



31ST

# ***ANNUAL REPORT***

***2013-14***

**VCK** CAPITAL MARKET SERVICES LIMITED



## BOARD OF DIRECTORS

Mr. Hemal Kampani	~ Chairman
Mr. Samir Kothari	~ Managing Director
Mr. Sandip Kampani	~ Director
Mr. Madhukar M. Bhagat	~ Director
Mr. A. V. Iyengar	~ Director
Mr. Pradip Belawala	~ Director
Mr. Prafulla Pranjivan Shah	~ Director

## COMPANY SECRETARY

Mr. Koushik Ranjan Saha

## AUDIT COMMITTEE

Mr. Prafulla Pranjivan Shah	~ Chairman
Mr. Madhukar M. Bhagat	~ Member
Mr. Sandip Kampani	~ Member

## SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

Mr. Pradip Belawala	~ Chairman
Mr. Hemal Kampani	~ Member
Mr. Sandip Kampani	~ Member

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Pradip Belawala	~ Chairman
Mr. Hemal Kampani	~ Member
Mr. Prafulla Pranjivan Shah	~ Member

## AUDITORS

S. RAMANAND AIYAR & CO.  
114F/1D, Selimpur Road, Kolkata - 700031

## BANKERS

HDFC Bank Limited  
Standard Chartered Grindlays Bank  
State Bank of India

## REGISTERED OFFICE

16, India Exchange Place, Room # 19, First Floor,  
Kolkata - 700001  
Telephone : (91) (033) 2231-1038/39  
Facsimile : (91) (033) 2287-8479  
E-mail : capital@vckgroup.org  
Website : www.vckgroup.com

## CORPORATE OFFICE

23, Rustamjee Street, 2nd Floor,  
Kolkata - 700019  
Telephone - (91) (033) 4009-9999 / 9935

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## BRANCH OFFICES

### JAMSHEDPUR

Holding # D, Chand Villa, Opp. Gopal Maidan  
Contractor Area (Imperial Bank Area)  
Jamshedpur - 831001  
Jharkhand  
Telephone : (91) (0657) 222-4395

### MUMBAI

202, Malhotra Chambers  
31/33, Police Court Lane,  
Fort, Mumbai - 400001  
Maharashtra  
Telephone : (91) (022) 6632-5727 / 5731  
Facsimile : (91) (022) 6632-5737

## THIRTY FIRST ANNUAL GENERAL MEETING

Wednesday, the 6th day of August, 2014 at 11.00 A.M. at  
BHARATIYA BHASHA PARISHAD,  
36A, Shakespeare Sarani, Kolkata - 700017

## REGISTRAR AND SHARE TRANSFER AGENT

### C. B. MANAGEMENT SERVICES PRIVATE LIMITED

P-22, Bondel Road, Kolkata - 700019

Phone : (033) 4011-6700/2280; 4011-6692/2282; 4011-3643/2487; 4011-0263/

Fax : (033) 4011-6739

E-mail ID : rta@cbmsl.com; Website : www.cbmsl.com



## NOTICE

**NOTICE** is hereby given that the **THIRTY FIRST ANNUAL GENERAL MEETING** of the Members of **VCK CAPITAL MARKET SERVICES LIMITED** (CIN-L67190WB1983PLC035658) will be held on **WEDNESDAY**, the **6th** day of **AUGUST, 2014** at **11.00 A.M.** at **BHARATIYA BHASHA PARISHAD**, 36A, Shakespeare Sarani, Kolkata - 700017 to transact the following business :

**Ordinary Business :**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hemal Kampani, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration to hold office from the conclusion of this Annual General Meeting, until the conclusion of the fourth consecutive AGM to be held after this meeting, subject to ratification at every Annual General Meeting and to fix their remuneration for the financial year ending March 31, 2015.

**Special Business :**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, Mr. Madhukar Manilal Bhagat (DIN : 00006245), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from August 06, 2014."

5. 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 Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, Mr. Viji Aravamudhan Iyengar (DIN : 00064970), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from August 06, 2014."

6. 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 Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, Mr. Pradip Belawala (DIN : 00106551), who has

given his consent to act as Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from August 06, 2014."

