

**MODERN CONVERTERS LIMITED**

**ANNUAL REPORT 2015**

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# Corporate Information

## Board Of Directors

Rajeev Chirimar  
Aem Shamar Prakash  
Ganga Dhar Sail  
Soumitra Trivedi  
Renu Sharma

Non- Executive Director  
Independent Director  
Executive Director  
Managing Director  
Independent Director

Chief Financial Officer	:	Ganga Dhar Sail
Compliance Officer & Company Secretary	:	Ms. Jaishree Kumari
Statutory Auditor	:	M/s Gupta Saharia & Co., Chartered Accountant, (FRN 103446W)
Registrar & Share Transfer Agent	:	Maheshwari Datamatics Pvt. Ltd. Address: 6 Mangoe Lane , 2nd Floor, Kolkata 700 001 Tel: 033 22482248 Email: <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a>
Registered Office	:	56E, Hemanta Basu Sarani, Old 4 B.B.D Bagh East, Room No 14A, Kolkata - 700001
Stock Exchange	:	Calcutta Stock Exchange
Email- Id	:	<a href="mailto:info@modernconvertors.com">info@modernconvertors.com</a>
Contact No.	:	033- 32635876
Bankers	:	HDFC Bank

**MODERN CONVERTERS LIMITED**

Regd Office: 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East,  
Room No. 14A, Kolkata - 700001, West Bengal  
Tel No: 033-3263 5876, email: [info@modernconvertors.com](mailto:info@modernconvertors.com)

**NOTICE**

Notice is hereby given that the 69<sup>th</sup> Annual General Meeting (AGM) of the shareholders of the Company will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001 at 2.00 P.M. to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2015 and the Balance Sheet as on that date and the Report of the Board of Directors and the Auditors Report thereon.
2. To appoint a director in place of Mr. Ganga Dhar Sail (holding Din 00402199) who retires by rotation and being eligible offer himself for re –appointment.
3. To appoint auditors of the Company and to fix their remuneration and to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139, and all other provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of audit committee of the Board, the Company hereby ratifies the appointment of M/s Gupta Saharia & Co., Chartered Accountants (Firm Registration No.: 103446W) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2019 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS**

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

“**RESOLVED THAT** Mr. Aem Prakash Shamar (holding Din 06931269) who was appointed as an additional director by the board of directors of the Company w-e-f 26.12.2014 pursuant to the provisions of sections 149 & 152 and all other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, and who holds office upto the date of this AGM in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director be and is hereby appointed as an Independent director on the Board of Directors of the Company to hold office upto 5 consecutive years upto 25<sup>th</sup> December, 2019 not liable to retire by rotation.

**“RESOLVED FURTHER THAT** the Board of Directors, be and are hereby authorized file relevant e-forms with the ROC and to execute all such papers, deeds and things, as may be required in connection to the above all resolutions.

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

**“RESOLVED THAT** Mrs. Renu Sharma (holding Din 07180731) who was appointed as an additional director by the board of directors of the Company w-e-f 26.03.2015 pursuant to the provisions of sections 149 & 152 and all other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, and who holds office upto the date of this AGM in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director be and is hereby appointed as an Independent director on the Board of Directors of the Company to hold office upto 5 consecutive years upto 25<sup>th</sup> March, 2020 not liable to retire by rotation.

**“RESOLVED FURTHER THAT** the Board of Directors, be and are hereby authorized file relevant e-forms with the ROC and to execute all such papers, deeds and things, as may be required in connection to the above all resolutions.”

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

**“RESOLVED THAT** in accordance with applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, Mr. Ganga Dhar Sail (DIN: 00402199), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 26.03.2015, pursuant to the Articles of Association of the Company and Section 161 (1) of the Companies Act, 2013, and who holds office upto the date of this Annual General Meeting and in respect of whom a written Notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member signifying his intention to propose Mr. Ganga Dhar Sail as a candidate for the office of Director of the Company, be and is hereby appointed as a Non – Independent Executive Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation.”

**Place: Kolkata**

**Date: 1<sup>st</sup> August, 2015**

**By Order of the Board  
For Modern Converters Limited**

**Sd/-  
(Soumitra Trivedi)  
Managing Director  
Din No - 00402241**

**NOTES:**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY SO APPOINTED NEED NOT TO BE MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**Pursuant to the provisions of Section 105 of the Companies Act, 2013 and rules framed thereunder, a person can act as a proxy on behalf of a member or members not exceeding 50 (Fifty) and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. Also, a member holding more than 10% of the total share capital of the company carrying voting rights, may appoint a single person as a proxy provided that such a person shall not act as a proxy for any other member or person.**

1. The Member /Proxies should bring the Attendance Slip Sent herewith duly filled for attending the Meeting.
2. Members holding shares in physical form are requested to inform the following additional information to the Registrar and Transfer Agents viz., Maheshwari Datamatics Pvt. Ltd. at 6, Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata- 700 001
  - a. Email Id
  - b. PAN No
  - c. Unique Identification No.
  - d. Mother's Name
  - e. Occupation
  - f. In case of a minor (Guardian's Name and date of birth of the Member)
  - g. CIN (In case the member is a body corporate)
3. The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
4. Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.
5. Electronic copy of the notice of the 69<sup>th</sup> Annual General Meeting (AGM) inter alia including the process and manner for e-voting along with proxy form and attendance slip to the members whose email-id is registered with the Company/ Depository Participant for communication purposes. However, the members who have not registered their email address shall be furnished with physical copy of the same in the permitted mode.
6. Shareholders are requested to affix their signatures at the space provided on the Attendance Slip and DP ID for easy identification of attendance at the meeting.
7. Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.

8. Corporate shareholders intending to send their authorized representatives are requested to serve a duly certified copy of the Boards Resolution authorizing their representatives to attend and vote at the AGM.
9. Shareholders are requested to notify immediately any change in their address to the Company Registrar and Transfer Agents viz., **Maheshwari Datamatics Pvt. Ltd., Mr. S. Rajagopal** (Vice President) 6, Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata- 700 001 Contact No.: 033-2248 2248, Fax- 033-2248 4787, E-Mail: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
10. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company shall remain closed from September 24, 2015 (Thursday) to September 30, 2015 (Wednesday) (both days inclusive).

**11. 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 Clause 35B of the Listing Agreement, 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 Central Depository Services (India) Limited (CDSL).
- II.** The facility for voting through poll 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 poll paper. 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.

**III. The process and manner for remote e-voting are as under:**

- i) The voting period begins on 27.09.2015 from 10.00 A.M and ends on 29.09.2015 till 5.00P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper / polling paper shall be made available at the AGM and the members as on the “cut-off date” i.e. Record date, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper / polling paper.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- iii) Click on “Shareholders” tab.
- 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](http://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> <p>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.</p> <p>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.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If 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 (vii).</p>

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 **Modern Converters Limited** 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.

- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same 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) Note for Institutional Shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

- xix) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

12. Institutional Members / Bodies Corporate (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 through e-mail at [rinkujain20@gmail.com](mailto:rinkujain20@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 29<sup>th</sup> September, 2015 upto 5:00 pm without which the vote shall not be treated as valid.
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 the cut-off date of 23<sup>rd</sup> September, 2015.
14. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 21<sup>st</sup> August, 2015.
15. The shareholders shall have one vote per equity share held by them as on the cut-off date of 23<sup>rd</sup> September, 2015. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
16. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2015 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

17. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2015 are requested to send the written / email communication to the Company Registrar and Transfer Agents viz., **Maheshwari Datamatics Pvt. Ltd., Mr. S. Rajagopal** (Vice President) 6, Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata-700 001 Contact No.: 033-2248 2248, Fax- 033-2248 4787, E-Mail: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com). Company by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
18. Ms. Rinku Jain (Practicing Chartered Accountant) (Membership No.ACS - 303262) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, which shall countersign the same and declare the result of the voting forthwith.
19. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.modernconvertors.com](http://www.modernconvertors.com) and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. The Calcutta Stock Exchange Limited.

**Place: Kolkata**

**Date: 1<sup>st</sup> August, 2015**

**By Order of the Board**

**For Modern Converters Limited**

**Sd/-  
(Soumitra Trivedi)  
Managing Director  
Din No - 00402241**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following explanatory statement pursuant to provisions of section 102 of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force), sets out all material facts relating to the business item of the accompanying Notice.

**ITEM NO. 4:**

Mr. Aem Prakash Shamar (holding Din: 06931269) who was appointed as an additional director by the board of directors of the Company w-e-f 26.12.2014. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mr. Aem Prakash Shamar will hold office upto the date of ensuing AGM.

