Directors' Report	8 - 9
Corporate Governance	10 - 16
Independent Auditors' Report & Annexures	17 - 18
Balance Sheet	19
Profit and Loss Account	20
Notes forming part of the Balance sheet and Profit and Loss Account	21 - 27
Cash Flow Statement	28
Proxy Form	

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of VCCL Limited will be held on Saturday, 27th September, 2014 at 3:00 P.M. at C-10, Panki Industrial Estate, Site-II, Kanpur – 208 022 (U.P.) to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravindra Kumar Chadha (holding DIN 01032405), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditor 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 the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) and re-enactment thereof for the time being in force) and subject to ratification by members every year, the retiring Auditors, M/s. Onkar Tandon & Co., Chartered Accountants, (Firm Registration No. 000953C) of Kanpur (U.P.), be and is hereby appointed as Statutory Auditor of the Company, for three consecutive years i.e., to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to the Financial Year 2016-17 at a remuneration as may be fixed by the Board of Directors.”

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification(s), the resolution for appointment of Mr. Gopi Krishna Malviya as an Independent Director as a **Special Resolution**:

“RESOLVED THAT Mr. Gopi Krishna Malviya (holding DIN 02605801), in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director and pursuant to the provisions of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and clause 49 of the listing agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 29.05.2014, whose office shall not be liable to retire by rotation, to hold office for five consecutive years for a term upto 31st March, 2019 on the terms & conditions as set out in the letter of appointment dated 29.05.2014.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and if thought fit, to pass with or without modification(s) the resolution for appointment of Mr. Hari Mohan Kapoor as an Independent Director as a **Special Resolution**:

“RESOLVED THAT Mr. Hari Mohan Kapoor (holding DIN 02605905), in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director and pursuant to the provisions of section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and clause 49 of the listing agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company, whose office shall not be liable to retire by rotation, to hold office for five consecutive years for a term upto 31st March, 2019 on the terms & conditions as set out in the letter of appointment dated 29.05.2014.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

VCCL LIMITED 28TH ANNUAL REPORT 2013-14

6. Related Party transaction

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 188 of Companies Act, 2013 and the rules made thereunder and Clause 49 of the Listing Agreement (including any modification(s) or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded to the Board of Directors of the Company to give on lease certain plant, machinery and equipments owned by VCCL Ltd. for a period of 11 months from 14th January, 2015 on a monthly rent of Rs. 1,50,000/- p.m.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution including but not limited to execution of Lease Deed, documents and or agreement(s).”

For and on behalf of the Board of Directors
For VCCL Limited

Ravindra Kumar Chadha

Director

(DIN 01032405)

C-10, Panki Industrial Estate

Kanpur – 208 022 (UP)

Place: Kanpur

Dated: 29th May, 2014

NOTE(S):

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (HEREIN AFTER REFERRED TO AS “the AGM”) 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.** A blank form of proxy is enclosed, which if intended to be used and the proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time for holding the aforesaid meeting. Proxies submitted on behalf of the companies, etc., must be supported by an appropriate resolution/authority, as applicable.

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. Further, 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.

2. Information under Clause 49 of the Listing Agreement regarding appointment / re-appointment of Directors (Item No. 2, 4 & 5), and Statement u/s 102(1) of the Companies Act, 2013 (hereinafter referred to as “the Act”) (for Item No. 4, 5 & 6) is annexed herein below.
3. Pursuant to the Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books will remain closed from Saturday, the 20th September, 2014 to Saturday, the 27th September, 2014 (both days inclusive).
4. Pursuant to SEBI circular No. D&CC/FITTC/CIR-15/2002 dated 27.12.2002 and 12.02.2003, regarding maintenance of whole Share Registry work at a single point, the Company has appointed M/s Alankit Assignments Limited, Alankit House, RTA Division, 2E/21, Jhandewalan Extension, New Delhi – 110 055, as its Registrar & Share Transfer Agent for whole share transfer and demat work. Shareholders are requested to write to M/s Alankit Assignments Limited for any work/queries related to Shares.
5. Members holding shares in physical form are requested to notify changes in their addresses, if any, to M/s Alankit Assignments Limited, via physical letter or e-mail at info@alankit.com along with attached specimen signature of registered shareholder, quoting their folio number(s), while those holding in the electronic mode are requested to send the intimation for change of addresses to their respective Depository participant(s).
6. Company's Shares are being compulsorily traded in Demat form w.e.f. 2nd January, 2002. Members are requested to send Dematerialization Request Form (DRF) along with Share Certificates through Depository Participant(s) of Central Depository Services (India) Limited (CDSL) for Demat of Shares to M/s Alankit Assignments Limited. The ISIN of the Equity Shares of the Company is **‘INE460E01010’**.
7. Members seeking any information with regard to Annual Accounts are requested to write to the Company at least one week in advance from the date of AGM so as to enable the Company to keep information ready at the time of Annual General meeting.
8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore,

