

MODI RUBBER LIMITED

(CIN: L25199UP1971PLC003392)

Registered Office: Modinagar-201204, Ghaziabad Uttar Pradesh, India.

Head Office: 4/7 –C DDA Shopping Center New Friends Colony New Delhi-110 025

Website : www.modirubberlimited.com, Email : investors@modigroup.net, Phone No: +91-11-47107398

NOTICE

Notice is hereby given that the 44th Annual General Meeting of the members of **Modi Rubber Limited** (“the Company”) will be held on Thursday the September 28th, 2017 at 11:30 am at Auditorium, Dayawati Modi Public School, Modinagar-201204 (U.P) to transact the following businesses:

ORDINARY BUSINESSES:

- To consider and adopt:
 - The Audited Financial Statement of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon; and
 - The consolidated audited financial statement of the Company for the financial year ended March 31, 2017.
- To appoint a Director in place of Ms. Piya Modi (DIN: 03623417) who has consented to retire by rotation for compliance with the requirements of Section 152 of the Companies Act, 2013, and being eligible, offers herself for re-appointment.
- To appoint the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 49th Annual General Meeting 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 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, M/s. Suresh Surana & Associates LLP, Chartered Accountants, with registration number 121750W/W-100010 be and are hereby appointed as the Statutory Auditors of the Company in place of M/s PDM & Company, Chartered Accountants, to hold Office from the conclusion of the 44th Annual General Meeting till the conclusion of the Forty Ninth Annual General Meeting and subject to ratification of appointment at every Annual General Meeting, at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. Suresh Surana & Associates LLP, Chartered Accountants plus applicable taxes and out-of-pocket expenses, in connection with the work of audit to be carried out by them.”

SPECIAL BUSINESSES:

- To Re-appoint Ms. Piya Modi (DIN 03623417) as Whole Time Director for a term of five years and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Article 109 and other applicable Article of the Articles of Association of the Company, the consent of the Company be and is hereby accorded for re-appointment of Ms. Piya Modi (DIN: 03623417), as Whole-Time Director of the Company for a further period of five years commencing from 01.10.2017 on such terms and conditions and

payment of remuneration and other perquisites/benefits as are set out in the Explanatory Statement annexed to this notice with an authority to the Board of Directors of the Company to vary and alter such terms and conditions including remuneration in accordance with Schedule-V of the Companies Act, 2013 or any amendment or re-enactment thereof and/or any rules/regulations framed thereunder but not exceeding the limits specified under section-II of Part-II of Schedule-V of the Companies Act, 2013 by making such compliance as provided in the said schedule due to inadequacy of profits in the financial year.

- To appoint Mr. Arvind Nath Seth (DIN-00464893), as an Independent Director and, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, **Mr. Arvind Nath Seth (DIN-00464893)**, who was appointed as an Additional Director of the Company with effect from 29th May, 2017 under Section 161 of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term up to five consecutive years commencing from 29th May, 2017.”

By order of the Board
for **Modi Rubber Limited**

Place : New Delhi
Date : August 18, 2017

(Sanjeev Kumar Bajpai)
Head-Legal & Company Secretary
Membership Number- A10110
Address: 4-7C, DDA Shopping Centre
New Friends Colony, New Delhi-110025

NOTES:

- Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 22.09.2017 to 28.09.2017 (both days inclusive).
- A MEMBER, ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY(IES) NEED NOT BE THE MEMBER(S) OF THE COMPANY.** The proxy form(s) duly completed and signed should reach the Company’s Registered Office at-least 48 hours before the time fixed for the meeting.
- The Register of Contracts or arrangements in which Directors are interested and maintained under Section 189 of the



Companies Act, 2013 and the Register of Director and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the annual general meeting.

5. Members desirous of obtaining any information concerning the Accounts of the Company are requested to send their request at the Head Office of the Company atleast seven days before the date of the Meeting, so that the information required may be made available at the Meeting.
6. Members/proxies should fill the Attendance slip attach herewith for attending the meeting and bring their attendance slip alongwith their copy of the annual report to the meeting.
7. Corporate members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.
8. Members holding shares in dematerialized mode are requested to intimate all changes with respect to the change of address, e-mail address, change in name etc, to the depository participant. These changes will be automatically reflected in the Company's records which will help in the Company to provide efficient and better service to the members.
9. Members holding shares in the physical form are requested to intimate changes with respect the change of address, e-mail address, change in name etc, immediately to the Company/RTA.

