

VCU DATA MANAGEMENT LIMITED



3rd ANNUAL REPORT
2014 - 2015

VCU DATA MANAGEMENT LIMITED

303, 3rd Floor, Aaditya Arcade,
Topiwala Lane, Grant Road (East), Mumbai – 400 007
Tel: 022 4005 4245 / 4002 5422
Email: mumbai@vcupack.com Website: www.vcupack.com

CONTENTS

Sr. No.	Particulars	Page No.
1	Corporate Information	3
2	Notice	4
3	Director's Report	8
4	Annexure to Director's Report	13
5	Management Discussion & Analysis Report	31
6	Secretarial Audit Report	33
7	Report on Corporate Governance	35
8	Balance Sheet as on 31st March, 2015	44
9	Profit & Loss for the FY 2014-2015	45
10	Cash Flow Statement	46
11	Independent Auditors Report	53
12	Notes to Accounts	56
13	Proxy Form	59
14	Attendance Slip	60

CORPORATE INFORMATION

Board of Directors

Mr. Hardik Sanghvi	Managing Director
Mrs. Renuka Bafna	Director
Mr. Shripal Bafna	Director & Chief Financial Officer
Mr. Surendra Jaiswal	Independent Director
Mr. D.P.Shetty	Independent Director
Mr. Gurpreet Singh Oberoi	Independent Director
Ms. Binita Sharad Gosalia	Company Secretary & Compliance Officer

**Mr. Hardik Sanghvi has resigned as Managing Director w.e.f 12th August, 2015 & appointed as Director w.e.f. 17th August, 2015.*

**Mr. Shripal Bafna appointed as Director w.e.f. 23rd April, 2015. & Mrs. Renuka Bafna appointed as Director w.e.f. 3rd November, 2014.*

Additional Information

Registered Office

303, 3rd Floor, Aaditya Arcade,
Topiwala Lane, Grant Road (East), Mumbai - 400 007
Tel: 022 4005 4245
Email: mumbai@vcupack.com
Website: www.vcupack.com

Corporate Office

A Wing, 2nd Floor, Mardia Plaza,
C G Road, Ahemdabad - 380009
Tel: 00 - 79 - 6900 - 0383 Mob: 91 - 9099950047
Email: info@vcupack.com
Website: www.vcupack.com

Auditors

KRIPLANI MILANI & CO.
Office No. 203, Mint Chambers,
45 / 47, Mint Road, Opp. GPO,
Fort, Mumbai - 400001
Cell No.- 9860220400
Email - bharat@cakmco.com

Registrar & Transfer Agent

Sharepro Services (I) Pvt. Ltd.
13AB, Samitha Warehousing Complex, 2nd
Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka, Andheri(E),
Mumbai 400072.
Tel: +91-22- 6772 0337, Fax: +91-22- 2859 1568
Website: www.shareproservices.com
Email: anil.s@shareproservices.com

Bankers

ICICI Bank Limited

Sir Vithaldas Thackersay Trust,
Mumbai Samachar Marg, Opposite RBI, Fort,
Mumbai 400001

HDFC Bank

Manekji Wadia Bldg, Gr. Floor,
Nanik Mottwani Marg, Fort, Mumbai - 400001

IDBI Bank

Venkatesh Chambers, Prescott Road,
P B No. 714, Fort, Mumbai - 400001

3RD ANNUAL REPORT 2014 - 2015

NOTICE

NOTICE is hereby given that the Third Annual General Meeting of the members of the Company will be held at 303, 3rd Floor, Aaditya Arcade, Topiwala Lane, Grant Road (East), Mumbai - 400007 on Tuesday the **29th day of September, 2015 at 1:00 P.M.** to transact the following business:

Ordinary Business

- 1) To consider and adopt the audited Profit & Loss A/c. of the Company for the period ended 31st March 2015 and the Balance Sheet as at that date together with the Director's Report thereon.
- 2) 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 of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Kriplani Milani & Co, Chartered Accountants (Firm Registration No. 130461W), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2015-16 on such remuneration as may be determined by the Board of Directors."