The Company has received from Mr. Aem Prakash Shamar (i) consent in writing to act as a director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Aem Prakash Shamar as an Independent Director of the Company upto 25<sup>th</sup> December, 2019 pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

The Directors recommend the approval of the ordinary resolution. None of the Directors and the Key Managerial Personnel of the Company and their relatives except Mr. Aem Prakash Shamar is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**ITEM NO. 5:**

Mrs. Renu Sharma (holding Din: 07180731) who was appointed as an additional director by the board of directors of the Company w-e-f 26.03.2015. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mrs. Renu Sharma will hold office upto the date of ensuing AGM.

The Company has received from Mrs. Renu Sharma (i) consent in writing to act as a director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mrs. Renu Sharma as an Independent Director of the Company upto 25<sup>th</sup> March, 2020 pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

The Directors recommend the approval of the ordinary resolution.

None of the Directors and the Key Managerial Personnel of the Company and their relatives except Mrs. Renu Sharma is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

**ITEM NO. 6:**

Mr. Ganga Dhar Sail (holding Din: 00402199) who was appointed as an additional director by the board of directors of the Company w-e-f 26<sup>th</sup> March, 2015. Pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 Mr. Ganga Dhar Sail will hold office upto the date of ensuing AGM.

The Board considers it advantageous and in the interest of the Company to have Mr. Ganga Dhar Sail on Board.

The matter is being placed before the Members for their consideration and approval.

None of the Directors, Key Managerial Personnel or their relatives are interested in the above said resolution.

**Details of Director Proposed to be appointed/re-appointed at the Annual General Meeting**

**(In pursuance to Clause 49 of the Listing Agreement)**

<b>Name of Director</b>	Mr. Aem Prakash Shamar
<b>Age</b>	60 years
<b>Date of Appointment on the Board</b>	26/12/2014
<b>Expertise in specific field</b>	He is a commerce graduate and has the skills of handling any adverse trend in industry and business sense.
<b>Names of other Companies in which he/she holds Directorships</b>	Nil
<b>Chairman/ Member of the committee(s) of the Board of Directors of the Company</b>	<ul style="list-style-type: none"> <li>• Audit Committee- Chairman</li> <li>• Stakeholders Relationship Committee- Member</li> <li>• Nomination &amp; Remuneration Committee- Member</li> </ul>
<b>Chairman/ Member of the committee(s) of the Board of Directors of other Companies in which he/she is a Director</b>	Nil
<b>Shareholding in the Company</b>	Nil

<b>Name of Director</b>	Mrs. Renu Sharma
<b>Age</b>	40 years
<b>Date of Appointment on the Board</b>	26/03/2015
<b>Expertise in specific field</b>	She has an enriched experience of handling wholesale and retail customers
<b>Names of other Companies in which he/she holds Directorships</b>	Nil
<b>Chairman/ Member of the committee(s) of the Board of Directors of the Company</b>	<ul style="list-style-type: none"> <li>• Audit Committee- Member</li> <li>• Stakeholders Relationship Committee- Chairman</li> <li>• Nomination &amp; Remuneration Committee- Chairman</li> </ul>
<b>Chairman/ Member of the committee(s) of the Board of Directors of other Companies in which he/she is a Director</b>	Nil
<b>Shareholding in the Company</b>	Nil

<b>Name of Director</b>	Mr. Ganga Dhar Sail
<b>Age</b>	60 years
<b>Date of Appointment on the Board</b>	26/03/2015
<b>Expertise in specific field</b>	He is a graduate and have experience of over 7 years in the business of Finance Sector
<b>Chairman/ Member of the committee(s) of the Board of Directors of the Company</b>	<ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee- Member</li> <li>• Nomination &amp; Remuneration Committee- Member</li> </ul>
<b>Chairman/ Member of the committee(s) of the Board of Directors of other Companies in which he/she is a Director</b>	Nil
<b>Shareholding in the Company</b>	Nil

# MODERN CONVERTERS LTD

## DIRECTORS' REPORT

For The Financial Year 2014-15

Dear Members,

Your Directors have pleasure in presenting their 69<sup>th</sup> Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31<sup>st</sup>, 2015.

1. Standalone Financial Performance of the Company (Amount in Rs.)

Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
Profit Before Tax	130,011	59,901
Less: Deferred Tax	-	24,527
Current Tax	112,394	-
Profit After Tax	17,617	35,374
Add: Profit/ (Loss) Brought Forward From Previous Year	(1,272,961)	(1,308,335)
Transfer to General Reserve	-	-
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Loss carried forward to balance sheet	(1,255,344)	(1,272,961)
Basic/ Diluted Earnings Per Share	0.01	0.39

2. Dividend

Your Directors have not recommended any dividend for the financial year 2014-15 in view of re- investment of the surplus in order to maintain a healthy capital adequacy ratio to support long term growth of your company.

3. Transfer Of Unclaimed Dividend To Investor Education And Protection Fund

The provisions of Section 125(5) of the Companies Act, 2013 do not apply on the company as no dividend has been declared during the year.

4. Reserves

Your Directors have not proposed to transfer the accumulated profit to Reserves during the year.

5. Brief description of the Company's working during the year/State of Company's affair

The Company being a trading company is currently engaged in trading and investment in shares & securities.

6. Change in the nature of business, if any

There has been no change in the nature of the business of the Company during the year.

7. Post Balance Sheet Events

No material changes have been occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

9. Details of Subsidiary/Joint Ventures/Associate Companies

The company does not have any subsidiary companies.

10. Deposits

The company has neither accepted nor renewed any deposits during the year, covered under Chapter V of the Act.

11. Statutory Auditors

M/s Gupta Saharia & Co., Chartered Accountants, have been appointed as Statutory Auditors of the company till the conclusion of the Annual General Meeting of the company to be held in the year 2019 (subject to ratification of their re- appointment at every AGM) with remuneration shall be decided as per the Audit Committee.

12. Auditors' Report

The observations made by the Auditors are self- explanatory and do not require any further clarification. Further, the explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report shall be given.

13. Share Capital

Buy Back of Securities

The company has not bought back any of its securities during the year under review.

Sweat Equity, Bonus Shares & Employee Stock Option Plan

The company has neither issued sweat equity or bonus shares nor has provided any stock option scheme to the employees.

Preferential Issue of Capital

The company has issued 30,00,000 equity shares of Rs 10/- each amounting to Rs. 3,00,00,000/- on preferential basis to Non- Promoters during the year.

#### **14. Extract of the Annual Return**

The extract of the Annual Return pursuant to the provisions of section 92 read with Rule 12 of the Companies (Rules), 2014 is furnished in Annexure A (MGT - 9) and is attached to this Report

#### **15. Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo**

The provisions of section 134(m) of the Companies Act 2013 regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable to our company. The company does not have any Foreign Exchange transactions during the financial year.

#### **16. Corporate Social Responsibility (CSR)**

As the company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable.

#### **17. Directors:**

##### **A) Changes in Directors and Key Managerial Personnel**

During the period under review following changes were made in the composition of the Board of Directors and Key Managerial Personnel:

1. Mr. Soumitra Trivedi was appointed as an Executive Director w.e.f 27<sup>th</sup> October, 2014 and he was appointed as the Managing Director of the Company for a period of five years at the Extra-ordinary General Meeting held on 18<sup>th</sup> December, 2014.
2. At the Board Meeting held on 26/12/2014 and 26/03/2015 the following changes took place in the composition of Board of Directors:  
26<sup>TH</sup> December 2014
  - Mr. Aem Shamar Prakash was appointed as an Independent Director
  - Mrs. Sangita Chirimar resigned from the directorship of the company, and
  - Ms. Jaishree Kumari was appointed as Company Secretary.  
26<sup>TH</sup> March, 2015
  - Mr. Ganga Dhar Sail was appointed as an Executive Director
  - Mrs. Renu Sharma was appointed as an Independent Director, and
  - Mr. Raghav Chirimar resigned from the directorship of the company.
3. Mr. Ganga Dhar Sail, director of the company will also be appointed as the Chief Financial Officer w.e.f 28<sup>th</sup> March, 2015.

##### **B) Declaration by an Independent Director(s) and re- appointment**

Mr. Aem Shamar Prakash & Mrs. Renu Sharma, Independent Directors of the Company have confirmed that they fulfilled all the conditions of the Independent Directorship as laid down in sub-section (6) of Section 149 of the Companies Act, 2013 and the rules made there under and the same have been noted by the Board.

### C) Formal Annual Evaluation

In compliance with the Schedule IV of the Companies Act 2013, a meeting of the Independent Directors of the company was held to review and evaluate the performance of the Non-Independent Directors and the chairman of the company taking into account the views of the Executive Directors and Non- Executive Directors, assessing the quality, quantity and timeliness of flow of information between the company management and the Board and also to review the overall performance of the Board. The meeting of the company was held on 26/03/2015, wherein the performance of the Board as a whole was evaluated.

