



**104<sup>th</sup>**  
**Annual Report 2016-17**

**THE**  
**VICTORIA MILLS**  
**LIMITED**

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**2016-2017**  
**THE VICTORIA MILLS LIMITED, MUMBAI**  
**ANNUAL REPORT WITH**  
**BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

**BOARD OF DIRECTORS :**

Mr. R. K. Shah (Chairman)  
Mr. Aditya Mangaldas (Managing Director)  
Mr. S. G. Vaidya  
Mrs. Mamta Mangaldas  
Ms. Gargi Mashruwala

**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**

M/s. Link Intime India Pvt. Ltd.  
C-101, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West) Mumbai - 400083,  
Tel. No. : 91(22) 4918 6000  
Email : mumbai@linkintime.co.in  
Website : www.linkintime.co.in



## 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 104<sup>th</sup> Annual General Meeting ("AGM") of the members of THE VICTORIA MILLS LIMITED will be held as Scheduled below:

Day : Wednesday  
Date : September 27, 2017  
Time : 11:00 A.M.  
Venue : Hall of Harmony, Nehru Centre,  
Dr. Annie Besant Road, Worli, Mumbai-400018.

To transact the following businesses:

#### ORDINARY BUSINESS:

1. To consider and adopt the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Reports of the Directors and Auditors thereon.
2. To Declare Dividend on Equity Shares.
3. To re-appoint Mrs. Mamta Mangaldas (DIN: 00021078), as Director, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint the Statutory Auditors and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013, and The Companies (Audit and Auditors) Rules, 2014, M/s. Vasani & Thakkar, Chartered Accountants, Mumbai (Firm Registration No. 111296W) be and is hereby appointed as the statutory Auditor of the Company to hold office for 5 years i.e. from the conclusion of this Annual General Meeting till the conclusion of 6<sup>th</sup> Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting at a remuneration as may be decided by the Board of Directors in consultation with the said Auditors."

#### SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 & Section 152 read with Schedule IV of the Companies Act, 2013 ("the Act") and read with Companies (Appointment and Qualifications) Rules, 2014 and any other applicable provisions, if any, (including statutory modification(s) or re-enactment thereof, for the time being force), Ms. Gargi Mashruwala (DIN: 00032543) who was appointed as an Additional Director at the Board Meeting held on May 05, 2017 to hold office up to this Annual General Meeting and in respect of whom the Company has received a notice in writing alongwith the required deposit amount under Section 160 of the Act from the member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for Five Years with immediate effect."

#### 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.**

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.

- 2) 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.
- 3) Member / Proxy should bring the attendance slip duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
- 4) 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.
- 5) The Register of Members of the Company shall remain closed from the Tuesday, September 12, 2017 to Wednesday, September 27, 2017 (both days inclusive).
- 6) Payment of Dividend as recommended by the Directors, if approved at the meeting, will be made to those members whose names are on the Company's register of members on Monday, September 11, 2017 and those whose names appear as Beneficial Owner (in case shares in held in Demat) as at the close of the business hours on Monday, September 11, 2017 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
- 7) Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide replies at the Meeting.
- 8) Existing RTA of the Company i.e. M/s System Support Services has merged with M/s Link Intime India Private Limited. Accordingly, M/s Link Intime India Private Limited has been appointed as new Registrar and Transfer Agent ('RTA') of 'The Victoria Mills Ltd. Members holding shares in physical form are requested to address all their correspondence including change of address, mandates etc. to the Registrar and Transfer Agent (RTA) viz. M/s. Link Intime India Pvt Ltd, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083,

Contact No. 022-49186000, **Email-id:** [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in) **Website:** [www.linkintime.co.in](http://www.linkintime.co.in) and the Members holding shares in dematerialized form should approach their respective Depository Participants for the same.

