



103rd
Annual Report 2015-16

THE
VICTORIA MILLS
LIMITED

2015-2016
THE VICTORIA MILLS LIMITED, MUMBAI
ANNUAL REPORT WITH
BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

BOARD OF DIRECTORS :

Mr. Aditya Mangaldas (Managing Director)
Mr. D. K. Contractor
Mr. S. G. Vaidya
Mrs. Mamta Mangaldas
Mr. R. K. Shah

AUDITORS :

Sorab S. Engineer & Co.
Chartered Accountants

REGISTERED OFFICE :

Victoria House,
Pandurang Budhkar Marg,
Lower Parel, Mumbai 400 013.
Tel: 24971192/93, Fax: 24971194
email: vicmill2013@gmail.com,
website:www.victoriamills.in
CIN : L17110MH1913PLC000357

REGISTRAR & SHARE TRANSFER AGENTS

System Support Services
209, Shivai Ind. Estate, 89,
Andheri Kurla Road, Sakinaka,
Mumbai – 400 072
Tel. No. : 2850 0835, 2850 1622
Fax : 2850 1438



The Victoria Mills Limited, Mumbai

THE VICTORIA MILLS LIMITED

CIN: L17110MH1913PLC000357

Registered Office: Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai- 400013.
Tel: 24971192/93, Fax: 24971194, E-mail: vicmill2013@gmail.com Website: www.victoriamills.in

NOTICE

NOTICE IS HEREBY GIVEN that the 103rd Annual General Meeting of the Members of THE VICTORIA MILLS LIMITED will be held as scheduled below:

DAY : Tuesday

DATE : 27th September, 2016

TIME : 11.00 A.M.

PLACE : At Hall of Harmony, Nehru Centre,
Dr. Annie Besant Road, Worli, Mumbai- 400018

To transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2016 and the Reports of the Directors and Auditors thereon.
2. To confirm Interim Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Rashmikan K. Shah (DIN: 07111006), who retires by rotation and is eligible for re-appointment.
4. To appoint the Statutory Auditors and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and The Companies (Audit and Auditors) Rules, 2014, M/s. Sorab S. Engineer, Chartered Accountants, Mumbai (Firm Registration No. 110417W) who have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as the statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Audit Committee Board of Directors in consultation with the Auditors".

THE REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS OF THE COMPANY WILL BE CLOSED FROM 22ND SEPTEMBER, 2016 TO 27TH SEPTEMBER, 2016 (BOTH DAYS INCLUSIVE).

By Order of the Board of Directors

Place: Mumbai For The Victoria Mills Limited
Date: 24.05.2016 CIN: L17110MH1913PLC000357

Registered Office:
Victoria House,
Pandurang Budhkar Marg,
Lower Parel,
Mumbai- 400013

Aditya Mangaldas
Managing Director
(DIN: 00032233)

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy (as per the format provided hereinafter), in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

- 2) A Person can act as a Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the Total Share Capital of the Company carrying voting rights. A Member holding more than ten percent of the Total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
- 3) Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- 4) A statement giving the relevant details of the Directors seeking re-appointment under Item No. 3 of the accompanying Notice, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges is annexed herewith.
- 5) Copies of the Balance Sheet, the Profit and Loss Account, the Directors' Report, Corporate Governance Report, The Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet for the financial year ending March 31, 2016 are annexed / attached.
- 6) Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
- 7) Members, who hold shares in physical form are requested to notify immediately change in their addresses, if any, specifying Registered Folio Number and other relevant details, Members who hold shares in Electronic form are requested to notify change in their address to Depository Participant with whom they are maintaining their Beneficial Owner account, to Company's Registrar and Share Transfer Agents.
- 8) Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nomination are requested to send their requests in prescribed form in duplicate (which will be made available on request) to the Registrar and Transfer Agents of the Company.

- 9) Please encash your dividend warrants on their receipt by you as dividends remaining unclaimed for seven years are now required to be transferred to the Investor Education and Protection Fund established by the Central Government under the provisions of the Companies Act, 2013. Once transferred, members will be unable to claim any unpaid dividend either from the said Fund or from the Company.
- 10) The Members who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Members holding shares in physical form may kindly register their e-mail IDs to the RTA. The Annual Report of the Company and other documents proposed to be sent through e-mail would also be made available on the Company's website i.e. www.victoriamilks.in and Stock exchange website www.bseindia.com
- 11) Members are requested to intimate to the company or Registrar and Transfer Agents viz. System Support Services, 209 Shivaji Industrial Estate, 89 Andheri-Kurla Road, Sakinaka, Mumbai 400072, changes if any, in their registered address quoting Folio Numbers or Client ID and DP ID numbers in all the correspondence.