#### 18. Number of meetings of the Board of Directors

Seven Meetings of the Board of Directors were held during the financial year 2014-15. These were held on the following dates:

i) 30/06/2014, ii) 23/08/2014, iii) 27/10/2014, iv) 26/12/2014, v) 08/01/2015, vi) 04/02/2015, vii) 26/03/2015.

#### 19. Audit Committee

Composition of the Audit committee is in accordance with the requirements of section 177 of the Companies Act 2013 which is stated below:

Name	Designation
AEM SHAMAR PRAKASH	Chairman
RAJEEV CHIRIMAR	Member
SOUMITRA TRIVEDI	Member
RENU SHARMA	Member

#### 20. Order of Court

The company is not subject to any legal proceedings and claims which will have a material or adverse effect on the going concern status or company's operations or financial conditions.

#### 21. Sexual Harassment Of Women At Work Place

The company does have women employees; therefore the clause is applicable and hereby complied with.

#### 22. Details of establishment of vigil mechanism for directors and employees

Pursuant to sub-section (9) & (10) of section 177 of the Companies Act, 2013, read with rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Whistle Blower Policy (Vigil mechanism) for Directors and Employees of the Company to report their genuine concerns or grievances. The policy was approved by the Board of Directors of the Company at its meeting held on 26/03/2015 and the Audit Committee was empowered by the Board of Directors to monitor the same and to report to the Board about the complaints in an unbiased manner.

### **23. Nomination and Remuneration Committee**

Composition of the Nomination & Remuneration Committee is in accordance with the requirements of section 178(1) of the Companies Act 2013. The composition is as under:

Name	Designation
RENU SHARMA	Chairman
RAJEEV CHIRIMAR	Member
AEM SHAMAR PRAKASH	Member
GANGA DHAR SAIL	Member

### **24. Particulars of Loans, Guarantees or Investments**

There are no Loans, guarantees or Investments as per section 186 of the Companies Act, 2013.

### **25. Particulars Of Contracts Or Arrangements With Related Parties:**

Your company has no material individual transactions with its related parties which are covered under section 188 of the Companies Act, 2013, which are not in the ordinary course of business and not undertaken on an arm's length basis during the financial year 2014-15.

### **26. Managerial Remuneration:**

The Company earned minimal profit during the year so the Company has not provided any Managerial Remuneration to the Directors.

### **27. Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, Mr. Anand Kumar Khandelia was appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2015. There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in the secretarial audit report.

### **28. Corporate Governance Certificate**

The Corporate Governance certificate from the auditor regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement has been annexed with the report.

### **29. Corporate Governance Report and Management Discussion & Analysis Reports**

The Corporate Governance Report and Management Discussion & Analysis Report have been annexed with the report.

### **30. Risk management policy**

The company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

### **31. Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) 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;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **32. Acknowledgements**

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

For and on behalf of the Board of Directors

Sd/  
SOUMITRA TRIVEDI  
Managing Director  
(DIN: 00402241)

Sd/  
GANGA DHAR SAIL  
Director & CFO  
(DIN: 00402199)

Place: Kolkata  
Date: 28/05/2015

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L01132WB1946PLC013314
2	Registration Date	26/02/1946
3	Name of the Company	MODERN CONVERTERS LTD
4	Category/ Sub-category of the Company	Company Limited by shares/ Indian Non Government Company
5	Address of the Registered office & contact details	56E HEMANTA BASU SARANI OLD 4 BBD BAGH EAST, ROOM NO 14A, KOLKATA- 700001 Phone No: 033-32635877
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAHESHWARI DATAMATICS PRIVATE LIMITED 6, Mangoe Lane, Kolkata- 700001 Tel: 033-2243-5029/033-2248-2248, Fax: 2248-4787 Email ID: <a href="mailto:mdpfdc@yahoo.com">mdpfdc@yahoo.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading in Fabrics	46419	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
N.A					

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	47,711	47,711	53.01%	-	47,711	47,711	1.54%	-51.47%
b) Central Govt	-	-	-	-	-	-	-	-	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
d) Bodies Corp.	-	19,300	19,300	21.44%	-	19,300	19,300	0.62%	-20.82%
e) Banks / FI	-	-	-	-	-	-	-	-	0.00%
f) Any other	-	-	-	-	-	-	-	-	0.00%
<b>Sub Total (A) (1)</b>	-	67,011	67,011	74.46%	-	67,011	67,011	2.17%	-72.29%
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	0.00%
b) Other Individuals	-	-	-	-	-	-	-	-	0.00%
c) Bodies Corp.	-	-	-	-	-	-	-	-	0.00%
d) Any other	-	-	-	-	-	-	-	-	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	0.00%
<b>TOTAL (A)</b>	-	67,011	67,011	74.46%	-	67,011	67,011	2.17%	-72.29%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	0.00%
b) Banks / FI	-	-	-	-	-	-	-	-	0.00%
c) Central Govt	-	-	-	-	-	-	-	-	0.00%
d) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
e) Venture Capital Funds	-	-	-	-	-	-	-	-	0.00%
f) Insurance	-	-	-	-	-	-	-	-	0.00%
g) FIs	-	-	-	-	-	-	-	-	0.00%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0.00%
i) Others (specify)	-	-	-	-	-	-	-	-	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	0.00%

2. Non-									
a) Bodies Corp.									
i) Indian	-	-	-	-	30,00,000		30,00,000	97.09%	97.09%
ii) Overseas	-	-	-	-	-	-	-	-	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	22,989	22,989	25.54%	-	22,989	22,989	0.74%	-24.80%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	0.00%
c) Others (specify)	-	-	-	-	-	-	-	-	0.00%
Non Resident	-	-	-	-	-	-	-	-	0.00%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	0.00%
Foreign Nationals	-	-	-	-	-	-	-	-	0.00%
Clearing Members	-	-	-	-	-	-	-	-	0.00%
Trusts	-	-	-	-	-	-	-	-	0.00%
Hindu Undivided Family	-	-	-	-	-	-	-	-	0.00%
Sub-total (B)(2):-	-	22,989	22,989	25.54%	30,00,000	22,989	30,22,989	97.83%	72.29%
Total Public (B)	-	22,989	22,989	25.54%	30,00,000	22,989	30,22,989	97.83%	72.29%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	90,000	90,000	100.00%	30,00,000	90,000	30,90,000	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rajeev Chirimar	12550	13.94%	0.00%	12550	0.41%	0.00%	-13.54%
2	Manju Devi Chirimar	11500	12.78%	0.00%	11500	0.37%	0.00%	-12.41%
3	Kemi Fibre Industries Pvt Ltd.	11000	12.22%	0.00%	11000	0.36%	0.00%	-11.87%
4	Manju Devi Chirimar	8701	9.67%	0.00%	8701	0.28%	0.00%	-9.39%
5	Rajeev Chirimar HUF	4450	4.94%	0.00%	4450	0.14%	0.00%	-4.80%
6	Darjeeling Ropeway Co Ltd	4300	4.78%	0.00%	4300	0.14%	0.00%	-4.64%
7	Radio Supply Stores P Ltd.	4000	4.44%	0.00%	4000	0.13%	0.00%	-4.31%
8	Sangita Chirimar & Rajeev Chirimar	3000	3.33%	0.00%	3000	0.10%	0.00%	-3.24%
9	Keshav Chirimar	2800	3.11%	0.00%	2800	0.09%	0.00%	-3.02%
10	Rajeev Chirimar	2010	2.23%	0.00%	2510	0.08%	0.00%	-2.15%
11	Raghav Chirimar	1700	1.89%	0.00%	1700	0.06%	0.00%	-1.83%
12	Ramiwas Chirimar	500	0.56%	0.00%	0	0.00%	0.00%	-0.56%
13	Sangita Chirimar	300	0.33%	0.00%	300	0.01%	0.00%	-0.32%
14	Binod Kumar Chirimar	100	0.11%	0.00%	100	0.00%	0.00%	-0.11%
15	Chandra Kala Chirimar	100	0.11%	0.00%	100	0.00%	0.00%	-0.11%
	TOTAL	67011	74.46%	0.00%	67011	2.17%	0.00%	-72.29%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)							
SN	Name of the Promoter	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Ram Niwas Chrimar						
	At the beginning of the year	01-04-2014		500	0.56%		
	Changes during the year	16-03-2015	Transfer			500	0.02%
	At the end of the year	31-03-2015				0	0.00%
2	Rajeev Chrimar						
	At the beginning of the year	01-04-2014		14510	16.12%		
	Changes during the year	16-03-2015	Acquire			500	0.02%
	At the end of the year	31-03-2015				15010	0.49%
(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Pushpdant Barter (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
2	Dream Infraproperties (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
3	Safelift Merchants (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
4	Vedik Vintrade (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
5	Bhagwat Marcom (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
6	Kamraj Housing (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
7	Brindavan Marketing Pvt Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
8	Altitude Merchants Pvt Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
9	Pears Mercantiles (P) Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%
10	Multifold Plastic Marketing Pvt. Ltd						
	At the beginning of the year	01-04-2014		-	0.00%		
	Changes during the year	08-01-2015	Allot			1,50,000	4.85%
	At the end of the year	31-03-2015				1,50,000	4.85%

