



Annual Report

2017-18

●●● **VIKALP SECURITIES LIMITED** ●●●

Registered Office : 25/38, Karachi Khana, Kanpur - 208001, Uttar Pradesh

CIN : L65993UP1986PLC007727 , CONTACT NO. : 0512 - 2372665

EMAIL ID : vikalpsecuritieslimited@gmail.com,

WEBSITE : www.vikalpsecurities.com

VIKALP SECURITIES LIMITED

BOARD OF DIRECTORS

Arun Kejriwal (Managing Director)
Tej Narain Agarwal (Independent Director)
Sharad Tandon (Independent Director)
Vinod Kumar Sharma (Independent Director)
Ashish Dixit (Non Independent Director)
Sonali Kejriwal (Non Independent Director)

BANKERS

State Bank of India
Birhana Road, Kanpur

KEY MANAGERIAL PERSONNEL

Arun Kejriwal (Managing Director)
Neetika Gupta
(Company Secretary & Compliance Officer)
Ashish Dixit (Chief Financial Officer)

REGISTERED OFFICE

25/38, Karachi Khana
Kanpur - 208001,
Uttar Pradesh,
Contact No. 0512-2372665,
E-Mail id : vikalpsecuritieslimited@gmail.com
website : www.vikalpsecurities.com
CIN : L65993UP1986PLC007727

AUDITORS

STATUTORY AUDITORS

ALOK BASUDEO & Co.
Chartered Accountants
16/17G, Civil Lines,
Kanpur - 208 001

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area,
Phase-1, New Delhi-110020,
Contact Number : 011-26812682, 83
Fax No. : 011-26812682
Email Id : admin@skylinerta.com

SECRETARIAL AUDITORS

Adesh Tandon & Associates
Company Secretaries
"Kan Chambers"
Office No. 811, 8th Floor,
14/113, Civil Lines,
Kanpur - 208001

INTERNAL AUDITORS

Dhanuka Gupta & Co.
Chartered Accountants
48/82, Near Jagannath Ji Mandir,
General Ganj,
Kanpur-208001

Thirty Second Annual Report

CONTENTS

1-4	Notice
5-29	Directors' Report
30-31	Management Discussion and Analysis Report
32	Declaration by Managing Director
33-38	Auditors' Report
39	Balance Sheet
40	Statement of Profit & Loss
41-43	Cash Flow Statement
44-49	Notes forming part of Balance Sheet
50-59	Notes forming part of Profit & Loss Account
60	Route Map for Reaching To The Venue
61-62	MGT-11 Proxy form
63	Attendance Slip

ANNUAL GENERAL MEETING	29TH OF SEPTEMBER, 2018
TIME	09:00 A.M.
VENUE	25/38, KARACHI KHANA, KANPUR-208001, UTTAR PRADESH
BOOK CLOSURE	22ND OF SEPTEMBER, 2018 TO 28TH OF SEPTEMBER, 2018 (BOTH DAYS INCLUSIVE)

Vikalp Securities Ltd.

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EMAIL ID : vikalpsecuritieslimited@gmail.com , WEBSITE : www.vikalpsecurities.com

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of Vikalp Securities Limited will be held on Saturday, the 29th day of September, 2018 at 09:00 A.M at the registered office of the company at 25/38, Karachi Khana, Kanpur, Uttar Pradesh -208001 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2018 including audited Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors ("the Board") and the Auditors thereon.
2. To appoint a Director in place of Mr. Sharad Tandon (DIN: 00687841), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

**Place : Kanpur
Date : 28/08/2018**

**By Order of the Board of Directors
Arun Kejriwal
(Managing Director)**

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE THIRTY SECOND ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY I.E FORM MGT-11, IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED, SIGNED.**

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the 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 shareholder. The holder of proxy shall prove his identity at the time of attending Meeting. The instrument appointing a proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. A blank proxy form is enclosed with this notice.

With reference to SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 it has made amendment to Regulation 40 of the SEBI (LODR) Regulations, 2015 and mandated that transfer of securities would be carried out in dematerialized form only w.e.f 5th December, 2018. Therefore, Members who still hold share certificates in physical form are advised to dematerialize their shareholding as any transfer would not be made effective in physical form w.e.f 5th December, 2018.