12) Voting through electronic means:

In compliance with provision 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 members facility to exercise their right to vote at the 103rd Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Saturday 24th September, 2016 (9.00 A.M) and ends on Monday 26th September, 2016 (at 5.00 P.M.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on **21st September, 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> 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 Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



The Victoria Mills Limited, Mumbai

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
For The Victoria Mills Limited
CIN: L17110MH1913PLC000357

Aditya Mangaldas
Managing Director
(DIN: 00032233)

Place: Mumbai
Date: 24.05.2016
Registered Office:
Victoria House,
Pandurang Budhkar Marg,
Lower Parel,
Mumbai- 400013

ANNEXURE TO ITEM 3 OF THE NOTICE

Details of Directors seeking re-appointment at forthcoming Annual General Meeting
(In pursuant to Provisions of SEBI (LODR) Regulation, 2015)

Name of the Director	Mr. Rashmikanth K. Shah
Director Identification Number (DIN)	07111006
Date of Birth	07.02.1937
Date of Appointment on Board	22.05.2015
Qualification	B.Com, LLB Chartered Accountant and C.S.
Shareholding in The Victoria Mills Ltd.	1
List of Directorships held in other Companies	Nil
Memberships/Chairmanship of Audit and Stakeholders Relationship Committees across other Public Companies	Nil

DIRECTORS' REPORT

To,
The Shareholders of
The Victoria Mills Limited.
Ladies & Gentlemen :

Your Directors present their 103rd Annual Report on the working of the Company with audited Statement of Accounts for the year ended 31st March, 2016 and the report of the auditors thereon.

1. FINANCIAL RESULTS:

PARTICULARS	2015-2016 (Amount In Rs.)	2014-2015 (Amount In Rs.)
Gross Profit for the year before providing for depreciation and taxation	15,87,60,271	82,26,632
Less: Provision for depreciation	2,53,835	8,49,788
Tax expenses	3,60,00,000	16,50,000
Profit	12,25,06,436	57,26,844
Add: Balance brought down from the previous year	16,01,25,588	16,08,87,053
Balance available for appropriation	28,26,32,024	16,66,13,897
Less: Transfer to General Reserve	1,22,50,000	5,75,000
Balance	27,03,82,024	16,60,38,897
Less: Interim dividend / dividend on Equity shares	49,28,000	49,28,000
Tax on Proposed Dividend	10,03,225	9,85,309
Balance to be carried forward	26,44,50,799	16,01,25,588

The Company proposes to transfer an amount of Rs. 1,22,50,000/- to the General Reserve. An amount of Rs. 26,44,50,799/- is proposed to be retained in the statement of Profit and Loss.

2. OPERATIONAL REVIEW:

Profit before depreciation and taxation was Rs. 15,87,60,271/- against Rs. 82,26,632/- in the previous year. After providing for depreciation and taxation of Rs. 2,53,835/- and Rs. 3,60,00,000/- respectively, the net profit of the Company for the year under review was placed at Rs. 12,25,06,436/- against Rs. 57,26,844/- in the previous year. The Company is in the Business of making luxury villas in Alibaug.

3. SHARE CAPITAL:

The paid up Equity Share Capital of the company is Rs. 98.56 Lacs. During the year under review, the Company has neither issued any shares with differential voting rights nor granted any Stock Option nor any Sweat Equity Shares.

4. DIVIDEND:

Your Directors had declared Interim Dividend of Rs. 50 during the F.Y. 2015-16 which has to be confirmed by the members at the Annual General Meeting. The Dividend of 50%, which is already declared at the Board Meeting dated 10th March, 2016, will result in the out flow of Rs. 49,28,000/- to the company in addition to Rs. 10,03,225/- by way of dividend distribution tax.

5. FINANCE:

Cash and cash equivalent as at March 31, 2016 was Rs. 32,36,627/- The company continues to focus on adjusting management of its working capital. Receivable, purchases and other working capital parameters were kept under strict check through continuous monitoring.

6. DEPOSITS:

Your company has not accepted any deposits within the meaning of Section-73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has granted loan to its wholly owned subsidiary i.e. Victoria Land Private Limited for an amount not exceeding Rs.12 crores from time to time and on such terms and conditions including the terms of repayment as initially agreed from time to time.

The details of the investments made by the company is given in the notes to the financial statements.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Companies Act, 2013.

During the year under review Mr. Puneet Motwani had resigned from the position of Company Secretary w.e.f 10th February, 2016 and Mr. Birjukumar M. Godhani was appointed as the Company Secretary and Compliance officer of the Company with effect from 10th February, 2016.

All the Independent Directors of your company have given their declarations, that they meet the criteria of Independence as laid down under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Rashmikan K. Shah, Director of the Company is liable to retire by rotation and, being eligible, offers himself for re-appointment. Board recommends his re-appointment to the shareholders at the ensuing AGM.

10. BOARD EVALUATION:

During the year, pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had adopted a formal mechanism for evaluating its own performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board. The exercise was carried out through a structured evaluation process covering the various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. A Separate exercise was carried out to evaluate the performance of the individual Directors including the Chairperson of the Board, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, etc.



The evaluation of the Independent Directors was carried out by the entire Board, except for the Independent Director being evaluated and that of the Chairperson and the Non-Independent Directors was carried out by the Independent Directors.

11. REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. This policy along with the criteria for determining the qualification, positive attributes, and independence of a director is available on the website of the Company viz. www.victoriamills.in

12. MEETINGS OF THE BOARD AND ITS COMMITTEES:

During the year under review, five Board Meetings, five Audit Committee meetings, four Stakeholders Relationship Committee meetings and one Nomination and Remuneration Committee meeting were held and the gap between two consecutive Board Meetings and Committee Meetings was within the limits prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. DIRECTOR'S RESPONSIBILITIES STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:-

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit or loss of the company for the year under review.
- iii. The directors have taken proper and sufficient care 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.
- iv. The directors have prepared the annual accounts on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

14. STATUTORY AUDITORS AND AUDIT REPORTS:

The Statutory Auditors, M/s. Sorab S. Engineer & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a confirmation letter from the Auditors to the effect that their re-appointment, if made, will be within the prescribed limits under of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of the said Act. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI). The Board recommends their reappointment as Auditors to audit the accounts of the Company for the financial year 2016- 2017.

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

15. SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. Nilesh Shah and Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure-A"

16. CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report together with the Certificate received from the Practising Company Secretary of the Company regarding compliance with the requirements of Corporate Governance as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form an integral part of this Annual Report.

17. MANAGEMENT DISCUSSION ANALYSIS:

The Company through its 100% Subsidiary had sold a Villa in Alibaug. The Company also sold a property in Mumbai. With this liquidity in hand, the Company has started Construction of three Luxury Villas in Alibaug.

The Real-Estate market in general was slow last year & is expected to improve this year. Your Company is in a niche market of building Luxurious Villas. The detailed Management Discussion Analysis Report is annexed herewith as "Annexure-B"

18. CORPORATE SOCIAL RESPONSIBILITY:

In accordance with the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder, Our Company has Constituted Corporate Social Responsibility Committee.

The constitution of the Corporate Social Responsibility Committee and its terms of reference are more particularly stated in the Corporate Governance Report which forms a part of this Annual Report and the Corporate Social Responsibility Policy of the Company is hosted on the website of the Company www.victoriamills.in

19. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure-C" to this report.

20. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request in terms of Section 136 of the Act, the reports and accounts are being sent to the members and other entitles thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

21. RELATED PARTY TRANSACTIONS:

The Related Party Transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant

Related Party Transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Prior omnibus approvals of the Board were also obtained for the transactions that were of repetitive nature. The Company has framed a policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The details of Related Party Transactions entered by the Company are given in "Annexure-D" attached to this Report.

22. SUBSIDIARY COMPANY:

The Company has one wholly owned subsidiary Company i.e. Victoria Land Private Limited.

23. FOREIGN EXCHANGE EARNING AND OUT-GO:

During the year under review, foreign exchange earnings and outgoings flow were given in "Annexure-E" to this report.

24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a "Policy on Whistle Blower and Vigil Mechanism" to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

25. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

As required by the company (Disclosure of particulars in the Report of the Board of Directors) Rules 1988, the relevant data pertaining to conservation of energy and technology absorption are given in the prescribed form as "Annexure-F" to this report.

As there was no manufacturing activity during the year, the information on conservation of energy and technology absorption is not applicable to your company.

26. PREVENTION OF INSIDER TRADING:

Your Company has adopted the "Code of Conduct on Prohibition of Insider Trading" and "Code of Conduct for Directors and Senior Management Personnel" for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by Insiders.

27. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has in place the "Policy on Prevention of Sexual Harassment at the Workplace" in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted Internal Complaints Committee (ICC) to redress the complaints received regarding sexual harassment. During the year under review, no complaints were received by the Committee for Redressal.

28. SIGNIFICANT AND MATERIAL ORDERS:

There were no significant and material orders passed by any Regulators or Courts or Tribunals during the year ended 31st March, 2016 impacting the going concern status and company's operations in future.

29. ACKNOWLEDGMENT:

Your Company and its Directors wish to extend their sincere thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

On behalf of the Board of Directors

ADITYA MANGALDAS
Managing Director
(DIN: 00032233)

Place: Mumbai
Date: 24.05.2016



“ANNEXURE-A” TO DIRECTORS’ REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
The Victoria Mills Limited
Victoria House, Pandurang Budhkar Marg,
Lower Parel, Mumbai 400 013

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by “**The Victoria Mills Limited**” (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management including Key Managerial Personnel’s (KMP) and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (to the extent applicable to the Company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under restricted to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 w.e.f. 15th May, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 w.e.f. 01st December, 2015.
- (vi) As we have been given to understand that considering activities, there is no specific regulator subject to whose approval company can carry on / continue business operation. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws (in addition to the above mentioned Laws (i to v) as applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the following:

- (1) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 w.e.f. 01st July, 2015

(2) The Listing Agreements entered into by the Company with Stock Exchange(s).

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations/Guidelines as covered under MR-3

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above and we have no material observation of instances of non Compliance in respect of the same.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any major event / action having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Note : This Report is to be read along with attached Letter provided as "Annexure - A"

For Nilesh Shah & Associates
Company Secretaries

Sd/-
(Nilesh Shah)
Partner
FCS : 4554
C.P. : 2631

Place: Mumbai
Date: 19.05.2016