VCCL LIMITED

requested to submit PAN to their DPs with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details with the Company or Alankit

9. Only Individual Members/Shareholders holding shares in physical form, who wish to nominate a person under section 72 of the Companies Act, 2013, may furnish required details to M/s Alankit Assignments Limited, in the prescribed Form SH-13, which is available on demand. In respect of shares held in electronic/demat form, the members may please contact their respective DPs.
10. Members / Proxies should bring their copies of Annual Reports and attendance slips duly filled in, for attending the meeting. Corporate Members are requested to send in advance, duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend the AGM pursuant to section 113 of the Companies Act, 2013.
11. In terms of section 101 & 136 of the Companies Act, 2013 read together with the rules made there under, the Listed Companies may send the notice of AGM and the Annual Report including all Financial Statements, Board Report etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail ids with their respective DPs or with the Share Transfer Agent of the Company. The Company had already implemented the "Green Initiative" in terms of MCA permission vide Circular No. 17/2011 dated April 21, 2011 and Circular No. 18/2011 dated April 29, 2011 to enable electronic delivery of notices/documents and annual reports to shareholders. The e-mail addresses indicated in your respective Depository Participant (DP) accounts, which will be periodically downloaded from CDSL, will be deemed to be your registered e-mail address for serving notices/documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, Directors' Report, Auditors' Report etc. will also be displayed on the website www.vcclindia.com of the Company. All the members are requested to ensure to keep their e-mail addresses updated with the Depository Participants or by writing to the Registrar & Share Transfer Agent of the Company at e-mail address at info@alankit.com quoting their folio number(s) or their DP/ CLIENT IDs.

12. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter referred as "the rules"), and Clause 35B of the Listing agreement the members are entitled to exercise their right to vote electronically for passing the above resolution(s).

Company is providing to its members e-voting facility to exercise their votes, on the items of business given in the Notice through e-voting system, to members holding shares as on **1st August, 2014** being the cut-off date (Record date for the purpose of rule 20 (3) (vii) of the Rules) fixed for determining voting rights of members, at the 28th AGM through the e-voting platform provided by Karvy Computershare Pvt. Ltd.

1. The instructions for e-Voting are as under:

A. FOR MEMBERS WHO RECEIVE NOTICE OF AGM THROUGH E-MAIL:

- i. Use the URL for E-Voting: <https://evoting.karvy.com>
- ii. Enter the login credentials i.e., user ID and password as mentioned in your e-mail or provided at the bottom of attendance slip enclosed to this notice.
- iii. After entering the details appropriately, click on "LOGIN".
- iv. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password. ***It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.***
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the EVENT i.e., VCCL Limited.
- vii. On the voting page, the number of shares (which represents number of votes) as held by the members as on the cutoff date will appear. If you desire to cast all the votes assenting/ dissenting to the resolution, then enter all shares and click "FOR/AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed the total shareholding as on the cut off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios/ demat account shall choose the voting process separately for each folios/ demat account.
- ix. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. **Once you confirm, you will not be allowed to modify or cancel your vote subsequently.** During the voting period, shareholders can login any number of times till they have voted on the resolution.
- x. Corporate/ Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the Board resolution/ Authority Letter etc. together with attested

VCCL LIMITED 28TH ANNUAL REPORT 2013-14

specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail vccl.scrutinizer@lml.co.in. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name_EVENT No."

- xi. The Portal will remain open for voting from September 21, 2014 (9:00 A.M.) till September 23, 2014 (6:00 P.M.).
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at Tel. No. 1800 345 4001 (toll free).

B. FOR MEMBERS WHO RECEIVE THE NOTICE OF AGM IN PHYSICAL FORM:

Members holding shares either in demat or physical mode who are in receipt of notice in physical form, may opt for e-voting, for which the USER ID and INITIAL PASSWORD are provided at the bottom of the Attendance Slip enclosed to the notice.

Please follow steps from Sl. No. (i) to (xii) under heading A above to vote through e-voting platform.