10. Voting through electronic means:

In compliance with section 108 of the Companies Act, 2013 and rule 20 of the Companies(Management Administration) Rules, 2014, and regulation 44 of SEBI(LODR) the Company is pleased to provide members facility to exercise their right to vote at the 44th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

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

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Modi Rubber Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.

- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rashmikirt@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
**EVEN (remote e-voting Event Number) USER ID
PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

General Instructions:

- The remote e-voting period commences on 24th September, 2017 (9:00 am) and ends on 27th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- The voting rights of shareholders shall be in proportion to their shares of the paid-up capital of the Company as on the cut-off date (record date) of 21/09/2017.
- If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21/09/2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or mas_serv@yahoo.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- A person, whose name is recorded in the register of members or in the register of beneficial owners maintained

by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- The Company has appointed M/s Rashmi Saxena and Associates, Practicing Company Secretaries (C.P.No. 6938) as the scrutinizer for conducting the e-voting process in a fair and transparent manner.
 - The scrutinizer shall, within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in presence of at least 2 (two) witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour, against, if any, forthwith to the chairman of the Company.
 - The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared alongwith the scrutinizer's report shall be placed on the Company's Website www.modirubberlimited.com and on the website of NDSL within two (2) days of passing of the resolutions at the AGM of the Company.
 - Members may also note that the Notice of the 44th Annual general meeting of the Company and the Annual report 2017 will be available on the Company's website for their download. The Physical copy of the aforesaid documents will also be available at the Company's head office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
11. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant rules made there under companies can serve annual reports and other communications through electronic mode to those members who have registers their e-mail address with the Company or with the Depository. Members who have not registers their e-mail address with the Company can now register the same by submitting the duly filled in "E-mail Registration Form" available on the website of the Company, to the Company. Members holding shares in demat form are requested to register their e-mail address with the Depository Participant(s) only. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.
- The Notice of annual general meeting and the copies of audited financial statements, directors report, auditors report etc, will also be displayed on the website (www.modirubberlimited.com) of the Company.
12. The Securities and exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participant with whom they are maintain their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
13. As required by regulation 36 of SEBI (LODR) 2015 and as required under Secretarial Standard-2, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the notice. The Directors have furnished the requisite declarations for their re-appointment and their brief profile forms part of the explanatory statement.
14. Kindly register your e-mail addresses and contact details with us, by writing to the Secretarial Department at The Head Office,

or at our e-mail ID: Investors@modigroup.com. This will help us in prompt sending you notices, annual reports and other shareholder communications in electronic form.

INSPECTION OF DOCUMENTS

All material documents referred to in the Notice will be kept open for inspection by the members, at the Registered Office of the Company, from 11AM to 1 PM on all working days from 20th September 2017 upto the date of the AGM.

By order of the Board
for **Modi Rubber Limited**

Place : New Delhi
Date : August 18, 2017

(Sanjeev Kumar Bajpai)
Head-Legal & Company Secretary
Membership Number- A10110
Address: 4-7C, DDA Shopping Centre
New Friends Colony, New Delhi-110025

STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE "ACT")

The following Statement sets out all material facts relating to the special businesses mentioned in the accompanying Notice.

Item Nos. 4

As per the Article 110 (1) of Articles of Association of the Company, Ms. Piya Modi, Whole Time Director, while holding office as Whole Time Director shall not be subject to retirement by rotation. As per section 6 of the Companies Act, 2013 the provisions of the Act will have effect notwithstanding anything to the contrary contained in the Articles of Association of the Company. For the purpose of compliance with section 152 of the Companies Act, 2013 and for determining the director liable to retire by rotation, the Board at its meeting held on 18.08.2017, decided that Ms. Piya Modi, being longest in office, to retire by rotation at the ensuing annual general meeting of the Company. Accordingly, the Board noted that Ms. Piya Modi, Whole Time Director shall be the director liable to retire by rotation and being eligible, has offered herself for re-appointment.

Ms. Piya Modi was appointed as Whole Time Director of the Company on October 01st, 2014 for a term of three years and the present term of Ms. Piya Modi as Whole Time Director of the Company will expire by efflux of time on September 30th, 2017.

The Board of Directors at its meeting held on August 18, 2017, have re-appointed Ms. Piya Modi as Whole Time Director of the Company, as recommended by the Nomination and Remuneration Committee for a further period of Five years, commencing from October 1st, 2017 and upto September 30, 2022 subject to necessary approvals.

