

VCU DATA MANAGEMENT LIMITED

**7th Annual Report
Financial Year 2018-2019**



CONTENTS

| Sr. No. | Particulars | Page No. |
|----------------|--|-----------------|
| 1 | Corporate Information | 3 |
| 2 | Notice | 4 |
| 3 | Directors Report | 15 |
| 4 | Form MGT-9 Extract Of Annual Return | 22 |
| 5 | Secretarial Audit Report | 30 |
| 6 | Details of the ratio of remuneration of each director to the median employee's remuneration | 33 |
| 7 | Corporate Governance Report | 35 |
| 8 | CEO/CFO Certification | 48 |
| 9 | Certificate under Regulation 34 (3) of Listing Regulations | 49 |
| 10 | Management Discussion & Analysis Report | 50 |
| 11 | Standalone Independent Auditors Report | 52 |
| 12 | Standalone Financial Statements | 63 |
| 13 | Consolidated Independent Auditors Report | 94 |
| 14 | Consolidated Financial Statements | 102 |
| 15 | Form SH-13 | 134 |
| 16 | Attendance Slip | 136 |
| 17 | Proxy Form | 137 |
| 18 | Route Map | 139 |

Corporate Information

Board of Directors

| | |
|----------------------------|---|
| Mr. Shripal Bafna | Managing Director |
| Ms. Renuka Bafna | Whole Time Director & Chief Financial Officer |
| Mr. Gurpreet Singh Oberoi | Independent Director |
| Mr. Surendra Kumar Jaiswal | Independent Director |
| Mr. Nikunj Chawda | Company Secretary & Compliance Officer (Resigned w.e.f. May 31, 2018) |
| Mr. Kuldeepsinh Jadeja | Company Secretary & Compliance Officer (Appointed w.e.f. July 21, 2018 & Resigned w.e.f. 10 th August, 2019) |

Additional Information:

| | |
|---|---|
| Registered Office 303, 3rd Floor, Aaditya Arcade, Topiwalla Lane, Grant Road (East), Mumbai – 400 007 Tel: 022 4005 4245 / 4002 5422 Email: mumbai.vcudata@gmail.com Website: www.vcupack.com | Secretarial Auditor VKM & ASSOCIATES 116, Trinity Bldg, 1st Floor, Dr. C H Street, Behind Parsi Dairy, Marine Lines (E), Mumbai -400002. Tel :- 22077267/22077542 Email- vkmassociates@yahoo.com |
| Statutory Auditors Kriplani Milani & Co. Office No. 203 & 207, Mint Chambers, 45 / 47, Mint Road, Opp. GPO, Fort, Mumbai - 400001 Tel No.- 022-2265 0430, 4005 8971 Email: kriplani.bharat@gmail.com | Internal Auditors M/s. Dhruvaprakash & Co B-408, Naman Midtown, Senapati Bapat Marg, Elphinstone Road (West) Mumbai – 400013. Tel: 022-2438 2100 |
| Registrar & Transfer Agent Skyline Financial Services Private Limited Unit –D/153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020 Tel: 011-26812682/83 Email: admin@skylinerta.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 |

NOTE: Shareholders are requested to bring their copy of the Annual Report along with them at the Annual General Meeting.

NOTICE

NOTICE is hereby given that the Seventh 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 Monday the 30th day of September, 2019 at 3:30 P.M. to transact the following business:

Ordinary Business:**Item No.1**

To receive, consider and adopt the Audited Financial Statements of the Company (including Consolidated Financial Statements) for the year ended 31st March, 2019 together with the Reports of the Board of Directors' and the Auditors' thereon.

Item No. 2

To appoint a Director in place of Mr. Shripal Bafna (DIN: 06489822) who retires by rotation and being eligible, offers himself for re-appointment

Special Business:**Item No.3**

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

RECLASSIFICATION OF PERSONS FORMING PART OF THE PROMOTER GROUP FROM 'PROMOTER & PROMOTER GROUP CATEGORY' TO 'PUBLIC CATEGORY'

“RESOLVED THAT in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, and subject to necessary approvals from the SEBI Board, Stock Exchanges and other appropriate statutory authorities as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons (hereinafter individually and jointly referred to as the 'applicants') forming part of the Promoter Group from 'Promoter & Promoter Group Category' to 'Public Category'.

| Name of the Shareholders | No of Shares held | % of the paid up capital |
|---------------------------------|--------------------------|---------------------------------|
| Hardik Hemendra Sanghvi | 16,000 | 0.10 |
| Kushal H Sanghvi | 60,000 | 0.39 |
| Hemendra Dhirajlal Sanghvi | 60,000 | 0.39 |
| Hitendra Dhirajlal Sanghvi | 49,900 | 0.32 |
| TOTAL | 1,85,900 | 1.2 |

RESOLVED FURTHER THAT re-classification of promoter as public shareholders shall be subject to the following conditions:

- Such promoter shall not directly or indirectly exercise control over the affairs of the entity.
- The event of re-classification shall be disclosed to the stock exchange as a material event in accordance with the provisions of these regulations.
- Board may relax any condition for re-classification in specific cases, if it is satisfied about non-exercise of control by the outgoing promoter or its person acting in concert.