2. In accordance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the business may be transacted through electronic voting system and the company is pleased to provide the facility for remote e-voting to its members. The Company has engaged National Securities Depositories Limited (NSDL) for providing Remote E-voting services through the e-Voting platform of NSDL. In this regard, your Demat Account/Folio Number has been enrolled by the company for your participation in voting on resolutions placed by company on e-Voting system. Remote E-voting is optional and not mandatory and Members desiring to opt for Remote E-voting are requested to read the instructions below:

Voting through Electronic Means

The process of login to e-Voting website is given below:

In case Member receives an email from NSDL (if members whose email IDs are registered with the Company/Depositories Participant)

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file "vikalpsecuritieslimited e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting

Thirty Second Annual Report

2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on "Shareholder - Login".
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
7. Select "EVEN" of VIKALP SECURITIES LIMITED. Members can cast their vote online from **September 26, 2018 (9:00 A.M) till September 28, 2018 (5:00 P.M.)**.
Note: e-Voting shall not be allowed beyond said time.
8. Now you are ready for "e-Voting" as "Cast Vote" page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also 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 adesh.tandon11@gmail.com with a copy marked to evoting@nsdl.co.in.

Other information :

- o Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- o Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; www.icicidirect.com for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website www.icicidirect.com. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

Shareholders who have not registered their e-mail Id and will be receiving physical copy of the Notice of AGM:

- i) User ID and Password is provided at the remote e-voting sheet sent alongwith this Annual Report
- ii) Please follow all steps given for new users from Sl. No. (2) to Sl. No. (9) above, to cast vote.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.
4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
5. It may be noted that this remote e-voting facility is optional. The remote e-voting facility will be available at the link <https://www.evoting.nsdl.com> during the following voting period:

Commencement of remote e-voting: From 9:00 A.M.. IST on 26th September, 2018

End of remote e-voting: Upto 5:00 P.M IST on 28th September, 2018

Remote e-Voting shall not be allowed beyond 5:00 p.m. of 28th September, 2018.

6. At the venue of Annual General Meeting, voting shall be allowed through poll papers and the Members attending Annual General Meeting and who have not casted their vote by Remote E-voting shall be entitled to cast their vote through such Poll Paper mode.
7. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Saturday, September 22nd 2018 (the "Cut Off Date") only shall be entitled to vote through Remote E-voting and at the Annual General Meeting. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date. A person who is not a member as on the cut-off date mentioned above should treat this Notice for information purposes only.
8. Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM and holding shares as on the Cut Off date of Saturday, September 22nd 2018, may obtain their user ID and password for Remote E-voting from the Company's Registrar and Share Transfer Agent (RTA) or NSDL.

Vikalp Securities Ltd.