7. 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 Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the said Act, Mr. Prafull Pranjivan Shah (DIN : 06465809), who has given his consent to act as Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from August 06, 2014."

By Order of the Board  
**Koushik Ranjan Saha**  
Company Secretary

Registered Office :  
16, India Exchange Place,  
Room # 19, First Floor,  
Kolkata - 700001

Dated : June 27, 2014

**NOTES :**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. The Register of Members and Share Transfer Books in respect of the Equity Shares of the Company shall remain closed from Friday, August 01, 2014 to Wednesday, August 06, 2014 (both days inclusive).
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THEN 48 HOURS BEFORE THE MEETING.**
4. Only bona fide members of the Company whose names appear on the Register of Members/Proxy Holders, in possession of valid attendance slip duly filled and signed will be permitted to attend the meeting. The Company reserves its rights to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
5. Members of the Company holding more than one share certificate in the same name under different Ledger folios, are requested to apply for consolidation of such folios and send the relevant Share certificates to the Company's Registrar & Share Transfer Agent M/s. C.B. Management Services (P) Limited, situated at P-22, Bondel Road, Kolkata- 700019.
6. Please note that as per the notification of SEBI, the Company's shares are under compulsory Demat Trading, with effect from November 27, 2000 for all the investors. The Shareholders who are still holding shares in physical form are requested to take immediate steps to Demat their shares to avail easy liquidity, since trading of shares of the Company are under compulsory Demat Mode as per the regulation of SEBI and also to prevent any loss of physical Share Certificate. You are therefore, requested to Demat your Shareholding to avoid any inconvenience in future.
7. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
8. Members are also requested to notify change in address, if any, immediately to the Company's Registrar & Share Transfer Agent M/s. C.B. Management Services (P) Limited, situated at P-22, Bondel Road, Kolkata - 700 019 by quoting their Folio Number(s).
9. A member interested of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 10 days prior to the meeting to the Company Secretary at the Registered Office so that the required information can be made available at the meeting.
10. Information for Directors seeking appointment/reappointment as required to be furnished pursuant to Clause 49 of the listing agreement is given in the report on Corporate Governance.
11. The annual report of the Company circulated to the members of the Company will be made available on the Company's website at [www.vckgroup.com](http://www.vckgroup.com).
12. Members are requested to inform their correct e-mail address, if any, to the Depositories (if shares held in Demat Form) and to our Registrars by visiting the website "[www.cbmsl.com/green.php](http://www.cbmsl.com/green.php)" (if shares held in Physical Form) in compliance of Green Initiative as per Circular No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs to facilitate the Company to send Notice/Documents through e-mail.
13. Notice of AGM and copies of Annual Report 2014 are being sent by electronic mode only to all the members whose email address are registered with the Company/Depository participants for communication purpose unless any members has requested for hard copy of Annual report . For members who have not registered their email address, physical copies of the Annual report 2014 are being sent by the permitted mode.
14. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / List of Beneficial Owners as on June 30, 2014, are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence on July 30, 2014 from 9.00 a.m. and will end on August 01, 2014 at 7.00 p.m. The Company has appointed Mr. Atul Kumar Labh of M/s. A. K. Labh & Co., Practicing Company Secretaries, to act as the Scrutinizer for conducting the scrutiny of the votes cast. The process and manner for availing E-Voting facility is attached with the Notice

Members are requested to bring their own copies of the Annual Report and Admission Slip at the Meeting.

By Order of the Board  
**Koushik Ranjan Saha**  
Company Secretary

**Registered Office :**  
16, India Exchange Place, Room # 19, First Floor,  
Kolkata - 700001

Dated : June 27, 2014

## PROCEDURE FOR E-VOTING

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members the facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

The instructions for Members for voting electronically are as under :

**(a) In case of Members receiving e-mail :**

- [i] Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- [ii] Click on **"Shareholders"** Tab.
- [iii] Now, select the Electronic Voting Sequence Number (EVSN) - **"140702015"** along with **"VCK CAPITAL MARKET SERVICES LIMITED"** from the drop down menu and click on **"SUBMIT"**
- [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 and then enter the Captcha Code as displayed and Click on Login.
- [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.