(v) Shareholding of Directors and Key Managerial Personnel:							
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Raveej Chirimar, Executive						
	At the beginning of the year	01-04-2014		14,510	16.12%		
	Changes during the year	16-03-2015	Acquire			500	0.02%
	At the end of the year	31-03-2015				15,010	0.49%

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.					(Amt. Rs./Lacs)
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	-	-	-	-	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	-	-	-	-	
<b>Total (i+ii+iii)</b>	-	-	-	-	
<b>Change in Indebtedness during the financial year</b>					
* Addition	-	-	-	-	
* Reduction	-	-	-	-	
<b>Net Change</b>	-	-	-	-	
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	-	-	-	-	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	-	-	-	-	
<b>Total (i+ii+iii)</b>	-	-	-	-	

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:				
SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Name		(Rs/Lac)
		Designation		
1	Gross salary	There was no remuneration paid to the Managing Director, Whole-time Director and/or Manager.		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
	Commission			
4	- as % of profit			
	- others, specify			
5	Others, please specify			
	Total (A)			
	Ceiling as per the Act			

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors	Total Amount
			(Rs/Lac)
1	Independent Directors	There was no remuneration paid to the other Directors i.e Independent Directors and other Non- Executive Directors of the Company.	
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
	Name	Jaishree Kumari	(Rs/Lac)
	Designation	CS	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,743.00	48,743.00
	(b) Value of perquisites u/s 17(2) Income-tax Act,		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total	48,743.00	48,743.00

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
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There was no penalty, punishment and compounding of offences with respect to the company, its Directors and other officers.

**For and on behalf of the Board of Directors**

Sd/  
**SOUMITRA TRIVEDI**  
 Managing Director  
 (DIN: 00402241)

Sd/  
**GANGA DHAR SAIL**  
 Director & CFO  
 (DIN: 00402199)

**Form No. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**  
**[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,  
MODERN CONVERTERS LIMITED  
56E HEMANTA BASU SARANI OLD 4 BBD BAGH EAST,  
ROOM NO 14A, KOLKATA 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MODERN CONVERTERS 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, minute books, forms and returns filed 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 audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- a. The Companies Act, 2013 (the Act) and the rules made there under;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- d. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - iii. 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;
  - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

I further report that, there were no actions / events in pursuance of;

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified during the period under Audit)

(ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is 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 system exists 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 while the dissenting members' views are captured and recorded as part of the minutes.

I further 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.

I further report that during the audit period the company:

a. has admitted the equity shares of the company with Central Depository Services (India) Limited and National Securities Depository Limited for the same has been made in view to give shareholders option to trade in demat mode.

b. has allotted 3,000,000 equity shares on preferential basis to strategic investor, not forming part of promoter group as on 8<sup>th</sup> January, 2015.

Place: Kolkata  
Date: 28<sup>th</sup> May, 2015

Sd/  
Anand Kumar Khandelia  
Practising Company Secretary  
CP No. 5841

## Management Discussion & Analysis Report

### **OVERALL REVIEW**

In Fiscal 2014-15, the global economic condition remained weak and uncertain. The macro economic situation was bleak and witnessed inflationary pressure. The Indian rupee witnessed high volatility depreciating against USD and causing substantial economic losses. The slide was mainly caused on account of slowing down of economic decisions. Further the global environment also remained subdued.

### **INDUSTRY OUTLOOK**

The demand is expected to increase in near future and the company is focusing to start its operations once it finalises the product having better growth prospectus in the market.

### **CHALLENGES**

- (i) Good economic environment
- (ii) Freeing of Government regulatory controls with regard to exports

### **RISKS AND CONCERNS**

The continued policies of Government controlling free exports and volatile economic environment have a bearing on the overall performance of the company.

### **OPERATIONAL REVIEW**

Considering the business environment your directors foresee the start up of business operation in the near future

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has suitable and adequate system of Internal Controls commensurating its size and nature of operations primarily to ensure that the assets are safeguarded against loss from unauthorized use or disposition; the transactions are authorized, recorded and reported correctly and - Code of conduct, Policies and applicable statutes are duly complied with. As a measure of Internal Control System, which has been evolved over the years, the Company has established a methodical system of Annual Budgeting and Management Information System (MIS). In addition, Administrative and HR activities of the Company are also brought within this purview.

The Company is conscious of importance of systems control and so continuously assesses the quality of integrated software package.

Continuous reporting of these systems is made to the Board and Audit Committee for their review to upgrade, revise and to focus on determination of adequacy of the Control Systems. The composition and role of Audit Committee can be found in the Corporate Governance Report in the Annual Report.

### **RISK MANAGEMENT**

Risk is an integral part of the business process. To enhance the risk management process, the company has mapped the risks. Risk arises for achieving business objectives are identified and prioritized. Risk mitigation activity plans are established and executed as and when need arises. Periodical reviews are carried out to assess the risk levels.

#### **ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

#### **HUMAN RESOURCES**

Human resources development, in all its aspect like training in safety and social values is under constant focus of the management. Relations between management and the employees at all levels remained healthy and cordial throughout the year. The management and employees are dedicated to achieve the corporate objective and the targets set before the Company.

#### **CAUTIONARY STATEMENT**

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restraint should be applied in their use for any decision making or formation of an opinion.

## **MD & CFO CERTIFICATION (Pursuant to Clause 49)**

The Board of Directors  
MODERN CONVERTERS LTD,  
56E HEMANTA BASU SARANI OLD 4 BBD BAGH EAST  
ROOM NO 14A, KOLKATA 700001

May 28, 2015

We, SOUMITRA TRIVEDI, Managing Director (MD) and GANGA DHAR SAIL, Chief Financial Officer (CFO) of MODERN CONVERTERS LTD both certify to the Board that we have reviewed the financial statements and the cash flow statement of the Company for the Financial Year ended on 31st March, 2015 and to the best of our knowledge and belief, we certify that –

1. The Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; that the Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are no fraudulent or illegal transactions and transactions violative of the Company's Code of Conduct.
3. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining the internal controls which are monitored by the Company's Internal Audit Team and have evaluated based on feedbacks received from the Company's Internal Audit Team, the effectiveness of the internal control systems of the Company pertaining to financial reporting and have reported to the Auditors and the Audit Committee, the deficiencies, if any, in the operation and design of such internal controls and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit committee:
  - (i) Significant changes, if any in the internal controls over financial reporting during the year;
  - (ii) Significant changes, if any in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud, if any of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/  
SOUMITRA TRIVEDI  
Managing Director (MD)

Sd/  
GANGA DHAR SAIL  
Chief Financial Officer (CFO)

**AUDITORS CERTIFICATE ON COMPLIANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**To,  
The Members of  
MODERN CONVERTERS LTD  
56E HEMANTA BASU SARANI OLD 4 BBD BAGH EAST  
ROOM NO 14A, KOLKATA 700001**

**We have examined the compliance of conditions of Corporate Governance by MODERN CONVERTERS LTD for the year ended 31 March 2015, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges in India.**

**The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.**

**In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.**

**We further state that further compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.**

**For Gupta Saharia & Co  
Chartered Accountants  
FRN:-103446W**

**Place: Kolkata  
Date: 28/05/2015**

**Sd/-  
Pawan Gupta  
Partner  
Mem. no-071471**

## REPORT ON CORPORATE GOVERNANCE

### OUR POLICY ON GOVERNANCE

The Company's philosophy of Corporate Governance is adopting highest standards of professionalism, honesty; integrity and ethical behavior to achieve business excellence and enhancing and maximizing shareholders value and protect the interest of stakeholders. The governance structure involves distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders).

### BOARD OF DIRECTORS

The composition of Board is in accordance with Clause 49 (IIA) of the Listing Agreement i.e. combination of executive and non-executive directors with not less than fifty percent of the Board of Directors comprising of non-executive directors.