- 9) Since shares of the Company are traded on the BSE Stock Exchange; compulsorily in demat mode, shareholders holding shares in physical mode are strongly advised to get their shares dematerialized.
- 10) The shareholders 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. Shareholders holding shares in physical form may kindly register their e-mail IDs to the RTA by sending an e-mail at [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in). 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.victoriamills.in](http://www.victoriamills.in).
- 11) Please encash your dividend warrants immediately on their receipt by you as pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ("IEPF Rules") notified by the Ministry of Corporate Affairs (MCA) dividends remaining unclaimed for seven years are required to be transferred to the Investor Education and Protection Fund ("the Fund") established by the Central Government. Also, Shares with respect to above dividend needs to be transferred to the Fund.
- 12) Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their requests in Form SH-13 to the Registrar and Transfer Agent of the Company.
- 13) Pursuant to Section 107 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administrations) Rules, 2014, there will not be any voting by show of hands on any of the agenda items at the Meeting and the Company will conduct polling at the Meeting.
- 14) The Board of Directors has appointed Mr. Nilesh Shah, Practising Company Secretary (FCS No. 4554, CP No. 2631) as Scrutinizer for conducting the voting process in a fair and transparent manner.
- 15) The Scrutinizer shall submit his report, to the Chairman / Managing Director, on the votes cast in favour or against, if any, within a period of three working days from the date of conclusion of the e-voting period.
- 16) Please refer attendance slip for route map giving directions to the venue of the meeting.
- 17) The results declared along with the Consolidated Scrutinizer report shall be placed on the website of the Company [www.victoriamills.in](http://www.victoriamills.in). The results shall also be communicated to the Stock Exchanges.
- 18) Pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Directors proposed to be appointed/re-appointed are as under-

Agenda Item No.	3	5
Name of the Director	Mrs. Mamta Mangaldas	Ms. Gargi Mashruwala
Director Identification Number (DIN)	00021078	00032543
Date of Birth	21.12.1966	11.12.1964
Qualification & Brief Profile including Expertise	Refer: Note-1	Ref: Note-2
Disclosure of relationship with other Director's	She is Wife of Mr. Aditya Mangaldas, Managing Director of the Company	Ms. Gargi Mashruwala, an appointee and Mr. Aditya Mangaldas, Managing Director of the Company hold common directorship in St. Judes India Childcare Centres, a NGO working for cancer patients
Directorships in other Listed Companies	Digital Electronic Ltd	None
Memberships/ Chairmanship of Audit and Stakeholders Relationship Committees across other Public Companies	Member in Audit Committee, Nomination & Remuneration Committee, and *Corporate Social Responsibility Committee, and Chairperson in Stakeholder Relationship Committee of The Victoria Mills Ltd	Chairperson in Audit Committee & Nomination & Remuneration Committee of The Victoria Mills Ltd (w.e.f May 05, 2017)
Shareholding in The Victoria Mills Ltd	3952	Nil

\* Corporate Social Responsibility Committee has been dissolved w.e.f. May 5, 2017.

**Note-1: Qualification, Brief Profile and Expertise of Mrs. Mamta Mangaldas**

2000-2003	<b>EDUCATION</b> <b>Harvard Graduate School of Education</b> , Cambridge, USA Online courses: Web tools to support learning, Multiple Intelligence Theory, Teaching for Understanding. Special focus on museums as an educational resource.
1988-1990	<b>London Business School</b> , London, UK Masters in Business Administration
1983-1988	<b>St. Xavier's College</b> , Mumbai, India Bachelor of Arts (Economics, Sociology, Statistics)
	<b>CHILDREN'S PUBLICATIONS</b>
2012-2014	<b>The Mighty Tale of Hanuman</b> , Mehrangarh Museum Trust. Narrated by Hanuman, the divine monkey, The Mighty Tale of Hanuman, is the fantastic Story of Ram's journey to rescue his wife Sita. The book is illustrated with magnificent 18 <sup>th</sup> century <i>Ramayana</i> paintings from the collection of the Mehrangarh Museum Trust. Co-author: Saker Mistri
2006-2008	<b>The Kidnapping of Amir Hamza</b> , Mapin Publishing. The Kidnapping of Amir Hamza is a retelling of an episode from the Persian epic; the <i>Hamzanama</i> – a great favourite of the Mughal Emperor Akbar. It is illustrated with original 16 <sup>th</sup> century paintings from the MAK Museum in Vienna. Co-author: Saker Mistri.
	<b>TRAVEL PUBLICATIONS</b>