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
<b>DOB#</b>	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.	
<b>Dividend Bank Details#</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\*PAN: It has to be 10 characters only. Only alphabets and numbers are allowed, no special characters allowed. If PAN is left blank the system will Insert following in that case : First 2 alphabets from First Holder Name field + 8 characters from right of BOID / Folio Number (If the BOID / Folio Number is shorter than 8 characters then the system will insert "0"(zero) to fulfill the 10 character requirements). No special character will be taken from the name. For example if your

name is RAMESH KUMAR with sequence number 1, then enter RA00000001 in the PAN field.

# Bank Account Details: If the Date of Birth & Bank Account Details both are left blank then the system will record BOID / FOLIO NO. in the Bank Account Details.

- [viii] After entering these details appropriately, click on **"SUBMIT"** tab.
- [ix] Members holding shares in physical form will then reach directly the EVSN 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 relevant **"EVSN"** 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 Resolutions.
- [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 changed password then Enter the User ID and Captcha Code click on **Forgot Password** & enter the details as prompted by the system.
- [xviii] Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register them-

- selves 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
- (b) **In case of Members receiving the physical copy :**  
Please follow all steps from **Sl. No. (i) to Sl. No. (xvii)** above to cast vote.
  - (c) The voting period begins at 9.00 a.m. on July 30, 2014 and will end at 7.00 p.m. on August 01, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of June 30, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - (d) 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).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 RELATING TO THE SPECIAL BUSINESSES TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING (AGM):**

**ITEM NO 4, 5, 6 AND 7**

The major provisions of Companies Act, 2013 has come into force w.e.f 01st April, 2014. Accordingly the provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM. The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company.

Mr. Madhukar Manilal Bhagat and Mr. Viji Aravamudhan Iyengar retire by rotation at the ensuing AGM as per the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Madhukar Manilal Bhagat and Mr. Viji Aravamudhan Iyengar, being eligible, offer themselves for appointment as Independent Directors on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Mr. Madhukar Manilal Bhagat and Mr. Viji Aravamudhan Iyengar as Independent Directors on the Board of the Company for a term upto five consecutive years commencing from August 06, 2014.

Mr. Prafull Pranjivan Shah and Mr. Pradip Belawala was appointed as Director appointed in Casual Vacancy in terms of Provision of Sec 262 of Companies Act, 1956 . In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Prafull Pranjivan Shah and Mr. Pradip Belawala being eligible, offer themselves for appointment as Independent Directors on the Board of the Company.

In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Mr. Prafull Pranjivan Shah and Mr. Pradip Belawala as Independent Directors on the Board of the Company for a term upto five consecutive years commencing from August 06, 2014.

Notices have been received from Member proposing candidature of Mr. Madhukar Manilal Bhagat , Mr. Viji Aravamudhan Iyengar, Mr. Pradip Belawala and Mr. Prafull Pranjivan Shah for the office of Independent Director of the Company. Company has also received consent to act as Independent Director from above directors , it is therefore proposed to appoint Mr. Madhukar Manilal Bhagat , Mr. Viji Aravamudhan Iyengar, Mr. Pradip Belawala and Mr. Prafull Pranjivan Shah as Independent Directors on the Board of the Company for a term up to five consecutive years commencing from August 06, 2014.

A brief profile of proposed Independent Directors is given in the report on Corporate Governance.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

By Order of the Board  
**Koushik Ranjan Saha**  
Company Secretary

Registered Office :  
16, India Exchange Place, Room # 19, First Floor,  
Kolkata - 700001  
Dated : June 27, 2014

## DIRECTORS' REPORT

Your Directors presents the Thirty First Annual Report and the Audited Accounts for the year ended March 31, 2014

### **FINANCIAL RESULTS**

The highlights of the Financial Results are as under :

PARTICULARS	For The Year Ended [ ` /000]	
	31.03.2014	31.03.2013
Income From Operations	177.86	1,001.39
Profit/(Loss) Before Depreciation, Amortisation & Taxation	(1,375.65)	(825.58)
Provision For Depreciation	120.60	74.13
Add/Less : Prior Period Adjustments (Net)	--	--
Profit/(Loss) Before Tax	(1,496.25)	(899.71)
Provision for Fringe Benefit Tax	--	--
Add : Deferred Tax Liability Written Back	19.38	19.22
Profit/(Loss) Before Extraordinary Items (Net of Tax Expenses)	(1,476.87)	(918.93)
Less : Extraordinary Items (Net of Tax Expenses)	--	(10,584.60)
Profit/(Loss) After Tax	(1,476.87)	(11,503.53)
Paid-up Share Capital	90,587.86	90,587.86