The Board of Directors duly met 7 (Seven) times respectively on i) 30/06/2014, ii) 23/08/2014, iii) 27/10/2014, iv) 26/12/2014, v) 08/01/2015, vi) 04/02/2015, vii) 26/03/2015 in respect of which meetings proper Notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

The composition and category of directors, attendance of each Directorate at the Board meetings during the financial year 2014-2015 and at the last Annual General Meeting is indicated below and other relevant details is as under:

	Category	Attendance		No. of other Directorships**	No. of Board Committees (other than Modern Converters Limited)
		Board Meeting	Last AGM		
Rajeev Chirimar	Non Executive & Non Independent Director	7	Yes	1	3
Soumitra Trivedi	Executive & Non Independent Director	4	No	Nil	Nil
Ganga Dhar Sail	Executive & Non Independent Director	0	No	Nil	Nil
Aem Shamar Prakash	Independent, Non-Executive	3	No	Nil	Nil

Renu Sharma	Independent, Non- Executive	0	No	Nil	Nil
Sangita Chirimar*	Executive	4	Yes	Nil	Nil
Raghav Chirimar*	Executive	7	Yes	Nil	Nil

\* Sangita Chirimar and Raghav Chirimar resigned from the directorship of the Company w.e.f 26<sup>th</sup> December, 2014 and 26<sup>th</sup> March, 2015 respectively.

\*\*Excluding directorship in, private companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013

1) The Company did not have any pecuniary relationship and transaction with any of the Non- Executive Directors during the year under reference

2) All Independent Directors have confirmed that they meet the “independence” criteria as mentioned under Clause 49 of the Listing Agreement

Mr. Ganga Dhar Sail retires by rotation at the forthcoming Annual General Meeting. He is eligible for re-appointment. Their particulars are enclosed as an Annexure to the Notice convening the ensuing Annual General Meeting.

#### AUDIT COMMITTEE

The Audit Committee of the Board was reconstituted and at present comprises of four members viz. Aem Shamar Prakash, Rajeev Chirimar, Soumitra Trivedi and Renu Sharma

The quorum for the Audit Committee is two members personally present. Aem Shamar Prakash is the chairman of the Committee.

The Audit Committee met four times during the year, i.e on 30/06/2014, 23/08/2014, 27/10/2014, 04/02/2015.

Name	Category	No. of Meetings during the year 2014-15	
		Held	Attended
Aem Shamar Prakash	Chairman Non-Executive & Independent Director	4	1
Rajeev Chirimar	Non Executive & Non Independent Director	4	4
Soumitra Trivedi	Executive & Non Independent Director	4	1
Renu Sharma	Non-Executive & Independent Director	4	0
Sangita Chirimar*	Executive	4	3
Raghav Chirimar*	Executive	4	4

\* Sangita Chirimar and Raghav Chirimar resigned from the directorship of the Company w.e.f 26<sup>th</sup> December, 2014 and 26<sup>th</sup> March, 2015 respectively.

### Terms of Reference

The terms of reference of this Committee are wide; the same are in accordance with those specified in Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013 which are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board was reconstituted and at present comprises of four members viz. Aem Shamar Prakash, Rajeev Chirimar, Ganga Dhar Sail and Renu Sharma

Renu Sharma Independent Director chairs the Committee Meeting. The quorum for the Committee Meeting is two directors personally present.

The Committee met four times during the year, i.e on 30/06/2014, 23/08/2014, 27/10/2014, 04/02/2015.

Name	Category	No. of Meetings during the year 2014-15	
		Held	Attended
Renu Sharma	Chairman & Independent Director	4	0
Rajeev Chirimar	Non Executive & Non Independent Director	4	4
Ganga Dhar Sail	Executive & Non Independent Director	4	0
Aem Shamar Prakash	Non-Executive & Independent Director	4	1
Sangita Chirimar*	Executive	4	3
Raghav Chirimar*	Executive	4	4

\* Sangita Chirimar and Raghav Chirimar resigned from the directorship of the Company w.e.f 26<sup>th</sup> December, 2014 and 26<sup>th</sup> March, 2015 respectively

#### Terms of Reference

The Committee monitors the Company's response to investor complaints. The Committee exercises the power to transfer of shares, non-receipt of dividend/notices/annual reports, etc in accordance with the provisions of Clause 49 of the Listing Agreement.

**Name and designation of Compliance Officer:**

Ms. Jaishree Kumari  
56E Hemanta Basu Sarani Old,  
4 BBD Bagh East, Kolkata- 700001  
Tel. No: 033- 3263 5876  
Email Id: [info@modernconvertors.com](mailto:info@modernconvertors.com)

The Board of Directors renamed the Investors' Grievances Committee as Stakeholders Relationship Committee pursuant to Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

**Status Report of Investor Complaints for the year ended March 31, 2015**

No of Complaints Received–Nil  
No of Complaints Resolved–Nil  
No of Complaints Pending– Nil

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Board was reconstituted and at present comprises of four members viz. Aem Shamar Prakash, Rajeev Chirimar, Ganga Dhar Sail and Renu Sharma

Renu Sharma Independent Director chairs the Committee Meeting. The quorum for the Committee Meeting is two directors personally present.

The Committee met twice during the year under reference i.e. on 26/12/2014 and 26/03/2015.

Name	Category	No. of Meetings during the year 2014-15	
		Held	Attended
Renu Sharma	Chairman & Independent Director	2	0
Rajeev Chirimar	Non Executive & Non Independent Director	2	2
Ganga Dhar Sail	Executive & Non Independent Director	2	0
Aem Shamar Prakash	Non-Executive & Independent Director	2	1
Sangita Chirimar*	Executive	2	1
Raghav Chirimar*	Executive	2	2

\* Sangita Chirimar and Raghav Chirimar resigned from the directorship of the Company w.e.f 26<sup>th</sup> December, 2014 and 26<sup>th</sup> March, 2015 respectively

**Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a policy, relating to the

remuneration of the Directors, Key Managerial Personnel and other employees.

2. The Committee while formulating the policy will ensure that—
  - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
  - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
3. Formulation of criteria for evaluation of Independent Directors and the Board.
4. Devising a policy on Board diversity.
5. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and the Company shall disclose the Remuneration Policy and the evaluation criteria in its Annual Report.
6. Recommend & Review succession plans for Managing Director and approve succession plans for Senior Management
7. Such other matters as Board may from time to time request the Nomination and Remuneration Committee to examine and recommend / approve.

The Board of Directors renamed the Remuneration Committee as Nomination and Remuneration Committee pursuant to Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

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In terms of Clause 49(II)(B)(7) of the Listing Agreement, your Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them about their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of your Company, etc., through various initiatives. The details of such familiarization programmes are available on your Company's website.

#### **REMUNERATION**

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None of the Directors receive any Remuneration from the Company.

#### **WHISTLE BLOWER POLICY (VIGIL MECHANISM)**

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The Company has formulated a codified Whistle Blower Policy in order to encourage Directors and employees of the Company to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from victimization, for whistle blowing in good faith.

#### **GENERAL BODY MEETINGS:**

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The details of the General Body Meetings held in the past three years and the special resolutions passed there are as follows:

Year	Date	Venue	Time	No of Special Resolution Passed
2011-12	29 <sup>th</sup> September, 2012	56E, Hemanta Basu Sarani, 4 B.B.D Bagh (East), Kolkata-700001	10.00 AM	-
2012-13	28 <sup>th</sup> September, 2013	56E, Hemanta Basu Sarani, 4 B.B.D Bagh (East), Kolkata-700001	10.00 AM	-
2013-14	27 <sup>th</sup> September, 2014	56E, Hemanta Basu Sarani, 4 B.B.D Bagh (East), Kolkata-700001	10.00 AM	-
EGM (2014)	18 <sup>th</sup> December, 2014	56E, Hemanta Basu Sarani, 4 B.B.D Bagh (East), Kolkata-700001	10.00 AM	2

No Postal Ballot was conducted during the financial year 2014-15.

#### DISCLOSURES

- i) There was no material individual transaction with related parties such as Promoter, Directors, Key Managerial Personnel, relatives or subsidiary that could have potential conflict of interest with the Company, during the year ended 31<sup>st</sup> March, 2015. Except from those disclosed in the financial statements for the year ended March 31, 2015.
- ii) The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and to the best of its knowledge there are no deviations in the accounting treatments that require specific disclosure.
- iii) The CEO/CFO certificate for the financial year ended March 31, 2015 is annexed hereto.
- iv) There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Securities and Exchange Board of India or any other statutory authority relating to capital markets during the last three years.
- v) The Company has regularized its filings with the Stock Exchange. The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Agreement during the year under reference.
- vi) The Company has a specific Whistle blower policy. A certificate from Auditor certifying the compliance by the Company with the provisions of Corporate Governance of the Listing Agreement is annexed hereto.
- vii) A qualified practicing Company Secretary conducted a Reconciliation of Share Capital Audit on quarterly basis reconciling the total Share Capital; all the shares are held in both physical and demat form.
- viii) The Internal Auditor regularly reviews and reports their audit findings to Audit Committee.
- ix) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchange a Company Secretary-in Practice have issued certificates on half yearly basis, confirming due compliance of share transfer formalities by the Company.