The terms and conditions of her re-appointment and remuneration are as follows:-

1. Basic Salary and perquisites not to exceed Rs. 40 Lacs p.a.
2. Following Perquisites will also be within the above monetary limits.

Part- A

She will be reimbursed towards expenses incurred for self and family for medical expenses/Leave Travel concession incurred in India.

Part- B

- (i) Company's contribution to Provident Fund as per rules of the Company.
- (ii) Encashment of leave- Encashment of leaves as per the rules of the Company.

Part- C

- (i) Use of Car for Company's business.
- (ii) Free telephone facility



Information required under SEBI(LODR), 2015 in respect of resolution No. 4 is given below:-

Particulars	
Age (In years)	26
Qualification	Graduate
Expertise in specific functional areas	5 Years in Management & Administration
Date of appointment on the Board of the Company as Whole Time Director	1 st October, 2014
Names of the Companies in which Directorships held	1. Maple Bear Education Private Limited 2. Modi Rubber Limited
Names of other Companies in which Committee Membership/Chairmanship held	NIL
No. of shares held	NIL

Item Nos. 5

Nomination & Remuneration Committee in its meeting held on 18/08/2017, recommends appointment of Mr. Seth as Additional Independent Director(Non-Executive) for period of Five Years. Thereafter the Board of Directors of the Company in its meeting held on 18/08/2017 have appointed Mr. Arvind Nath Seth as an Additional Independent Director(Non-Executive) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Mr. Seth holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment Mr. Seth as a Director of the Company. The Company has also received a declaration from Mr. Seth confirming that he meets the criteria for independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Seth is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. In the opinion of the Board, Mr. Seth fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management. Mr. Seth has very vast experience of more than 40 years of management and holding directorship on various company which are

engaged in the business of international trade, real estate(residential and commercial), education, agriculture farms and distribution.

Besides business activates Mr. Seth is also involved in various philanthropic, charitable and social activities for welfare of society . presently he is serving as Member of the board of Western UP Chamber of Commerce and Industry

A letter of his appointment as Independent Director given terms and conditions of his appointment as Independent Director is available for inspection by the Members at the head office of the Company during business hours on any working day and is also available on the website of the Company www.modirubberlimited.com

Mr. Seth is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives, except Mr. Seth and his relatives, are in any way, concerned or interested in the said resolution. The resolution as set out in item No. 5 of this Notice is accordingly recommended for your approval.

By order of the Board
for **Modi Rubber Limited**

(Sanjeev Kumar Bajpai)

Head-Legal & Company Secretary

Membership Number- A10110

**Address: 4-7C, DDA Shopping Centre
New Friends Colony, New Delhi-110025.**

(CIN: L25199UP1971PLC003392)

Registered Office: Modinagar- 201204

Website: www.modirubberlimited.com

Place : New Delhi
Date : August 18, 2017

Information required under SEBI(LODR), 2015 in respect of resolution No. 5 is given below:-

Particulars	
Age (In years)	70
Qualification	Graduate
Expertise in specific functional areas	Management and Administration
Date of appointment on the Board of the Company as Independent Director	27 th May 2017
Names of the Companies in which Directorships held	1. Apex realcon private limited 2. Meerut proptech private limited 3. Modi Rubber limited 4. Tirupati multiplex private limited 5. The western u.p. Chamber of commerce and industry 6. Apex propmart private limited 7. Apex estate country club private limited 8. Meerut district cricket association Meerut 9. Federation of U P chambers of comm.and industry 10. Fragrance investments private limited
Names of other Companies in which Committee Membership/ Chairman-ship held	NIL
No. of shares held	NIL

DIRECTORS' REPORT

Your Directors have pleasure in sharing with you the 44th Annual Report on the business and operations of the Company, alongwith the audited financial accounts for the financial year ended March 31, 2017.

IMPLEMENTATION STATUS OF BIFR SCHEME

Your Company was discharged by BIFR vide its order dated 23.02.2010 which states as under "The unimplemented provisions of the SS-08 for the unexpired period for the scheme would be implemented by the concerned agencies and their implementation would be monitored by the Company". Further BIFR in a miscellaneous application No.501/2013 filed by the Company had clarified that no period for scheme was mentioned in SS-08 and unimplemented provisions of the sanctioned scheme are binding on all the parties. In terms of said BIFR's order dated 23.02.2010, your Company continue to implement the unimplemented provisions of the SS-08.