### **OPERATIONS AND FUTURE OUTLOOK**

#### **Investment Banking & Retail Mobilisation**

Last 8 years was a drag on Indian businesses and which has become more palpable in recent times. It is a known fact that Indian Economy is going through a period where businesses are in shambles. The leading lights of Indian Corporates are declaring losses, which are unprecedented in the history of India. The last two years also witnessed erosions in the portfolios of lot many investors, Mutual Funds are struggling to maintain their Asset Under Management. We are a by product of good economy, sound stock market and futuristic growth of the Corporate Sector results in business for us.

With the change of guard at the Center and reading the mind of the new Government, it is felt that this Government is seriously worried about the reduced participation of the Retail Investors which reflects in Mutual Funds and investment into Equity by retail investors.

While I write this, I am not aware, though the intention is been to see that these Retail Investors start participating and diverting their savings into investment in Mutual Funds and Equity, which can be beneficial to your Company.

Our efforts to rejuvenate our Sister Company's Branches now since Government is keen on reviving this business, but, we would know their commitment towards the same only after the policies are declared for the future. At least in the time being, we are hopeful.

The stock market as of last 1½ month now is doing well, and combined with the good policies, we can look for a better future in the coming

years.

#### **VCK FIXED DEPOSIT SCHEMES**

As reported earlier the Company continued honouring all its obligations regarding Fixed Deposit repayments on maturity including interest thereon.

Information as per Non-Banking Finance Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 as on March 31, 2014 is furnished below :

#### **Unclaimed Deposits**

Against the amount lying under Unclaimed Public Deposits, an Investors Education and Protection Fund has been opened. The amount lying in Investor Education and Protection Fund as on March 31, 2014 is ` 45,533/-.

#### **CAPITAL STRUCTURE**

During the year, there has been no change in the Capital Base of the Company, which comprises of 90,50,286 Equity Shares of ` 10/- each.

#### **DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Hemal Kampani, Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer for re-appointment.

As per the provision of Companies Act, 2013, Independent Directors are required to be appointed for a term of 5 consecutive years and not be liable to retire by rotation. Accordingly, Sri. Madhukar M. Bhagat,



Sri. A. V. Iyengar, Sri. Prafull Pranjivan Shah and Sri. Pradip Belawala, Directors of the Company, being eligible, offer themselves for appointment as Independent Directors on the Board of the Company. Resolutions proposing appointment of Independent Directors forms part of the Notice of the AGM.

The above re-appointments form part of the Notice of the Annual General Meeting and Profiles of the Directors as required under Clause 49 of the Listing Agreement are given in the Report on the Corporate Governance forming part of this Annual Report.

On April 02, 2014, our beloved Chairman, Sri. Madhukar Kampani left for his heavenly abode, which came as a shock to your Company. Sri. Madhukar Kampani had been a constant source of inspiration and a positive person. We are unfortunate to have lost him on his death. Your Directors are truly grieved by his demise.

#### **AUDITORS**

M/s. S. Ramanand Aiyar & Co., Chartered Accountants, of Kolkata will retire as Statutory Auditors at the conclusion of the forthcoming Annual General Meeting of the Company and being eligible offer themselves for re-appointment. Members are requested to consider their appointment to hold office from the conclusion of this Annual General Meeting, until the conclusion of the fourth consecutive Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting.

#### **AUDIT OBSERVATIONS**

The observation of the Auditors are duly dealt in Notes of Accounts at attached to the Balance Sheet and are self-explanatory in nature.

#### **DEPOSITORY SYSTEM**

As the members are aware, your Company's shares are tradable compulsorily in electronic form and the Company has established connectivity with both the depositories in the country, i.e. NSDL and CDSL. In view of the various advantages offered by the depository system, members are requested to avail of the facility of dematerialization of the Company's shares on either of the aforesaid Depositories.