9. Please note that a Member may participate in the Annual General Meeting even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the Annual General Meeting. If a Member casts votes through Remote E-voting and also at the Annual General Meeting, then voting done through Remote E-voting shall prevail and voting done at the Annual General Meeting shall be treated as invalid.
10. For proper conduct of the Annual General Meeting, Members/Proxies should fill the attendance slip for attending the Meeting. Members who hold share(s) in electronic form are requested to write their DP ID and Client ID number and those who hold share(s) in physical form are requested to write their folio number and put their sign, at the places provided on the attendance slip and hand it over at the entrance of the venue to facilitate identification of membership at the Meeting.
11. The Board of Directors of Company has appointed Mr. Adesh Tandon, Practicing Company Secretary (Membership No. F2253 and Certificate of Practice No.1121) who is not in employment of the company, as 'Scrutinizer' for conducting the remote e-voting process and for conducting poll process at the Annual General Meeting in a fair and transparent manner. The Scrutiniser has given his consent to act as such.
12. The Scrutinizer shall, immediately after conclusion of the meeting, first count the votes cast at the meeting, therefore unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in employment of the company and shall make a combined Scrutinizer's Report of the votes cast in favour of or against, if any, to the Chairman of the Company.
13. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd September, 2018.
14. As soon as the scrutinizer submits its report to the company, the results declared alongwith the combined Scrutinizer's Report shall be displayed at the Registered Office of the Company and shall be placed on the website of the company and on the website of National Securities Depository Limited and will be communicated to all the Stock Exchanges where company is Listed.
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at Annual General Meeting.
16. The Notice of Annual General Meeting, Annual Report and Attendance Slip are being made available in electronic mode to Members whose email IDs are registered with the Company or Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participants(s). Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend Annual General Meeting.
17. A corporate member intending to send its authorized representative to attend the Meeting in terms of section 113 of the Companies Act, 2013 is requested to send the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf in the meeting.
18. 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.
19. The Register of Members and the Share Transfer Books of the Company shall remain closed from 22nd September 2018 to 28th September 2018 (both days inclusive).
20. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to inform the change of their registered address to our Registrar and Transfer Agent (RTA), M/s Skyline Financial Services Private Limited having registered office at D-153 A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 by quoting their folio number. The contact details of our Registrar and Transfer Agent are available on the company's website i.e. www.vikalpsecurities.com under investors tab.
21. No amount is lying with the company as contemplated in Section 205A of the Companies Act, 1956 or any other corresponding provision, if effective of the Companies Act, 2013. Hence question to transfer to the Investor Education and Protection Fund (IEPF Fund) does not arise.
22. Members desirous of obtaining any information with regard to the Annual Reports are requested to write to the Company's Registered Office at Kanpur at least ten days before the date of Annual General Meeting so that the information can be made available at the meeting.

Thirty Second Annual Report

23. Members are requested to quote their Registered Folio Number/Client ID No. & Depository Participant (D.P) ID number on all correspondence with the Company.
24. Non-Resident Indian members are requested to inform the Company's Registrar and Share Transfer Agent i.e. M/s Skyline Financial Services Private Limited, immediately of change in their residential status on return to India for permanent settlement together with the particulars of their bank Account maintained in India with complete name, branch, account type, account number and address of bank with Pin Code Number, if not furnished earlier.
25. All the documents, if any, referred to in the accompanying Notice, will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of 32nd Annual General Meeting of the Company.
26. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all the communications including Annual Report, Notices, Circulars, etc. from the Company electronically. Members holding shares in physical form are requested to intimate their email addresses to the Company's Registrar and Share Transfer Agent i.e. M/s Skyline Financial Services Private Limited and members holding shares in electronic form are requested to intimate the change to their respective depository participant.
27. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
28. 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 details to the Company's Registrar and Share Transfer Agent i.e. M/s Skyline Financial Services Private Limited.
29. Shareholders who are at present holding shares in physical form are requested to convert their holding into dematerialized form in order to save themselves from the risk associated with holding shares in physical form like loss of share certificate etc. For the same shareholders can contact our Registrar and Share Transfer Agent i.e. Skyline Financial Services Private Limited, the contact details of which is available on the website of the company.
30. For the convenience of members the route map of the venue of the meeting is depicted at the end of the Notice.
31. A copy of this notice is also available on the website of the company i.e. www.vikalpsecurities.com at the Investors tab.
32. Members are requested to bring their copies of the Annual Report to the meeting.

Place : Kanpur
Date : 28/08/2018

By Order of the Board of Directors
Arun Kejriwal
Managing Director

Vikalp Securities Ltd.

Directors' Report

To

The Members,

Your Directors have pleasure in presenting their 32nd Annual Report together with Audited Financial Statements of the Company for the year ended 31st March 2018.

FINANCIAL RESULTS :

Particulars	2017-2018	2016-2017
Total Income	3044792.50	3649749.50
Profit before Interest, Depreciation & Tax	1033783.80	1720753.76
Less : Depreciation	2038.54	2038.54
Interest	181584.67	590545.00
PBT/(Loss) Before Tax & exceptional items	850160.59	1128170.22
Less: Exceptional items	0.00	0.00
Profit (loss) before tax	850160.59	1128170.22
Less : Fringe Benefit Tax	0.00	0.00
: Deferred Tax Assets /(Liability)	379	-580
: Current Year Income tax	262700	345800.00
: Earlier year excess provision of Income Tax	-4387	-960.00
: Prior Period Income/(Expenses)	-	-
Profit for the period	583452.59	780830.22

FINANCIAL PERFORMANCE :

During the year under review, the total income of the Company is **Rs. 30,44,792.50** as compared to previous year is **Rs. 36,49,749.50**. The Company has gained a profit before tax of **Rs. 8,50,160.59** as compared to profit of **Rs. 11,28,170.22** in the previous year.