2011-2015	National Geographic Traveller. Freelance articles on travel and food.
2008	Vogue. Freelance article on food.
	<b>CHILDREN'S WORKSHOPS</b>
2008 - ONGOING	<b>Art Workshops</b> to introduce children to Indian art at Jaipur Lit Fest 2015, Times Of India Lit Fest 2014, National Centre for the Performing Arts, Kala Ghoda Art festival, various schools in Mumbai.
2009-2010	<b>Hillspring International School, Mumbai</b> Started the 360-degree Education program (grades 6 to 10) focusing on teaching children how to study and use their brains better.
2000-2002	<b>Prince of Wales Museum, Mumbai</b> Started the "Young Friends of the Museum" program, Created and Conducted workshops: <i>The Adventures of Rama, The Tale of Nala and Damayanti</i> through Indian Miniature painting: story and art workshops. Stories in Stone: Sculpture gallery Trail.
1997-2000	<b>Sunflower Nursery School, Mumbai</b> Gardening and Storytelling
	<b>PUBLIC SERVICE INITIATIVES</b>
2006 - PRESENT	<b>St. Jude India Child Care Centres, Mumbai</b> , a provider of safe accommodation and psychosocial support to underprivileged families with children receiving cancer treatment in leading Indian cities. Team Leader for Education, Counselling and Recreation Program.
2010 - PRESENT	<b>Balanand Slum School, Mumbai</b> providing educational inputs to underprivileged children living in the nearby slums

**Note-2: Qualification, Brief profile and Expertise of Ms Gargi Mashruwala**

- A graduate in Commerce, with over 17 years experience of working in the NGO sector.
- Financial Controller and Project Director at Indian National Trust for Art and Cultural Heritage (INTACH) since 1999, managed the finances for Rs. 5 crore, project of Restoration and Revitalisation of the Dr. Bhau Daji Lad Mumbai City Museum, which was awarded UNESCO's highest award – Asia Pacific Award of Excellence in 2005.
- Assist the Managing Trustee and Hon. Director, Dr. Bhau Daji Lad Museum, to manage the corpus of the Trust, HRD and liaison with the Municipal Corporation of Mumbai, the owners of the Museum.
- Vice Chairman, since 2007, at St. Jude India Childcare Centres, a section 8 Company, that creates Centres of Hope to provide shelter and holistic care to children and their family, who travel to the city for the treatment of Cancer.

**19) E-Voting:**

**Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **Sunday, September 24, 2017 (9.00 A.M) and ends on Tuesday September 26, 2017 (at 5.00 P.M.)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Wednesday, September 20, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.  
*NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".*
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - **Login**
    - (iv) Put your user ID and password. Click Login.
    - (v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "The Victoria Mills Ltd".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [nilesh@ngshah.com](mailto:nilesh@ngshah.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
    - (i) The member(s) whose email ID is not registered with the Company/Depository Participants(s), may obtain a login ID



and password for casting his /her vote by remote e-voting by sending a request at **Email-Id:** [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on **Toll free no:** 1800-222-990

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

*NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).*

*In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).*

*In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No Folio No).*

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **Wednesday, September 20, 2017**.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **Wednesday, September 20, 2017**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- IX. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to

vote again at the AGM.

- XII. 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 AGM through ballot paper.
- XIII. Mr. Nilesh Shah, Practising Company Secretary (FCS No. 4554, CP No. 2631) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://www.victoriamills.in> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

#### By Order of the Board of Directors

Place: Mumbai  
Date: May 05, 2017

For The Victoria Mills Limited

Registered Office:  
Victoria House,  
Pandurang Budhkar Marg,  
Lower Parel,  
Mumbai- 400 013

**Rashmikan Shah**  
**Chairman**  
**(DIN: 07111006)**

## Explanatory Statement

The following Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, ("the Act") sets out all material facts relating to the business mentioned in item no. 5 in the accompanying Notice of the Annual General Meeting.

### Item No. 5

Pursuant to Section 161 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on May 05, 2017 has appointed Ms. Gargi Mashruwala as an additional Director with effect from May 05, 2017 to hold office up to this Annual General Meeting. The Company has received notice in writing alongwith the required deposit amount under Section 160 of the Act from the member proposing her candidature for the office of Director.

Ms. Gargi Mashruwala is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to Act as Director. She has also given a declaration that she meet the criteria of Independence mentioned in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.