#### **PARTICULARS OF EMPLOYEES**

None of the Employees of the Company are covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

#### **PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988**

Since the Company does not carry on any manufacturing activities, the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of energy, technology, absorption and foreign exchange earning and outgo are not applicable to your Company. There are no foreign exchange earnings and outgo during the year under report.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) introduced by the Companies (Amendment) Act, 2008, your Directors state that :

- in the preparation of Annual Accounts, the applicable accounting standard have 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 true and fair view of the state of affairs of the Company at the end of Financial Year March 31, 2014 and the Profit or Loss of the Company for the period;
- the Directors had taken proper and Sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- the Directors had prepared the Annual Accounts for the Financial Year Ended March 31, 2014 on a going concern basis.

#### **CORPORATE GOVERNANCE**

As required by the listing Agreement with the Stock Exchanges, reports on Corporate Governance and Management Discussion & Analysis Report, as approved by the Board together with a certificate from a practicing Company Secretary are set out in the annexure forming a part of this report.

#### **LISTING**

Your Company's shares are listed at BSE Limited and The Calcutta Stock Exchange Limited. However, delisting Application with The Calcutta Stock Exchange Limited is still under process.

#### **ACKNOWLEDGMENT**

Your Directors wish to thank the Shareholders, Clients, Bankers and Others associated with the Company for their continued support during the year. Your Directors also wish to place on record their appreciation for the dedication and commitment of the Employees at all levels.

On behalf of the Board of Directors  
**Hemal Kampani**  
Chairman

Place : Kolkata  
Dated : June 27, 2014



## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practice in the interest of the stakeholders and others. Corporate Governance is, essentially, a philosophy. It encompasses not only the regulatory and legal requirements, but also the voluntary practices developed by the company to protect the best interests of all stakeholders. Transparency and accountability are the two basic tenets of Corporate Governance.

Responsible corporate conduct is integral to the way we do our business. The Corporate Governance Philosophy of the Company has been further strengthened with the adoption of the Code of Conduct, Business Excellence Model, Code for Prevention of Insider Trading and Code of Corporate Disclosure Policies. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

The Company confirms the compliance of Corporate Governance as contained in Clause 49 of the Listing Agreement.

The details of which for the financial year ended March 31, 2014 are as follows :

#### 1. BOARD OF DIRECTORS

##### (A) COMPOSITION :

The Board comprises such number of Non-Executive, Execu-

tive and Independent Directors as required under Clause 49 of the Listing Agreement. As on date of this Report, the Board consists of seven Directors comprising four Independent Directors, one Executive Directors and two Non-Executive Directors. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the Board is a Non-Executive Director.

Due to sudden demise of Mr. Madhukar V. Kampani on April 02, 2014, Mr. Hemal Kampani, Director of the Company has been elected as the Chairman at the Board Meeting held on May 27, 2014.

Mr. Hemal Kampani has several years experience in Share Broking Services and vast experience in the Financial Sector. Mr. Hemal Kampani and Mr. Sandip Kampani are related to each other. Apart from this, none of the directors have pecuniary relationship with the Promoter. All the Directors are above 21 yrs of age.

The Composition of the Board of Directors as on March 31, 2014 and the number of Directorships and committee positions in Public Limited Companies held by them are as under:

Name of Directors	Category of Directors	Member of Board of Other Public Limited Companies	Total No. of Committee (b) Membership in other Public Limited Companies (excluding Private Limited Companies, Foreign Companies and Companies under Section 25 of The Companies Act, 1956 and Membership of Committees of various Charities/Bodies	
			As Chairman	As Member
Mr. Madhukar V. Kampani (a)	Chairman Non-Executive	2	None	2
Mr. Samir Kothari	Executive	None	None	None
Mr. Hemal Kampani (a)	Non-Executive	2	1	1
Mr. Sandip Kampani (a)	Non-Executive	1	None	None
Mr. Pradip Belawala #	* Non-Executive	None	None	None
Mr. Madhukar M. Bhagat	* Non-Executive	4	1	1
Mr. A. V. Iyengar	* Non-Executive	9	None	2
Mr. Prafull Pranjivan Shah	* Non-Executive	None	None	None

# W.e.f. November 12, 2013, Mr. Pradip Belawala has been appointed to fill the casual vacancy caused due to the resignation of Mr. Narendra L. Kapadia on May 28, 2013

\* Independent Directors

(a) All are Promoters of the Company

(b) Only the 2 (Two) Committees viz. The Audit Committee and The Shareholders/Investors' Grievance Committee are considered.