In this respect, rehabilitation for Modinagar Tyre Factory (MTF) could not be achieved as yet. The matter for possession of MTF Plant is pending with Hon'ble Allahabad High Court. The Plant continues to be in possession of the OL appointed by the Allahabad High Court in Modi Export Processors Limited's (MEPL) winding up proceedings.

Your Company has been following up with Govt agencies/authorities/department/Creditors to provide relief and concessions and to accept settlement as per scheme sanctioned by the BIFR.

The Company has taken new initiatives to improve its long term prospects and performance. These include:-

- 1) Your Company has been very vigorously taking actions to get re-possession of Company's properties which were occupied by illegal occupants/Ex- Employees. Efforts include legal recourse, and also settlement as per BIFR Scheme wherever possible.
- 2) Company is taking several steps to utilize its real- estate resources wherever possible to put them to generate revenue.
- 3) Your company is also exploring additional avenues of investment in new projects in joint ventures.

FINANCIAL RESULTS

During the year under review, your company has recorded a net profit after tax Rs 711.40 Lacs as compared to Rs 522.86 Lacs in previous year on total income of Rs 2411.95 Lacs as compared to 2336.47 Lacs in the previous year. Income of your company is mainly from guest house operations, Interest & dividend.

DIVIDEND

Since, there is no adequate profit; your Board does not recommend any dividend.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits from public during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE REPORTS

Your Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as set out by SEBI.

A detailed Management Discussion & Analysis Report and a Corporate Governance Report along with certificate from the statutory auditors of the Company in pursuance with compliance of Listing

Regulations are attached and form part of this Annual Report of the Company.

BOARD OF DIRECTORS

A) Appointment/Re-appointment of Directors

According to section 149 and other applicable provisions of the Companies Act, 2013, your Board is seeking reappointment of Ms. Piya Modi as Whole Time Director of the Company for a term of 5 years i.e. up to September 30, 2022.

Board of Directors of the Company have appointed Mr. Arvind Nath Seth as an Additional Director (Independent and Non-Executive) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

B) Meeting of the Board of Directors

During the financial year ended on March 31, 2017, 4 (four) Board Meetings and 1 (one) meeting of Independent Directors were held and the maximum time gap between any two Board meetings was less than 120 days. Further, details of the meetings of the Board and its Committees are given in Corporate Governance Report, forming part of the Annual Report.

C) Declaration by Independent Director(s)

The Company received declarations from the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under applicable regulations of SEBI(LODR) 2015 with the Stock Exchanges.

D) Board Evaluation

The Company formulated a policy on performance evaluation of the Directors, Board and its Committees and other individual Directors which shall be based on inter alia components like attendance, effective participation, domain knowledge, access to management outside Board Meetings and Compliance with the Code of Conduct, vision and strategy and benchmark to peers.

On the basis of policy for performance evaluation of Independent Directors, Board, Committees and other individual directors, a process of evaluation was carried out.

The Company make presentations to the Board of Directors in order to familiarize them with their roles, rights, responsibilities in the Company, nature of the Industry in which it operates, Business models of the Company and related matters. Details of such presentations are available on company's website.

SUBSIDIARIES / JOINT VENTURES/ ASSOCIATE COMPANIES

The performance and financial information of the subsidiary / Joint Ventures / Associate Companies is disclosed in the Consolidated Financial Statement for the financial year ended March 31, 2017.

CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of the Companies Act, 2013 read with Regulation 33 of SEBI (LODR) 2015 and Accounting Standard AS-21 on Consolidated Financial Statement, AS-23 on Accounting for Investments in Associates and AS-27 on financial reporting of interests in joint ventures, the consolidated audited financial statement for the year ended March 31, 2017 is provided in the Annual Report.



AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report forms part of Annual Report.

All the recommendations made by the Audit Committee were accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable Accounting Standards read with the requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and pursuant to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts of the Company for the financial year ended March 31, 2017 on a 'going concern' basis;
- v) the Directors have laid down internal financial control to be followed by the Company and that such internal financial control are adequate and were operating effectively; and
- vi) 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.

RISK ASSESSMENT/ MANAGEMENT

The Company has formulated and adopted a Risk Management Policy. Board of Directors of the Company is responsible for the direction and establishment of internal control to mitigate material business risks. The policy is framed to identify element of risks like misstatement, frauds etc and their mitigation for achieving its business objective and to provide reasonable assurance.

INTERNAL FINANCIAL CONTROLS

The Company has in place well defined and adequate internal financial control framework including financial statements. During the year, such controls were tested and no material weaknesses in their design or operation were observed.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year there were no profit from the operations hence company did not undertake any initiative.