The brief profile of Ms. Gargi Mashruwala is provided in the notes of the Notice to the Annual General Meeting.

The Special Resolution in terms as set out in Item No. 5 of the accompanying Notice is placed before the members in the Annual General Meeting for approval.

Except Ms. Gargi Mashruwala, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution.

However, it is to be noted that Ms. Gargi Mashruwala, an appointee and Mr. Aditya Mangaldas, (DIN: 00032233) Managing Director of the Company hold common directorship in St. Judes India Childcare Centres, a NGO working for cancer patients.

#### By Order of the Board of Directors

Place: Mumbai  
Date: May 05, 2017

For The Victoria Mills Limited

Registered Office:  
Victoria House,  
Pandurang Budhkar Marg,  
Lower Parel,  
Mumbai- 400 013

**Rashmikan Shah**  
**Chairman**  
**(DIN: 07111006)**



## BOARD'S REPORT 2016-17

### Dear Shareholders,

Your Directors present their 104<sup>th</sup> Annual Report on the working of the Company with audited Statement of Accounts for the year ended March 31, 2017 and the report of the auditors thereon.

### 1. FINANCIAL RESULTS:

PARTICULARS	2016-2017 (Amount In Rs.)	2015-2016 (Amount In Rs.)
Gross Profit for the year before providing for depreciation and taxation	1,53,20,226	15,87,60,271
Less: Provision for depreciation	1,56,349	2,53,835
Tax expenses	32,50,000	3,60,00,000
<b>Profit</b>	<b>1,19,13,877</b>	<b>12,25,06,436</b>
Add: Balance brought down from the previous year	26,44,50,799	16,01,25,588
<b>Balance available for appropriation</b>	<b>27,63,64,676</b>	<b>28,26,32,024</b>
Less: Transfer to General Reserve	12,00,000	1,22,50,000
<b>Balance</b>	<b>27,51,64,676</b>	<b>27,03,82,024</b>
Less: Dividend on Equity shares	-	49,28,000
Tax on Dividend	-	10,03,225
<b>Balance to be carried forward</b>	<b>27,51,64,676</b>	<b>26,44,50,799</b>

The Company proposes to transfer an amount of Rs. 12,00,000/- to the General Reserve. An amount of Rs. 27,51,64,676/- is proposed to be retained in the statement of Profit and Loss.

### 2. OPERATIONAL REVIEW:

Profit before depreciation and taxation was Rs. 1,53,20,226 against Rs. 15,87,60,271/- in the previous year. After providing for depreciation and taxation of Rs. 1,56,349 and Rs. 32,50,000/- respectively, the net profit of the Company for the year under review was placed at Rs. 1,19,13,877/- against Rs. 12,25,06,436/- in the previous year.

### 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 have pleasure in recommending for approval of the members at the Annual General Meeting a dividend of 50% (at par with previous year). The Dividend of 50%, if approved at the forth coming Annual General Meeting, 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.

Further, pursuant to Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 read with Circular No. 4/2016 dated April 27, 2016 no provision has been

made for Dividend in the Books of Accounts. However, details has been covered in Note 18(12) of the Financial Statement.

### 5. FINANCE:

Cash and cash equivalent as at March 31, 2017 was Rs. 2,413,591/- 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.

Further, in reference to Ministry of Corporate Affairs notification dated March 30, 2017 with respect to Specified Bank Notes details has been covered in Note 18(11) of the Financial Statements.

### 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 AND INVESTMENTS:

During the year under review, the Company has neither granted any Loan or nor has given any guarantee.

However, the company had 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 vide its Board Resolution dated August 13, 2014. As on March 31, 2017 the outstanding loan is Rs. 80 lakhs.

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. Birjukumar Godhani had resigned from the position of Company Secretary w.e.f September 30, 2016 and Mr. Dhiraj Gupta was appointed as the Company Secretary and Compliance officer of the Company with effect from November 14, 2016.

Mr. Dady K Contractor, (DIN: 00145219) Independent Director of our Company has resigned with effect from February 10, 2017 due to age and health problems.