## MEANS OF COMMUNICATION

- (i) The Management Discussion and Analysis Report, in accordance Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company.
- (ii) The quarterly and half yearly results were published in the newspaper. The results are also display on the website of the company.

## GENERAL SHAREHOLDER INFORMATION

Date, time and venue of AGM	Wednesday 30th September, 2015 at 2.00 P.M. at the registered office of the Company situated at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001
Financial Year	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015
Dates of Book Closure	24 <sup>th</sup> September,2015 to 30 <sup>th</sup> September,2015 (Both the days inclusive)
Dividend Payment Date	Not Applicable
Financial Calendar Period	Board Meeting to approve quarterly financial results (Tentative Schedule)
Quarter ending 30 <sup>th</sup> Jun 2015	-Mid August, 2015
Quarter ending 30 <sup>th</sup> Sep 2015	-Mid November, 2015
Quarter ending 31 <sup>st</sup> Dec 2015	-Mid February, 2016
Quarter ending 31 <sup>st</sup> Mar 2016	-End May, 2016

Listing on Stock Exchanges	The Calcutta Stock Exchange Limited
Listing Fees	Listing fees paid to the Calcutta Stock Exchange upto 31 <sup>st</sup> March, 2016.
Stock Code	CSE- 23151
Registered Office	56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001
Compliance officer & Contact Address	Ms. Jaishree Kumari 56E Hemanta Basu Sarani Old, 4 BBD Bagh East, Kolkata- 700001 Tel. No: 033- 3263 5876 Email Id: <a href="mailto:info@modernconvertors.com">info@modernconvertors.com</a>

## SHARE TRANSFER SYSTEM

Share transfers in physical form are processed by the Registrar and Transfer Agents, and are approved by the Stakeholders Relationship Committee of the Company or the authorised signatories of the Company. Share transfers are registered and returned within 15 days from the date of lodgment if documents are complete in all respects. The depository system handles share transfers in dematerialised form.

Distribution of Shareholding as on March 31, 2015

No. of Shares	Shareholders		Equity shares	
	Number	% of total	Number	% of total
Up to 500	513	93.96	22,139	0.72
501 to 1000	2	0.37	1,350	0.04
1,001 to 5,000	7	1.28	22,760	0.74
5,001 to 10,000	1	0.18	8,701	0.28
10,001 & 50,000	3	0.55	35,050	1.13
50,001 & 100,000	-	-	-	-
100,001 and Above	20	3.66	3,000,000	97.09
<b>Total</b>	<b>546</b>	<b>100.00%</b>	<b>3,090,000</b>	<b>100.00%</b>

Categories of Shareholders as at March 31, 2015

Sr. No	Description	No. of Shares	% to Capital
A.	Promoters & Promoters Group		
	- Individuals	47,711	1.54
	- Body Corporate	19,300	0.62
B.	Public Shareholding		
	-Institutions		
	Financial Institutions/Banks	Nil	Nil
	-Non-institutions		
	Body Corporate	3,000,000	97.09
	Individuals	22989	0.74
	<b>Total</b>	<b>3,090,000</b>	<b>100%</b>

ADDRESS OF CORRESPONDENCE

Shareholders may address their correspondence at the address mentioned below, on all matters relating to transfer of shares, etc.

Maheshwari Datamatics Pvt. Ltd.

Address: 6 Mangoe Lane,  
2nd Floor, Kolkata 700 001

Tel: 033 22482248

Email: [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

Members may contact Ms. Jaishree Kumari Compliance Officer for all investor related matters at the registered office of the company at the following address:

MODERN CONVERTERS LIMITED

56E Hemanta Basu Sarani Old,  
4 BBD Bagh East, Kolkata- 700001

Tel. No: 033- 3263 5876

Email Id: [info@modernconvertors.com](mailto:info@modernconvertors.com)

**GREEN INITIATIVE FOR PAPERLESS COMMUNICATIONS**

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The Ministry of Corporate Affairs, Government of India (MCA) has, vide Circulars No. 18/2011 dated 29th April, 2011, undertaken a 'Green Initiative in Corporate Governance' allowing companies to send the Annual Report and other documents to their shareholders electronically.

The Securities and Exchange Board of India has, vide Circulars No. CIR/CFD/DIL/7/2011 directed listed companies to supply soft copies of Annual Report to all those shareholders who have registered their e-mail addresses for the purpose.

Keeping in view the underlying theme and the circulars issued by MCA and SEBI, the Company proposes to various communication and documents like notice calling general meetings, audited financial statement, directors' report, auditors' report etc., henceforth, in electronic form, to the e-mail address by the Members to the Depositories or to the Company.

Please note that you will continue to be entitled to receive, upon your request, free of cost, a copy of the Annual Report and all other communication that may be sent to you electronically. The Annual Report will also be available on the Company's website.

This is also a golden opportunity for every shareholder of MODERN CONVERTERS LIMITED to contribute to this Corporate Social Responsibility initiative of the company. To support this green initiative in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

On behalf of the Board of Directors

Place - Kolkata  
Date-28/05/2015

Sd/-  
Soumitra Trivedi  
Managing Director

**DECLARATION**

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To,  
The Members of MODERN CONVERTERS LIMITED

I, Soumitra Trivedi, Managing Director & CEO of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of conduct.

MODERN CONVERTERS LIMITED

Sd/-

Soumitra Trivedi  
Chief Executive Officer  
Place - Kolkata  
Date: 28/05/2015

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

**MODERN CONVERTERS LTD,**

**Report on the Financial Statements for the F.Y. 2014-15**

We have audited the accompanying financial statements of MODERN CONVERTERS LTD, ("the Company"), which comprise the Balance Sheet as at March 31, 2015, Profit and Loss Account, and the Cash Flow Statement for the year the ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express a reasonable opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected

depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Companies (Auditors Report) Order 2015 ('the order') issued by Central Government of India in terms of subsection (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 & 4 of the said order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss and statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company does not have any pending litigations which would impact its financial position.
- II. The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Gupta Saharia & Co  
Chartered Accountants  
FRN:-103446W

Place: Kolkata  
Date: 28<sup>th</sup> May, 2015

Sd/-  
Pawan Gupta  
(Partner)  
Mem.No-071471

## Annexure to Auditors' Report

The Annexure referred to in our report to the members of MODERN CONVERTERS LTD (the Company') for the year ended on 31<sup>st</sup> March 2015. We report that:

(i) In respect of its fixed assets:

Based on our scrutiny of the Company's Books of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company has resumed its operation this Financial Year having no inventory and hence no physical verification at reasonable intervals by the management is required under the provision of clause 3(ii).

In respect of its inventories:

- (ii) The company does not have inventory during the year, hence clause 3(ii) of the said order is not applicable.
- (iii) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and we are of the opinion that the term and condition of such loans are not prejudicial to the interests of the company, also reasonable steps have been taken for the recovery/repayment of overdue of such loans.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business. During the course of our Audit, no major material weakness has been noticed in internal controls.
- (v) In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public and hence clause 4(v) of the said order is not applicable.
- (vi) According to the information & explanations provided by the management, the Company is not engaged in production, processing, manufacturing or mining activities. Hence, the provisions of Section 148(1) of Company Act, 2013 do not apply to the Company. Hence, clause 4(vi) of the said order is not applicable.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the company, amount deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As

explained to us, the company did not have any dues on account of employee's state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March,2015 for a period of more than six months from the date they became payable.

- (viii) The Company does not have accumulated losses of more than 50% of its net worth. The company has not incurred any cash loss during the financial year covered under audit.
- (ix) The Company did not have any outstanding dues to Financial Institutions, Banks or Debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for Loans taken by other from banks or financial institutions; hence clause (x) of Para 4 of the Order is not applicable.
- (xi) According to the records of the company, the company has not obtained any term loans. Hence, comments under the clause are not called for.
- (xii) Based on the audit procedures performed and information's and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Gupta Saharia & Co  
Chartered Accountants  
FRN: - 103446W

Place: Kolkata  
Date: 28/05/2015

Sd/-  
Pawan Gupta  
Partner  
Mem. no. 071471

**BALANCE SHEET AS AT 31ST MARCH, 2015**

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	1	309,00,000	9,00,000
(b) Reserves and Surplus	2	68,63,656	68,46,039
(2) NON CURRENT LIABILITIES	3	-	2,09,516
(3) Current Liabilities			
(a) Trade payables	4	104,20,200	192
(b) Other current liabilities	5	6,51,791	92,946
(c) Short Term Provisions	6	1,12,394	-
<b>Total</b>		<b>489,48,041</b>	<b>80,48,694</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed Assets	7	-	22,033
(b) Non current investment	8	-	59,42,511
(c) Long Term Loans & Advances	9	40,05,000	7,28,813
(d) Deferred Tax Assets	10	2,203	2,203
(2) Current assets			
(a) Inventories	11	-	8,16,644
(b) Trade Recievables	12	123,00,067	2,85,000
(c) Cash and cash equivalents	13	26,12,605	2,51,489
(d) Deposits	14	300,28,166	-
<b>Total</b>		<b>489,48,041</b>	<b>80,48,694</b>
Significant Accounting Policies & Notes to Accounts	23		
This is the Balance Sheet referred to in our report of even date			
For Gupta Saharia & Co.			
Chartered Accountants			
FRN No. 103446W			
Sd/-		Soumitra Trivedi	Ganga Dhar Sail
Pawan Gupta		(Managing Director)	(Director and CFO)
Partner			
Mem No:- 071471			
Place: Kolkata		Jaishree Kumari	
Dated: 28/05/2015		(Company Secretary)	