- 2. The Company has appointed Mr. Ambresh Srivastava, Practising Company Secretary (FCS No. 26884 CP No. 9676) having address at 104A/244C, Ram Bagh, Kanpur – 208012 as the Scrutinizer to the e-voting process including voting at the AGM in a fair and transparent manner.
- 3. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- 4. In the event of Poll, please note that the members who have exercised their right to vote either in electronic form or in ballot form as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon will be prepared as per the section 109 of the Companies Act, 2013 read with the relevant rules. In such an event, votes cast under poll taken together with the votes cast through e-voting and using postal ballot shall be counted for the purpose of passing of the resolution(s).
- 5. Subject to receipt of sufficient votes, the results shall be declared at or after the AGM of the Company. The Chairman shall declare the results of voting on the resolutions set out in the Notice. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vcclindia.com and on the website of Karvy - www.evoting.karvy.com within two (2) days of passing of the resolutions at the AGM of the Company and shall also be communicated to the BSE & UP Stock Exchanges.
- 6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Corporate Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING RE-APPOINTMENT OF DIRECTORS & STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 2

Mr. Ravindra Kumar Chadha (holding DIN 01032405), age 62 years, is a commerce graduate. He has substantial experience of about 40 years in Accounts and Finance.

The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Ravindra Kumar Chadha (holding DIN 01032405) for the office of Director of the company.

The Company has received from Mr. Ravindra Kumar Chadha [holding DIN 01032405] (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) 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 Companies Act, 2013.

He does not hold any shares of the Company and / or any other Company where he is Director. He is Director in other Companies viz. (i) ACME Investments Ltd. (ii) Aradhna Holdings Ltd. and (iii) LML Holdings Ltd. and is a member of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Sub Committee of Directors of your Company.

Resolution contained at Item No. 2 of the accompanying Notice, is recommended by the Board for your approval.

None of the Directors, Key Managerial Personnel (KMP) and any relative of the Directors of the Company and their relatives, except Mr. Ravindra Kumar Chadha (holding DIN 01032405) himself is in any way, concerned or interested in the passing of the said resolution.

VCCL LIMITED

Item No. 4

Mr. Gopi Krishna Malviya (holding DIN 02605801), age 70 years, is a graduate and a retired Bank Officer and has vast experience of about 48 years in Banking sector and well conversant in the field of Accounts and Finance.

The Company has received a notice in writing from a member alongwith a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Gopi Krishna Malviya (holding DIN 02605801) for the office of director of the company.

The Company has received from Mr. Gopi Krishna Malviya (holding DIN 02605801) (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) 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 Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as in sub-section (6) of Section 149 of the Companies Act, 2013.

He does not hold directorship in any other Company. He does not hold any shares of the Company. He is Chairman of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee.

Mr Gopi Krishna Malviya (holding DIN 02605801) will be paid sitting fee for each Board/Committee Meetings as may be decided by the Board of Directors of the Company apart from payment of conveyance and other out of pocket expenses from time to time. His letter of appointment dated 29.05.2014 containing terms and conditions of his appointment is available on Company's web-site: www.vcclindia.com and the same is also available for inspection by the members at the Company's Registered Office during normal business hours on working days up to the date of the AGM.

In the opinion of the Board, Gopi Krishna Malviya (holding DIN 02605801), Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013, the Rules made thereunder and the Listing Agreement and he is independent of the Management.

Resolution contained at Item No. 4 of the accompanying Notice, is recommended by the Board for your approval to be passed as Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) and any relative of the Directors of the Company and their relatives except Mr. Gopi Krishna Malviya (holding DIN 02605801) himself, are in any way, concerned or interested in the passing of the said resolution.

Item No. 5

Mr. Hari Mohan Kapoor (holding DIN 02605905) age 67 years is a graduate and a retired Bank Officer and has vast experience of about 46 years in Banking sector and well conversant in the field of Accounts and Finance.

The company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Hari Mohan Kapoor (holding DIN 02605905) for the office of director of the company.

The Company has received from Mr. Hari Mohan Kapoor (holding DIN 02605905) (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) 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 Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as in sub-section (6) of Section 149 of the Companies Act, 2013.

He does not hold directorship in any other Company. He does not hold any shares of the Company.

He is member of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Sub Committee of Directors of the Company.