The applicable disclosures as stipulated under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in **Annexure I** to this Report.

VIGIL MECHANISM

The Company promotes ethical behavior in all its business activities. Towards this endeavor the Company has adopted a policy on vigil mechanism and whistle blower. Company has developed a Mechanism

where any violation can be report to the Chairman of the Audit Committee for appropriate resolution. The confidentiality of such reporting will be maintained and they are not subjected to any discriminatory practice or victimization. The Audit Committee shall oversee the Vigil Mechanism. The policy on vigil mechanism and whistle blower is available on Company's website.

RELATED PARTY TRANSACTIONS

The contracts/ arraignment/ transitions by the company during the year under review with related parties were in the ordinary course of business and on arms length basis and do not attract the provisions of section 188 of the companies Act 2013.

During the year, the Company had not entered into any contract/ arrangement/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Suitable disclosure as required by the Accounting Standards has been made in the Notes to the Financial Statement. The policy on Related Party Transaction and determining material Subsidiaries as approved by the Board is uploaded on the company's website.

PARTICULARS OF LOAN, GUARANTEES, SECURITY OR INVESTMENTS

Details of Loans, Guarantee, Securities and Investments during the year under review are given in the Notes to the financial statements pursuant to requirement of under Section 186 of the Companies Act, 2013.

AUDITOR & AUDITOR'S REPORT

Pursuant to Section 139(2) of the Companies Act, 2013, a statutory auditor of the company can remain the statutory auditors of the company for a consecutive two term of five years each. However a further grace period of three years to rotate the existing statutory auditors for the companies incorporated prior to 1st April 2014 was also provided under the Act.

Consequent to the above provisions, the existing statutory auditors M/s PDM and Company, Chartered Accountants, of the company will retire from the office of the auditors at the conclusion of the ensuing 44th Annual General Meeting of the Company and are not eligible for further reappointment. The Board of your Company approved and recommended the name of M/s Suresh Surana & Associates LLP, Chartered Accountants (Registration No 121750W/W-100010) for appointment of statutory auditors of the company for a period of five years which will hold office after the conclusion of the 44th AGM till the conclusion of 49th AGM of the company, if considered, will be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for holding the office of the Auditors. Accordingly, the Board recommends their appointment as Statutory Auditors of the Company by the Shareholders at the ensuing Annual General Meeting of the Company.

Auditors' observations in their Report have been elaborately dealt with in the Auditors' Report / Notes on Accounts. The same are self-explanatory and do not need any more information/explanation.

Cost Accounting Record Rules and Cost Audit Report Rules are not applicable due to non functional of MTF Plant.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of the Company appointed M/s Sanjay Grover and Associates to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2017, in the prescribed format is attached and marked as **Annexure II** with this report. Board

has perused observations of the auditors in their report and ensure to have effective process of compliances & rectify by filling requisite forms subsequently including previous year.

MANAGERIAL REMUNERATION

The information required in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5 (1), (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.(Annexure-III)

EXTRACT OF ANNUAL RETURN

Extracts of the Annual Return in the prescribed format is attached with this report and marked as **Annexure IV**.

STATUTORY DISCLOSURES

Since there is no production hence no information is required to be given for energy conservation, technology absorption, fuel

consumption etc. u/s 134(3) (m) of the Companies Act, 2013. Information about foreign exchange earnings is nil and outgo is Rs 84.79 Lacs during the year under review.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks for support and co-operation from Banks, UP Government and other Government Authorities and shareholders during the year period review. Your Directors also appreciate services of executives and staff of the Company for unstinted support in revival of the Company.

For and on behalf of the Board of Directors

**Place: New Delhi
Date: August 18, 2017**

**Vinay Kumar Modi
Chairman**

Annexure I

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2016-17.

1	Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programs	Refer Section Corporate Social Responsibility in this Report
2	Composition of the CSR Committee.	Refer Corporate Governance Report
3	Average Net Profit of the Company for last three financial years	Nil
4	Prescribed CSR Expenditure (two percent of the amount as in item No. 3 above)	None
5	Details of CSR spent during the financial year:	
	(a) total amount to be spent for the financial year	None
	(b) amount unspent, if any	Not Applicable
	(c) manner in which the amount spent during the financial year	None
6	In case the Company fails to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report.	Not Applicable

Responsibility Statement

The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

**Alok Kumar Modi
Managing Director**

**Vinay Kumar Modi
Chairman**