- None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees as per Clause 49(I)(C)(ii) across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other companies.

**(B) BOARD MEETINGS HELD DURING THE YEAR :**

The Board met 5(Five) times on the following dates during the Financial Year 2013-14.

Details of the Board Meetings held during the year are as under :

Date of Board Meeting	Board	Number of Directors
May 28, 2013	8	5
June 28, 2013	7*	6
August 12, 2013	7	6
November 12, 2013	8	6
February 11, 2014	8	5

\*Board Strength changed due to resignation of Mr. Narendra L. Kapadia on May 28, 2013. Mr. Pradip Belawala has been appointed to comply with Clause 49 of the Listing Agreement and also to balance the composition of the Board.

**(C) ATTENDANCE OF DIRECTORS AT THE BOARD MEETING AND AT THE LAST ANNUAL GENERAL MEETING (AGM) :**

Director	No. of Board Meetings		Attended Last AGM
	Held	Attended	
Mr. Madhukar V. Kampani	5	5	Yes
Mr. Hemal Kampani	5	4	Yes
Mr. Sandip Kampani	5	5	Yes
Mr. Madhukar M. Bhagat	5	2	Yes
Mr. Samir Kothari	5	5	Yes
Mr. A. V. Iyengar	5	3	No
Mr. Prafull Pranjivan Shah	5	3	Yes
Mr. Pradip Belawala	2	1	N/A

N.A. = Not Applicable

**(D) BRIEF RESUME OF DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED :**

**(i) MR. MADHUKAR MANILAL BHAGAT**

Date of Birth : August 21, 1933  
 Date of Appointment : October 31, 2005  
 Qualification : B. Com; ACII (London)  
 Experience : More than 40 years experienced in Insurance Sector  
 Directorship in Other : 1. Hindalco Industries Limited  
 Public Limited Com- 2. Zenith Exports Limited  
 panies apart from this 3. Aditya Birla Insurance Advi-  
 Company sory Services Limited  
 4. VCK Share & Stock Broking

Chairman/Member of : **Chairman - Audit Committee**  
 the Committee in Hindalco Industries Limited  
 which he is a Director  
 apart from this Com-  
 pany

**SHARES OF THE COMPANY HELD BY HIM**

Equity ~ (a) Own : 226 Equity Shares of ` 10/- each  
 (b) Beneficiary : Nil

**(ii) MR. ARAVAMUDHAN VIJI IYENGAR**

Date of Birth : August 10, 1938  
 Date of Appointment : July 31, 2008  
 Qualification : C.A. (India), C.S. (London)  
 Experience : Overall rich managerial and  
 administrative experience espe-  
 cially in Pharmaceutical Industry.  
 Retired as Managing Director of  
 Organon (India) Limited (formerly  
 Infar India Limited)

Directorship in Other : 1. Tega Industries Limited  
 Public Limited Compa- 2. BESCO Limited  
 nies apart from this 3. Jardine Henderson Limited  
 Company 4. Maple Orgtech (I) Limited  
 5. Marudhar Food & Credit  
 Limited  
 6. M.M. Aqua Technologies  
 Limited  
 7. Hosch Equipment (I) Lim-  
 ited  
 8. Tega Industries (SEZ) Lim-  
 ited  
 9. Tru-Tru Rollers (I) Limited

Chairman/Member of : **Member - Audit Committee**  
 the Committee in Tega Industries (SEZ) Limited  
 which he is a Director  
 apart from this Com-  
 pany

**SHARES OF THE COMPANY HELD BY HIM**

Equity ~ (a) Own : Nil  
 (b) Beneficiary : Nil

**(iii) MR. PRAFULL PRANJIVAN SHAH**

Date of Birth : May 01, 1958  
 Date of Appointment : December 31, 2012  
 Qualification : B.Com (Hons)  
 Experience : More than 30 years Business  
 experience  
 Directorship in Other : Nil  
 Public Limited Compa-  
 nies apart from this