Ms. Gargi Mashruwala, (DIN: 00032543) has been appointed as additional cum Independent Director of the Company w.e.f May 05, 2017 to hold office up to ensuing Annual General Meeting to be held September 27, 2017. The Board hereby recommend her appointment as Independent Director of the Company in the ensuing Annual General Meeting.

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 Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mrs. Mamta Mangaldas (DIN: 00021078), Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment. Board recommends her re-appointment to the shareholders at the ensuing AGM.

## 10. BOARD EVALUATION:

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.

## 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.victoriamilks.in](http://www.victoriamilks.in)

## 12. MEETINGS OF THE BOARD AND ITS COMMITTEES:

During the year under review, Four (4) Board Meetings, Four (4) Audit Committee meetings, Four (4) Stakeholders Relationship Committee meetings and One (1) Nomination and Remuneration Committee meetings and One (1) Corporate Social Responsibility 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 RESPONSIBILITY 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:

Section 139(2) of the Companies Act, 2013 provides that no listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint—

- (a) an individual as auditor for more than one term of five consecutive years; and
- (b) an audit firm as auditor for more than two terms of five consecutive years.

M/s Sorab S Engineer & Co has been acting as Auditor of the Company since Incorporation of the Company i.e. January 1913 and accordingly they cannot be re-appointed as Statutory Auditor of the Company.

The Board at their meeting held on May 05, 2017 has recommended the appointment of M/s. Vasani & Thakkar, Chartered Accountants, Mumbai (Firm Registration No. 111296W). The Company has received a confirmation letter from the Auditors to the effect that their appointment, if made, will be within the prescribed limits of the Companies Act, 2013 and that they are not disqualified for 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). Pursuant to provision Section 139(1) of the said Act the Board recommends their appointment as Auditors for 5 years i.e. from the conclusion of 104<sup>th</sup> Annual General Meeting till the Conclusion of Sixth Annual General Meeting to be held after this Annual General Meeting i.e. 109<sup>th</sup> Annual General Meeting.

Being the Statutory Auditors for the Financial Year 2016-2017, M/s. Sorab S. Engineer & Co., Chartered Accountants, has audited the Books of accounts.

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 Board's Report and is annexed herewith as Annexure-B

## 17. MANAGEMENT DISCUSSION & ANALYSIS:

The detailed Management Discussion & Analysis Report is annexed herewith as "Annexure-C"





# **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 had Constituted Corporate and Social Responsibility (CSR) Committee.

However, The Statutory Auditor of the Company had given a certificate that the Net profit of the Company calculated under Section 198 of the Companies Act, 2013 is not enough to mandate the company to contribute for CSR Expenditure vide its certificate dated May 24, 2016. Hence, we did not contribute for CSR.

Again in Financial Year ended March 31, 2017 the profit is less than the limit prescribed. Hence, Board at their meeting held on May 05, 2017 has dissolved the CSR Committee.

# **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-D" to this report.

# **20. PARTICULARS OF EMPLOYEES:**

Disclosures with respect to remuneration required pursuant to Section 197 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is Annexed here as "Annexure-E" and will also 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. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Further, the Company does not have any employee whose remuneration exceeds the limits prescribed in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

# **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.

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-F" attached to this Report.

# **22. SUBSIDIARY COMPANY:**

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

Disclosure pursuant to sub section (3) of section 129 read with Rules 5 of Companies (Accounts) Rules, 2014 is annexed to the Financial Statement.

# **23. FOREIGN EXCHANGE EARNING AND OUT-GO:**

During the year under review, foreign exchange earnings and outgoings flow were as under-

	FOREIGN EXCHANGE EARNING AND OUT GO	Current Year 2016-2017	Previous Year 2015-2016
1	Earning in Foreign Exchange	Nil	Nil
2	Outgoing in Foreign Exchange(Travelling)	1,47,929	1,99,224

# **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-G" 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 March 31, 2017 impacting the going concern status and company's operations in future.

# **29. ACKNOWLEDGEMENT:**

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**

**Rashmikan Shah**  
Chairman  
(DIN: 07111006)

Place: Mumbai  
Date: May 05, 2017

**“ANNEXURE-A” TO BOARD’S REPORT**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

[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, 2017, 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 31<sup>st</sup> March, 2017, 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) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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;
- (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 Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

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