SHARE CAPITAL :

The paid up Equity Share Capital of the company as on 31st of March, 2018 is Rs. 3,05,19,000/-. During the year under review, the company has not issued any shares, stocks.

DIVIDEND :

In order to conserve the resources of the Company, the Board of Directors has not recommended any dividend for the financial year ended on 31st of March, 2018.

BUSINESS ACTIVITIES:

The company has deployed surplus funds for the time being in securities as investment and granted loans for the purpose of gain.

STATE OF COMPANY'S AFFAIRS:

Income

The Company has for the year ended on 31st of March, 2018, reported a total revenue of Rs. 30,44,792.50 as compared to Rs. 36,49,749.50 in financial year ended on 31st of March, 2017.

The profit before tax is Rs. 8,50,160.59 for the year ended 31st of March, 2018 as compared to Rs. 11,28,170.22 in the financial year ended on 31st of March, 2017.

The Net profit for the current year is Rs. 5,83,452.59 as compared to net profit of Rs. 7,80,830.22 in previous year. .

Expenses:

The total expenses for the current year is Rs. 2194631.91 as compared to net profit of Rs. . 2521579.28 in previous year.

CHANGE IN NATURE OF BUSINESS:

There is no change in the nature of business of the Company during the year under review.

FIXED DEPOSITS:

The Company has not accepted any deposits under section 73 or 76 of the Companies Act, 2013 during the period under review and as such no amount of principal or interest was outstanding on the date of the Balance Sheet.

CONSTITUTION OF VARIOUS COMMITTEES:

The Board of Directors of the Company has constituted the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee in accordance with the requirement of Companies Act, 2013. They function according to their respective roles and defined scope and in accordance with the terms of reference specified by Board of Directors. Constitution of above committees are as follows :

AUDIT COMMITTEE

NAME OF MEMBER	DESIGNATION	EXECUTIVE/NON-EXECUTIVE AND INDEPENDENT/NON-INDEPENDENT DIRECTOR
Mr. Vinod Kumar Sharma	Chairman	Non-Executive and Independent Director
Mr. Sharad Tandon	Member	Non-Executive and Independent Director
Mr. Ashish Dixit	Member	Non-Executive and Non-Independent Director
Mr. Tej Narain Agarwal	Member	Non-Executive and Independent Director

NOMINATION AND REMUNERATION COMMITTEE

NAME OF MEMBER	DESIGNATION	EXECUTIVE/NON-EXECUTIVE AND INDEPENDENT/NON-INDEPENDENT DIRECTOR
Mr. Tej Narain Agarwal	Chairman	Non-Executive and Independent Director
Mr. Vinod Kumar Sharma	Member	Non-Executive and Independent Director
Mr. Sharad Tandon	Member	Non-Executive and Independent Director

STAKEHOLDERS RELATIONSHIP COMMITTEE

NAME OF MEMBER	DESIGNATION	EXECUTIVE/NON-EXECUTIVE AND INDEPENDENT/NON-INDEPENDENT DIRECTOR
Mr. Sharad Tandon	Chairman	Non-Executive and Independent Director
Mr. Arun Kejriwal	Member	Executive and Non- Independent Director
Ms. Sonali Kejriwal	Member	Non-Executive and Non-Independent Director

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

DIRECTORS :

Mr. Sharad Tandon, the director of the company retires by rotation in the Annual General Meeting of the Company for the financial year 2017-2018 and being eligible has offered himself for re-appointment.

KEY MANAGERIAL PERSONNEL :

The required information as per Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding the directors seeking appointment and re-appointment at the Annual General Meeting for the financial year ended on 31st of March, 2018 is annexed to the notice of the Annual General Meeting.