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	Note No	Figures as at the	Figures as at the
		end of current reporting period	end of previous reporting period
I. Revenue from operations	15	132,36,844	13,80,046
II. Other Income	16	9,76,176	(1,59,812)
<b>III.Total Revenue(I+II)</b>		<b>142,13,020</b>	<b>12,20,234</b>
<b>IV. Expenses:</b>			
Direct Expenses- purchases	17	105,19,415	10,82,223
Changes in Inventories	18	8,16,644	22,874
Employee Benefit Expenses	19	1,47,118	16,524
Depreciation & Ammortisation Expenses	20	2,11,250	6,483
Others expenses	21	23,88,582	32,230
<b>V. Total Expenses</b>		<b>140,83,009</b>	<b>11,60,334</b>
<b>VI. Profit before tax (III-V)</b>		<b>1,30,011</b>	<b>59,901</b>
<b>VII. Tax expense:</b>			
(1) Current tax		1,12,394	-
(2) Deferred tax		-	24,527
<b>VIII. Profit/(Loss) for the period (VI-VII)</b>		<b>17,617</b>	<b>35,374</b>
<b>IX. Earning per equity share:</b>	22		
(1) Basic		0.02	0.39
(2) Diluted		0.02	0.39

Significant Accounting Policies & Notes to Accounts

23

This is the Profit & Loss Account referred to in our report of even date

For Gupta Saharia & Co.

Chartered Accountants

FRN No. 103446W

Soumitra Trivedi      Ganga Dhar Sail  
(Managing Director)      (Director and CFO)

Sd/-

Pawan Gupta

Partner

Mem No:- 071471

Jaishree Kumari  
(Company Secretary)

Place: Kolkata

Dated: 28/05/2015

**CASH FLOW STATEMENT ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED ON 31.03.2015**

		Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>A.</b>	<b>CASH FLOW FROM OPERATION ACTIVITIES</b>		
	Net Profit/(Loss) before tax	1,30,011	59,901
	<u>Adjustment for :</u>		
	(a) Depreciation	-	6,483
	(b) Interest Received	(5,63,869)	-
	(c) Long Term Capital Loss	-	3,01,536
	(d) Short Term Capital Gain	-	1,40,070
	(e) Dividend Received	(37,507)	(71,269)
	(f) Loss on Fixed Assets	22,033	-
	(g) Loss on sale of investment	18,39,631	-
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>13,90,299</b>	<b>4,36,721</b>
	<u>Adjustment for :</u>		
	(a) Trade and Other Receivables	(120,15,067)	(2,51,502)
	(b) Inventories	8,16,644	22,874
	(c) Deposits	(300,28,166)	-
	(d) Trade Payables	104,20,008	192
	(e) Other Current Liabilities	5,58,844	-
	<b>CASH GENERATED FROM OPERATION BEFORE EXTRAORDINARY ITEMS</b>	<b>(288,57,438)</b>	<b>2,08,285</b>
	Extraordinary/ Prior Period Items		
	(a) Prior period Expenses/Income	-	-
	(b) Income Tax/Deferred Tax	-	-
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(288,57,438)</b>	<b>2,08,285</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(a) Purchase/ sale of Fixed Assets	-	-
	(b) Purchase of Investments	-	(17,49,509)
	(c) Sale of Investments	41,02,880	15,72,359
	(d) Dividend Received	37,507	71,269
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>41,40,387</b>	<b>(1,05,881)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	(a) Share Application Money Received	300,00,000	-
	(b) Interest (Paid)/Received	5,63,869	-
	(c) Increase in Loans and Advances	(34,85,702)	-
	(d) Unpaid Dividend Transferred to IEPF Account	-	(28,409)
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>270,78,167</b>	<b>(28,409)</b>
	<b>Net Increase (Decrease) in Cash (A + B + C)</b>	<b>23,61,116</b>	<b>73,995</b>
	Opening Balance of Cash & Cash Equivalents	2,51,489	1,77,494
	Closing Balance of Cash & Cash Equivalents	26,12,605	2,51,489

**AUDITOR'S REPORT**

We have checked the attached cash flow statement of MODERN CONVERTERS LTD for the year ended 31st March, 2015 from the books and records maintained by the company in the ordinary course of business and have subject to comparative figures for the year ended 31st March, 2014

**For Gupta Saharia & Co.**  
**Chartered Accountants**  
**FRN No. 103446W**

**Soumitra Trivedi**      **Ganga Dhar Sail**  
 (Managing Director)      (Director and CFO)

Sd/-

**Pawan Gupta**  
**Partner**

**Jaishree Kumari**  
 (Company Secretary)

**Mem No:- 071471**

**Place: Kolkata**

**Dated: 28/05/2015**

**Notes forming part of the financial statements**

NOTE NO- 1

**SHARE CAPITAL**

Particulars	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised				
Equity shares of nominal value of Rs.10/- each	31,20,000	312,00,000	4,70,000	47,00,000
Preference shares of nominal value of Rs.10/- each	30,000	3,00,000	30,000	3,00,000
	31,50,000	315,00,000.00	5,00,000	50,00,000
(b) Issued				
Equity shares of Rs.10/- each fully paid up	30,90,000	309,00,000	90,000	9,00,000
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	30,90,000	309,00,000	90,000	9,00,000
<b>Total</b>	<b>30,90,000</b>	<b>309,00,000</b>	<b>90,000</b>	<b>9,00,000</b>

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus, ESOP, Conversion, Buy back	Closing Balance
Equity shares				
- Number of shares	90,000	30,00,000	-	30,90,000
- Amount (in Rs.)	9,00,000	300,00,000	-	309,00,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As on 31/03/2015		As on 31/03/2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Kemi Fibre Industries P Ltd	-	-	11,000	12.22
Manju Devi Chirimar	-	-	11,500	12.78
Rajeev Chirimar	-	-	12,550	13.94
Manju Devi Chirimar	-	-	8,701	9.67
<b>Total</b>			<b>43,751</b>	<b>48.61</b>

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>NOTE NO - 2</b>		
<b><u>RESERVE &amp; SURPLUS</u></b>		
Opening Balance	78,19,000	78,19,000
Capital Redemption Reserve Fund	3,00,000	3,00,000
Profit & Loss Account		
As Per Last Balance Sheet	(12,72,961)	(13,08,335)
Add : Profit/(Loss) of the year	17,617	35,374
	<b>68,63,656</b>	<b>68,46,039</b>
<b>NOTE NO - 3</b>		
<b><u>NON CURRENT LIABILITIES</u></b>		
Long Term Provisions	-	2,09,516
	-	<b>2,09,516</b>
<b>NOTE NO - 4</b>		
<b><u>TRADE PAYABLES</u></b>		
Sundry Creditors	104,20,200	192
	<b>104,20,200</b>	<b>192</b>
<b>NOTE NO - 5</b>		
<b><u>OTHER CURRENT LIABILITIES</u></b>		
Audit Fees Payable	10,000	3,371
Unpaid Dividend	32,918	52,905
Preference Share Redemption	36,670	36,670
Put Money Payable	5,72,202	-
	<b>6,51,791</b>	<b>92,946</b>
<b>NOTE NO - 6</b>		
<b><u>SHORT TERM PROVISION</u></b>		
Provision for Income Tax	1,12,394	-
	<b>1,12,394</b>	<b>-</b>
<b>NOTE NO - 7</b>		
<b><u>FIXED ASSETS</u></b>		
Tangible Assets	-	22,033
	-	<b>22,033</b>