- 3) To appoint a Director in place of Mrs. Renuka Bafna who retires by rotation and being eligible offers herself for reappointment.

Special Business

- 4) Appointment of Mr. Hardik Sanghvi as Director

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

"RESOLVED THAT Mr. Hardik Sanghvi, who was appointed as an Additional Director with effect from 17th August, 2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the company."

- 5) Resignation of Mr. Shripal Bafna as Chief Financial Officer

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

"RESOLVED THAT resignation of Mr. Shripal Bafna as Chief Financial Officer of the Company be and is hereby accepted w.e.f. 29th September, 2015.

RESOLVED FURTHER THAT Mrs. Renuka Bafna, Director of the Company be and is hereby authorized To sign E - Form no. DIR 12 in regard to resignation of Mr. Shripal Bafna Maharashtra, Mumbai.

RESOLVED FURTHER THAT Mrs. Renuka Bafna, Director of the Company be and is hereby authorized to do all such acts, things and deeds as may be necessary to give effect to aforesaid resolution."

- 6) Change in designation of Mr. Shripal Bafna from Director to Managing Director

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

"RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and all other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof, for the time being in force) and in terms of Articles of Association of the Company, Mr. Shripal Bafna be and is hereby appointed as an Managing Director of the Company for a period of 5 (five) years with effect from 29th September, 2015 on the monthly remuneration of Rs. 40,000/- (Rupees Forty Thousand Only).

RESOLVED FURTHER THAT in the event of absence or inadequate of profit in any financial year during the tenure of service of Mr. Shripal Bafna as Managing Director of the Company, the remuneration, as approved by this resolution, shall be payable as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all necessary acts, deeds and things as may be necessary to carry on the purpose of the aforesaid resolution."

3RD ANNUAL REPORT 2014 - 2015

- 7) Appointment of Mrs. Renuka Bafna as Whole Time Director & Chief Financial Officer

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

"RESOLVED THAT pursuant to provisions of Section 203 of Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Mrs. Renuka Bafna be and is hereby appointed as the Whole Time Director & Chief Financial Officer of the Company for a period of five years with effect from 29th September, 2015 at the terms mutually agreed between Mrs. Renuka Bafna and the Board of the Company at a remuneration of Rs. 15,000/- (Rupees Fifteen Thousand Only) per month for her role as Whole Time Director & Chief Financial Officer in the Company.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to sign and submit all relevant forms, documents, in respect of aforesaid appointment including E-Form DIR-12 pursuant to provisions of Sub-Section (2) of Section 170 of the Companies Act, 2013 and E-Form MR.1 pursuant to Section 196 read with Section 197 and Schedule V of the Companies Act, 2013 and pursuant to Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 with the Registrar of Companies and to do all such acts, deeds and things as may be necessary in this regard."

**By Order of the Board
For VCU Data Management Limited**

**Sd/-
Shripal Bafna
Director
DIN:06489822**

**Date: 20.08.2015
Place: Mumbai**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY COMPLETED AND SIGNED PROXY FORM SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.**
2. The Statement Pursuant to section 102 of the Companies Act, 2013 with respect to special business set out in the Notice is annexed.
3. Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
4. Members holding shares in physical form are requested to notify change in address, bank mandate and bank particulars for printing on the dividend warrants, if any, under their signatures to Sharepro Services (I) Private Limited, 13 AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072, Maharashtra, the Registrar, quoting Folio Nos. Members holding shares in electronic form may update such details with their respective Depository Participants.
5. The share transfer books and Members Register of the Company will remain closed from 24th September, 2015 to 29th September, 2015 (both days inclusive).
6. Members seeking any information regarding accounts should write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.
7. All documents meant for inspection and referred in the accompanying Annual Report are open for inspection at the Registered Office of the Company during office hours between 1.00 p.m. to 3.00 p.m. on all working days till the date of Annual General Meeting.
8. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.
9. Members who have not registered their email addresses so far are requested to register their e-mail

3RD ANNUAL REPORT 2014 - 2015

address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

10. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has to offer the facility of voting through electronic means.

In terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015 the Company being SME listed Company is exempt from evoting and hence voting will be done by polling at the Annual General Meeting.

11. Pursuant to SS-2 i.e. Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the Meeting venue showing the prominent landmarks is given elsewhere in this Notice. Further, the Company has uploaded the above route map on its website at www.vcupack.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT:

Item No 4:

Mr. Hardik Sanghvi was appointed as an Additional Director w.e.f. 17th August, 2015 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 80 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mr. Hardik Sanghvi candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mr. Hardik Sanghvi on the Board is desirable and would be beneficial to the Company and hence recommend resolution for adoption.

Item No 5 :

Due to personal reasons, Mr. Shripal Bafna be and hereby tender his resignation as Chief Financial Officer of the Company. He has fulfilled substantial responsibilities being Chief Financial Officer of the Company and thereby tenders his resignation to the Company.

Accordingly, the Board recommends the resolutions as set out in the notice, for the approval by the shareholders of the Company.

Item No 6 :

In terms of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, Mr. Shripal Bafna be and is hereby now appointed as Managing Director. In the opinion of the Board, the Managing Director fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for the appointment as a Managing Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company. Accordingly, the Board recommends the resolutions as set out in the notice, for the approval by the shareholders of the Company.

Item No 7 :

In terms of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, Mrs. Renuka Shripal Bafna be and is hereby appointed as Whole Time Director & Chief Financial Officer. In the opinion of the Board, the Director fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for the appointment as a Whole Time Director & Chief Financial Officer of the Company.

The Board considers that their continued association would be of immense benefit to the Company. Accordingly, the Board recommends the resolutions as set out in the notice, for the approval by the shareholders of the Company.

**By Order of the Board
For VCU Data Management Limited**

**Sd/-
Shripal Bafna
Director
DIN: 06489822**

**Date: 20.08.2015
Place: Mumbai**

3RD ANNUAL REPORT 2014 - 2015

ANNEXURE -

Information pursuant to Clause 52 of the Listing Agreement regarding appointment of new Director or reappointment of a Director -

Name of the Director	Mr. Hardik Sanghvi	Mr. Shripal Bafna	Mrs. Renuka Bafna
Date of Birth	4th August, 1978	28th September, 1986	15th September, 1988
Date of Appointment	17th August, 2015	23rd April, 2015	3rd November, 2014
Qualifications	B.E. (Electronics & Telecommunication)	MBA (Marketing)	M.Com
Directorship of other Companies as at 31/03/15.	VMukti Solution Pvt. Ltd. Adiance Technologies Pvt. Ltd.	NIL	NIL
Chairmanship/Member ship of other Committees as at 31/03/15.	NIL	3	NIL
No. of Shares held in Company as on 31/03/15.	156000	1714000	0

3RD ANNUAL REPORT 2014 - 2015

DIRECTORS' REPORT

For the Financial Year Ended on 31st March, 2015

To
The Members,
VCU Data Management Limited

Your Directors have pleasure in presenting the 3rd Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2015.

1. FINANCIAL STATEMENTS & RESULTS:

a. Financial Results

The Company's performance during the year ended 31st March, 2015 as compared to the previous financial year, is summarized below:

(In Rs.)