Mr Hari Mohan Kapoor (holding DIN 02605905) will be paid sitting fee for each Board/Committee Meetings as may be decided by the Board of Directors of the Company apart from payment of conveyance and other out of pocket expenses from time to time. His letter of appointment dated 29.05.2014 containing terms and conditions of his appointment is available on Company's web-site: www.vcclindia.com and the same is also available for inspection by the members at the Company's Registered Office during normal business hours on working days up to the date of the AGM.

In the opinion of the Board, Mr. Hari Mohan Kapoor (holding DIN 02605905), Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013, the Rules made thereunder and the Listing Agreement and he is independent of the Management.

Resolution contained at Item No. 5 of the accompanying Notice, is recommended by the Board for your approval to be passed as Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) and any relative of the Directors of the Company except and their relatives, Mr. Hari Mohan Kapoor (holding DIN 02605905) himself, is in any way, concerned or interested in the passing of the said resolution.

VCCL LIMITED 28TH ANNUAL REPORT 2013-14

Item No. 6

Company has given on lease its certain plant, machinery and equipment to M/s LML Ltd., which is a related party, w.e.f 15th February, 2014 for 11 months.

Pursuant to Section 188 and rules made there under (including any modification(s) or re-enactment thereof for the time being in force) of the Companies Act, 2013, it has become mandatory to take prior approval of shareholders by Special Resolution to give on lease certain plant, machinery and equipment owned by the Company to M/s LML Ltd. which is a related party, for its use. Shareholders' approval is sought to renew the lease with LML Ltd. w.e.f. 14th January, 2015 onwards on such terms and conditions as may be mutually agreed by both the parties.

None of the Directors other than Mr. Ravindra Kumar Chadha, Key Managerial Personnel (KMP) and any relative of the Directors and KMP of the Company are in any way, concerned or interested in passing of the said resolution as set out in resolution at item no. 6, except to the extent of their shareholding in both the companies, if any.

Name of the Related Party	LML Limited
Name of the Director or KMP who is related, if any.	Mr Ravindra Kumar Chadha is the employee of LML Ltd.
Nature of Relationship	VCCL has been promoted by LML
Nature, Material Terms, Monetary Value and particulars of the contract or arrangement	Lease of certain plant, machinery and equipment's owned by the Company to LML Ltd. w.e.f. 14 th January, 2015 for 11 months on a monthly rent of Rs. 1,50,000/- p.m.
Any other information relevant or important for the members to take a decision on the proposed resolution	NIL

For and on behalf of the Board
For VCCL Limited

Place: Kanpur
Dated: 29th May, 2014

Ravindra Kumar Chadha
Director
(DIN 01032405)
C-10, Panki Industrial Estate
Kanpur – 208 022 (UP)

VCCL LIMITED

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the Twenty Eighth Annual Report together with Audited Statement of Accounts for the financial year ended 31st March, 2014. Since this report pertains to Financial Year that commenced prior to April 01, 2014, the contents herein are governed by the relevant provisions/ sections/ rules of Companies Act, 1956 in compliance with General Circular No. 8/2014 dated 04/04/2014 issued by MCA.

Financial Results

During the year under review, your Company's operation remained suspended & Company has incurred net losses of Rs. 35.34 Lacs as compared to Rs. 37.45 Lacs in previous year.

Dividend

Due to suspension of operation of the Company, your Directors regret their inability to recommend any dividend for the year.

Management Discussion and Analysis Report

The Company is considering various projects and business possibilities.

Corporate Governance

As required under Clause 49 of the Listing Agreement, a detailed Report on Corporate Governance is enclosed. A certificate from the Auditors of your Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is attached to Annual Report. The Directors of the Company have given necessary Certificate to the Board in terms of Clause 49 (V) of the Listing Agreement with Stock Exchange(s) for the financial year ended 31st March. 2014.

Directorate

Mr. Ravindra Kumar Chadha whose office is liable to retire by rotation and, being eligible, offer himself for re-appointment as Director of the Company

The Company has received requisite notices in writing from members proposing Mr. Gopi Krishna Malviya & Mr. Hari Mohan Kapoor for appointment as Independent Directors.

All the Independent Directors have submitted the declaration of independence, as required under section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956 pertaining to Directors' Responsibility Statement, the Directors confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that they 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 the financial year and of the losses of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) that they have prepared the annual accounts on a going concern basis.

Auditors and their Report

M/s Onkar Tandon & Co., Chartered Accountants, (FRN 000953C) Auditors of the Company, are retiring at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

In respect of the observation made by the Auditors in their report, your Directors wish to state that the respective Notes to the Accounts are self explanatory and do not call for any further comments.