NOTE NO - 8			
<u>NON CURRENT INVESTMENTS</u>			
Investment in Shares	-		59,42,511
	-		59,42,511
NOTE NO - 9			
<u>LONG TERM LOANS &amp; ADVANCES</u>			
Security Deposit	5,000		5,000
Income Tax Deposit	-		6,84,400
Income Tax Refund Due	-		39,413
Loans & Advances	40,00,000		-
	40,05,000		7,28,813
NOTE NO - 10			
<u>OTHER NON CURRENT ASSETS</u>			
Deferred Tax Assets	2,203		2,203
	2,203		2,203
NOTE NO - 11			
<u>INVENTORIES</u>			
Closing Stock	-		8,16,644
	-		8,16,644
NOTE NO - 12			
<u>TRADE RECIEVABLES</u>			
Sundry Debtors	123,00,067		2,85,000
	123,00,067		2,85,000
NOTE NO - 13			
<u>CASH &amp; CASH EQUIVALENTS</u>			
Cash Balance in Hand	2,63,836		12,299
Cash Balance at Bank			
HDFC Bank	23,15,950		1,86,385
HDFC Bank Unpaid Dividend	32,818		52,805
	26,12,605		2,51,489
NOTE NO - 14			
<u>DEPOSITS</u>			
Fixed Deposits	295,13,869		-
Advance from Income Tax	5,14,297		-
	300,28,166		-

NOTE NO - 15			
<u>REVENUE FROM OPERATIONS</u>			
Sale of Shares & Debentures		132,36,844	13,29,184
Other Operating Income		-	50,863
		132,36,844	13,80,046
NOTE NO - 16			
<u>OTHER INCOME</u>			
Short Term Capital Loss		-	(1,40,070)
Long Term Capital Loss		-	(3,01,536)
Dividend		37,507	71,269
NFO Profit		3,57,950	2,10,525
Interest		5,63,869	-
Option		16,850	-
		9,76,176	(1,59,812)
NOTE NO - 17			
<u>COST OF MATERIAL CONSUMED</u>			
Purchases		105,19,415	10,82,223
		105,19,415	10,82,223
NOTE NO - 18			
<u>CHANGE IN STOCK</u>			
Opening Stock		8,16,644	8,39,518
Less: Closing Stock		-	8,16,644
		8,16,644	22,874
NOTE NO - 19			
<u>EMPLOYEE BENEFIT EXPENSES</u>			
Salary & Bonus		1,47,118	16,524
		1,47,118	16,524
NOTE NO - 20			
<u>DEPRECIATION &amp; AMORTIZATION EXPENSES</u>			
Share Issue Expenses		2,11,250	6,483
		2,11,250	6,483

<b>NOTE NO - 21</b>			
<b><u>OTHERS EXPENSES</u></b>			
Accounting Charges		36,000	-
Advertising Expenses		4,061	-
Audit fees		10,000	3,371
Cess		-	19
Conveyance		12,306	7,290
Demat Charges		2,681	-
Depository Expenses		1,686	-
Filing Fees		16,700	-
General Expenses		28,483	8,562
Interest on Delayed Payment		60,856	-
Listing Fees		2,78,910	-
Loss on Sale of Investments		18,62,104	-
Misc. Balance W/off		22,033	656
Printing & Stationery		7,374	-
Professional Fees		32,675	-
Rates & Taxes		5,750	5,750
Security Transaction tax		5,662	5,541
Service Tax		1,301	621
Transaction Charges		-	419
		<b>23,88,582</b>	<b>32,230</b>

Note 22		Disclosures under Accounting Standards	
Note	Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
		Amount In Rs.	Amount In Rs.
22.01	Earnings per share		
	<u>Basic &amp; Diluted</u>		
22.01 (a)	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	0	0
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	0	0
	Weighted average number of equity shares	7,72,192	90,000
	Par value per share	10.00	10.00
	Earnings per share from continuing operations	-	-
22.01 (b)	<u>Basic &amp; Diluted (excluding extraordinary items)</u>		
	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	0	0
	(Add) / Less: Extraordinary items (net of tax) relating to continuing operations	-	-
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	0	0
	Weighted average number of equity shares	7,72,192	90,000
	Par value per share	10.00	10.00
	Earnings per share from continuing operations, excluding extraordinary items	-	-

Note 24	Particulars
<b>Corporate Overview</b>	
MODERN CONVERTERS LTD, incorporated on 26/02/1946, having its registered office at 56E HEMANTA BASU SARANI, OLD 4 BBD BAGH EAST, ROOM NO 14A, KOLKATA - 700001. The Directors of the company are RAJEEV CHIRIMAR, AEM SHAMAR PRAKASH, GANGA DHAR SAIL, SOUMITRA TRIVEDI and RENU SHARMA.	
<b>Significant accounting policies</b>	
<b>Basis of Preparation of financial statements.</b>	
The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ["GAAP"] in India. GAAP comprises mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 (the Act) read with Rule 7 of Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.	
<b>Use of estimates</b>	
The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.	
<b>Revenue Recognitions</b>	
Revenue in respect of income is recognised when a reasonable certainty as to its realization exists.	
<b>Employee Benefits:</b>	
All Employees benefits falling due wholly within twelve month of rendering the services are classified as short term employee benefits which include benefits like salary, wages, short term compensated, absences and performance incentives and are recognised as expense in the period in which the employee renders the related services.	
<b>Material events after balance sheet date.</b>	
Events which are of material nature after the balance sheet date are accounted for in the accounts.	
<b>Taxes on income</b>	
Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.	
Deferred Tax resulting from "timing differences" between accounting and taxable profit for the period is accounted by using tax rates and laws that have been enacted or subsequently enacted as at the balance sheet date. Deferred Tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. The deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.	
<b>Earnings per share</b>	
Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.	
<b>Cash and Cash equivalents</b>	
Cash and Cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.	
<b>Cash Flow Statements.</b>	
Cash Flow Statement has been prepared in accordance with Accounting Standard 3 issued by Institute of Chartered Accountants of India .	

**For Gupta Saharia & Co**

Chartered Accountants

FRN: - 103446W

Sd/

Pawan Gupta

Sd/

Soumitra Trivedi

Sd/

Ganga Dhar Sail

Sd/

Jaishree Kumari

Mem No. 071471

(Managing Director)

(Director & CFO)

(Company Secretary)

**MODERN CONVERTERS LIMITED**

Regd Office: 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East,  
Room No. 14A, Kolkata - 700001, West Bengal  
Tel No: 033-3263 5876, email: [info@modernconvertors.com](mailto:info@modernconvertors.com)

<b>ATTENDANCE SLIP</b>  I/We hereby record my/our presence at the 69 <sup>th</sup> <b>Annual General Meeting</b> of the Company to be held on Wednesday, <b>30<sup>th</sup> September, 2015 at 2.00 P.M.</b> at its registered office at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A,	<b>Folio/DP ID &amp; Client ID No.:</b>
	<b>Name :</b>
	<b>Address :</b>
	<b>Joint holders Name :</b>
	<b>Shares</b>

.....  
.....

Name of Proxy (in BLOCK LETTERS)  
Present

Signature of Shareholder/Proxy

**Notes:** Members/Proxy holders who wish to attend the Annual General Meeting (AGM) must bring their Admission Slips to the AGM and hand over the same duly signed at the entrance. Duplicate Admission Slips will not be issued at the venue.

**ELECTRONIC VOTING PARTICULARS**

<b>EVSN</b>  (E-voting Sequence Number)	<b>USER ID</b>  <b>Folio No .as per Note No.11 –(iv) of the Notice</b>	<b>PERMANENT ACCOUNT NUMBER</b>  <b>(PAN) (Original PAN/As per Note No-11(vii) of the Notice)</b>

**Please read instructions given at Note No. 11 of the Notice of the Annual General Meeting carefully before voting electronically.**

**The e-Voting facility will be available during the following voting period:**

Commencement of e-voting: From <Sunday, 27.09.2015 & 10.00 AM >

End of e-Voting: Up to <Tuesday, 29.09.2015 & 5.00 PM >

**MODERN CONVERTERS LIMITED**

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CIN : L01132WB1946PLC013314

**PROXY FORM**

**MGT-11**

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the shareholder:  
Registered address:  
E-mail ID:  
Folio No. / Client ID:  
DP ID:

I / we, being the shareholder(s) of ..... shares of the above named company, hereby appoint

Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Email \_\_\_\_\_  
Id \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 69<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday 30<sup>th</sup> September, 2015 at 2.00 P.M at its registered office at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001, West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
1.	To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2015, the Statement of Profit & Loss and the Cash Flow Statements for the year ended on that date and the reports of the Board of Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Mr. Ganga Dhar Sail, who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To appoint Auditors to hold office from conclusion of the Annual General Meeting until the conclusion of the Annual General Meeting to be held in 2019 and to authorize the Board to fix their remuneration.		
4.	To appoint Mr. Aem Prakash Shamar as Independent Director of the Company.		
5.	To appoint Mrs. Renu Sharma as Independent Director of the Company.		
6.	To appoint Mr. Ganga Dhar Sail as Executive Director of the Company.		

Signed this .....day of .....2015

Member's Folio /DP ID & Client ID No.....

Signature of Shareholder(s).....

Signature of Proxy holder (s) .....

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix  
Revenue