Vikalp Securities Ltd.

RISK MANAGEMENT POLICY:

The Company appreciates the fact that management of risk is an essential element of growth and for the same, assessing the risk and taking steps to control and curb it is necessary. Thus the Board has implemented a well laid out risk management plan in the company and suitably incorporated procedures in it for assessing and minimizing the prospective risks to which the company may be exposed. The Audit Committee also monitors and evaluates the risk management plan placed in the company from time to time in order to review if it is working properly and if it needs any kind of modification. The board has not identified any element of risk which can create a threat to the company's business or its existence during the period under review.

FORMAL ANNUAL EVALUATION OF BOARD OF DIRECTORS AND ITS COMMITTEES AND INDIVIDUAL DIRECTORS :

Performance evaluation of the Board of Directors of the Company

As per the evaluation criteria formulated by the Nomination and Remuneration Committee of the committee, the Board has evaluated its own performance in context of company's performance, status of compliance carried out, efforts made towards risk management, internal control, code of conduct followed and maintained by them, ethical standards met. Below are some of the criteria on the basis of which Board has made its evaluation at specific intervals :

- 1) Size and composition of the Board of Directors of the company as per Companies Act, 2013.
- 2) Diversity of thought, experience, knowledge, perspective, efficiency of board members to take initiatives and bringing out new ideas and gender in the Board of Directors of the company.
- 3) Maintaining transparency in the entire board processes.
- 4) Any deviations, if any, from the set goals of the Board and steps taken to control such deviations.
- 5) Efficiency and effectiveness of the Board of Directors of the Company in carrying out its functions.
- 6) Timely flow of information among the Board of Directors.
- 7) Updation of knowledge of governing laws, rules and regulations.
- 8) Independent judgement of each matter placed before the Board of Directors.

After evaluating its own performance, Board is of the view that the performance of the Board of Directors as a whole was satisfactory during the financial year 2017-2018.

Performance evaluation of the Committees of Board of Directors of the Company

The Board of Directors of the company evaluated the performance of each of its committees on the basis of various criteria such as composition of committee, quantum and quality of information received by the committee members, time spent for discussing the matter and reaching out to the final decision, efficiency and effectiveness of the decision making of the committee members, level of active participation of committee Members, number of meetings attended by the members, presence of the Chairman of the committee, follow up of action taken.

On the basis of the above criteria and the working procedure established by the Board of Directors of the company, the Board is of unanimous consent that all the committees of the company are working satisfactorily.

Performance evaluation of the Independent Directors of the Company

As per the criteria formulated by Nomination and Remuneration Committee for the performance evaluation of Independent directors, the performance of each Independent director was evaluated by the entire Board of Directors but excluding the director being evaluated. While evaluation the following things were taken into consideration :

- 1) Application of Independent judgement while taking decision as part of the Board of Directors of the company
- 2) Exercise of the responsibility in a bona fide manner in the interest of the company
- 3) Attendance in the meeting of Board of Directors and meetings of committees where independent director is a member.
- 4) Active participation in the familiarization programme conducted for the Independent Director.

Performance evaluation of the each individual director of the Company

Further the Board evaluated during the year, the performance of each Director taking each of them as a separate individual, in order to judge the contribution and efforts made by them individually and the initiatives taken by them during the year. This helped the Board of Directors in deciding whether to extend the tenure of director being evaluated.

MATERIAL CHANGES AND COMMITMENTS THAT MAY AFFECT THE FINANCIAL POSITION OF THE COMPANY :

No material changes and commitments affecting the financial position of the company have occurred during the year under review and the period between the end of the financial year of the company and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE :

During the year under review, there were no significant and material orders passed by the Regulators, courts or Tribunals, which may impact the going concern status and company's operation in future.

INTERNAL FINANCIAL CONTROLS:

The existing internal financial control system is adequate and commensurate with the nature and size of the business of the company. The internal auditors of the company keep a follow up on the internal financial reporting and information dissemination of the company between the departments. The Audit committee of the company interacts from time to time with the internal auditors of the company regarding the adequacy of internal financial control system placed in the company.