RESOLVED FURTHER THAT after such reclassification following shall be the Promoters of the Company

| Name of the Shareholders | No of Shares held | % of the paid up capital |
|--------------------------|-------------------|--------------------------|
| Shripal Kantilal Bafna | 17,04,000 | 10.99 |
| Sanjay Babulal Vardhan | 13,55,100 | 8.74 |
| TOTAL | 30,59,100 | 19.74 |

RESOLVED FURTHER THAT on approval of the SEBI Board/ Stock Exchanges upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding Pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable provisions.

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary or the Compliance Officer or such other person as authorized by the Board, be and is hereby authorized to submit application for reclassification to the SEBI Board, Stock Exchanges wherein the securities of the company are listed or any other regulatory body as may be required and to take such steps expedient or desirable to give effect to this resolution.

By Order of the Board of Directors

Shripal Bafna
Managing Director
DIN: 06489822

Date: 04.09.2019
Place: Mumbai

NOTES:-

1. Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted as at general meeting is annexed hereto.
2. Information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the Directors seeking re-appointment at the AGM is provided hereunder as "Annexure A".
3. As required under SS-2 issued by ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to Annual Report and forms part of this Notice.
4. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS / HER BEHALF ONLY ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.**

In terms of Section 105 of the Companies Act, 2013 and Rules framed thereunder, a person can act as a proxy on behalf of the Members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Members.

5. An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamp not been cancelled, will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such proxies shall be considered as invalid.
6. The proxy-holder shall prove his identity at the time of attending the Meeting.
7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting to the Company.
8. **Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.**
9. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Pursuant to Section 91 of the Act, the Register of Members and Share Transfer books will remain closed from Monday, 23rd day of September, 2019 to Monday, 30th day of September, 2019 (both days inclusive).

12. The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm on all working days except on holidays. The said Registers will also be available for inspection by the members at the AGM.
13. In case of any queries regarding the Annual Report, members may write to mumbai.vcudata@gmail.com to receive an email response. Members desiring any information relating to the financial statements at the meeting are requested to write to us at least ten (10) days before the meeting to enable us to keep the information ready.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ R&T Agent.
15. Members are requested to forward all Share Transfers and other communications/ correspondence to the Registrar & Share Transfer Agent (RTA) and are further requested to always quote their Folio Number in all correspondences with the Company.
16. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the Company's Registrar & Transfer Agents, Skyline Financial Services Private Limited, Unit -D/153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020.
17. Members holding shares in physical segment are requested to notify change in their address/status, if any, immediately to the Company's Registrar & Transfer Agents, Skyline Financial Services Private Limited, Unit -D/153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020.
18. The Company has designated an E-mail ID called mumbai.vcudata@gmail.com for redressal of shareholder complaints/grievances. In case you have any queries/complaints or grievances then please write to us at mumbai.vcudata@gmail.com.
19. Members who would like to ask any questions on the accounts are requested to send their questions at Registered Office of the Company at least 10 days before the Annual General Meeting to enable the Company to answer their queries satisfactorily.
20. Members are requested to bring their copies of the Annual Report to the Annual General Meeting. Members may also note that the Notice of the 7th Annual General Meeting and Annual Report will be available on the Company's website, www.vcupack.com for download and the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours (11.00 am to 1.00 pm) on all working days except Sundays up to and including the date of the Annual General Meeting of the Company.
21. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
22. Electronic copy of Annual Report for the year 2018-19 is being sent to all members whose email IDs are registered with the Company/Depository Participant(s) and have given their positive consent to receive the same through electronic means and for members who have not registered their email addresses are being sent physical copies of Annual Report in the permitted mode.
23. Electronic copy of the notice of the 7th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting with attendance slip and proxy form are being sent to all the members whose email IDs are registered with the Company/ Depository Participant and have given their positive consent to receive the same through electronic means. Physical copies of notice of the 7th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting with attendance slip and proxy form are being sent to the members in the permitted mode.

24. Even after registering for e-communication members are entitled to receive such communication in physical form, upon making a request for the same free of cost. For any communication, the shareholders may also send requests to the Company's e-mail ID mumbai.vcudata@gmail.com.
25. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
26. Members are requested to forward all Share Transfers and other communications/ correspondence to the Registrar & Share Transfer Agent (RTA) - M/s. Skyline Financial Services Private Limited, D 153A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi - 110020 and are further requested to always quote their Folio Number in all correspondences with the Company.
27. Voting through Electronic means:

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 7th Annual General Meeting to be held on Monday, September 30, 2019. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility.

The facility for voting, either through ballot / polling paper shall also be made available at the venue of the 7th AGM. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed M/s. VKM & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed Monday, September 23, 2019 as the 'Cut-off Date'. The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. Monday, September 23, 2019, only. The e-voting facility is available at the link www.evoting.nsdl.com.

Procedure/ Instructions for e-voting are as under:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below :

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After clicking on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

C. General Instructions:

- i. The e-voting period commences on Thursday, September 26, 2019 (9.00 a.m. IST) and ends on Sunday, September 29, 2019 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, September 23, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- ii. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
- iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com.
- iv. M/s. VKM & Associates, Company Secretaries, Mumbai has been appointed as the Scrutinizer to scrutinize the voting through polling paper and remote e-voting process in a fair and transparent manner.
- v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company.

The Scrutiniser shall after scrutinising the votes cast at the AGM (Poll) and through remote e-voting not later than 48 (forty eight) hours from the conclusion of the AGM, make a consolidated Scrutiniser’s Report and submit it to the Chairman or any Director authorised by the Board. The results declared alongwith the consolidated Scrutiniser’s report shall be placed on the website of