Particular	For the financial year ended 31st March, 2015	For the financial year ended 31st March, 2014
Income	36314969	24479537
Less: Expenses	25851275	30114226
Profit/(Loss) before tax	10463695	(5634689)
Less: Provision for tax	(1318968)	(173170)
Income Tax of earlier years w/off	0	0
Exception Income	0	0
Exception expenditure	0	0
Profit after Tax	9144727	(5807859)
No. of Equity Shares	15500000	15500000
EPS	0.59	(0.37)

The Board of Directors are pleased to state that during the year ended on 31st March 2015, the Company has made best use of the market forces and has taken advantage of the business opportunities that has come its way. During the financial year under review, the Revenues of the company has increased to Rs. 363.15 lacs as against previous year turnover of Rs. 244.79 Lacs i.e. an increase of 48.35%

There is an increase in turnover of the Company during the financial year under review. The current year profit of the Company is Rs. 91.45 lacs. During the previous year the loss of the Company was Rs. (58.08) lacs.

b. OPERATIONS:

There was no change in nature of the business of

the Company, during the year under review.

c. SUBSIDIARIES

Presently, there is no subsidiary of the Company.

d. CONSOLIDATED FINANCIAL STATEMENTS

Since there is no subsidiary of the Company at present, hence no consolidated financial Statements have been prepared.

e. DIVIDEND:

In order to conserve future resources, your Directors have not recommended any dividend for the financial year under review.

f. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

g. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

i. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

j. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

k. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The details of transactions/contracts/arrangements entered by the Company with related party(ies) as

3RD ANNUAL REPORT 2014 - 2015

defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in Annexure II and forms part of this Report.

I. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Full particulars of loans, guarantees, investments and securities provided during the financial year under review along with the purposes for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof, has been furnished in Annexure III which forms part of this report.

m. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

n. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

o. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

p. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

q. INITIAL PUBLIC OFFERING

During the year 2013 -14, the Company came out with an initial public offering of 75,00,000 Equity shares of the face value of Rs. 10/- each for cash at a price of Rs. 25/- per share (including a share premium of Rs. 15/- per Equity share) aggregating to Rs. 1875 Lacs.

The public issue opened for subscription on 4th October, 2013 and closed on 8th October, 2013. The

basis of allotment was finalized in consultation with the Designated Stock Exchange - Bombay Stock Exchange Limited on 18th October, 2013. The Company's shares got listed on the SME platform of BSE Limited w.e.f. 23rd October, 2013.

r. REPORT ON UTILIZATION OF IPO FUNDS DURING THE YEAR

Particulars	Amount (In Rs.) 31/03/2015
Funds raised from Public Issue (including share premium)	1875.00
Less - Utilization of Funds	
	-
Towards purchase of Fixed Assets	13.13
Working Capital	1,059.22
IPO Expenses	38.40
Inter Corporate Deposits given (Temporary)	764.25

2.MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mrs. Renuka Shripal Bafna (DIN: 07007731) and Mr. Shripal Kantilal Bafna (DIN: 06489822) were appointed as Directors of the Company on 3rd November, 2014 and 23rd April, 2015.

Mr.Shripal Bafna was appointed as Key Managerial Person designated as Chief Financial Officer of the Company.

Mr. Sanjay Vardhan resigned as Director of the Company with effect from 23rd April, 2015 due to personal reasons.

Mr. Hardik Sanghvi has resigned as Managing Director w.e.f 12th August, 2015 & appointed as Director w.e.f. 17th August, 2015.

In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mrs. Renuka Bafna retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Your

Directors recommend their approval.

b. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met four times during the financial year ended 31st March 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are 29th May, 2014, 1st September, 2014, 14th November, 2014 and 8th January, 2015.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2015, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors 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 as at 31st March, 2015 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

c. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

1. Mr. Dhruvaprakash Shetty, Chairman & Independent Director
2. Mr. Surendrakumar Jaiswal, Independent Director and
3. Mr. Shripal Bafna, Member & CFO

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under:

Minimum Qualification

Positive Attributes

Independence

Experience

d. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

1. Mr. Dhruvaprakash Shetty, Chairman & Independent Director
2. Mr. Surendrakumar Jaiswal, Independent Director and
3. Mr. Shripal Bafna, Member & CFO

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.