



**DYNAVISION LIMITED**

**ANNUAL REPORT**

**2014 - 2015**

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### **BOARD OF DIRECTORS**

Sri. R. P. AGRAWAL  
Sri. M. S. MEERAMOHIDEEN  
Sri. J. NARAYANA MURTY  
Sri. N. GOVINDAN  
Smt. LAKSHMMI SUBRAMANIAN

### **AUDITORS**

M/s. P. CHANDRASEKAR  
Chartered Accountants  
New No. 6, 2nd Floor,  
Krishnaswamy Avenue,  
Luz, Mylapore,  
Chennai - 600 004.

### **BANKERS**

INDIAN OVERSEAS BANK,  
CHENNAI - 600 041.

### **REGISTERED OFFICE**

3rd Floor, JHAVER PLAZA  
No. 1-A, Nungambakkam High Road  
Chennai - 600 034  
Phone: 044-28263651 Fax: 044-42040995  
Web: [www.dynavision.in](http://www.dynavision.in)  
E-mail: [dvl@dynavision.in](mailto:dvl@dynavision.in)  
[investors@dynavision.in](mailto:investors@dynavision.in)

### **SECRETARIAL AUDITOR**

P. S. Srinivasan B.A., L.L.B., A.C.A., A.C.S  
Practising Company Secretary  
No.22, (Old No. 1895), 18th Street  
Thiruvalluvarkudiyurppu  
Anna Nagar West, Chennai - 600 040.  
Email: [pssrinivasan1939@gmail.com](mailto:pssrinivasan1939@gmail.com)

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the Fortieth Annual Report of Dynavision Limited along with the audited financial statements for the year ended 31<sup>st</sup> March, 2015.

**FINANCIAL RESULTS**

	(Rs. In lakhs)	(Rs. In lakhs)
	<u>2014-2015</u>	<u>2013-2014</u>
Profit/(Loss) before Interest and Depreciation	380.21	13.70
Add/Less: Interest	-	0.09
Profit before Depreciation	380.21	13.79
Add/Less: Depreciation	1.05	0.75
Profit/(Loss) before Tax	379.16	13.04
Exceptional Item	-	-
Tax Expenses related to earlier years	-	-
Profit/(Loss) carried over to Balance Sheet	379.16	13.04

**PERFORMANCE AND STATE OF AFFAIRS OF THE COMPANY**

The Company during the year earned a sum of Rs. 432.15 lacs as lease rental income. The corresponding figure for the previous year was Rs.61.29 lacs.

At present, the earnings of the company is through lease rent only and it will remain so till the accumulated losses are wiped out entirely and a sufficient cash reserves achieved to take a fresh venture. During the financial year 2015-16 your company shall be earning Rs.465.00 lacs as lease rental income.

During the year under review there is no change in the nature of activity of the company.

**DIVIDEND**

Considering the huge accumulated losses, your Board of Directors could not recommend any dividend to the Shareholders for the financial year ended 31.03.2015.

**TRANSFER OF PROFIT TO RESERVES**

The Company has not proposed to transfer any of its profits to reserves in view of the Carried forward losses.

**MATERIAL CHANGE AND COMMITMENTS OF THE COMPANY**

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report; and there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

There have been no loan, guarantees and investment given or made by the Company under Section 186 of the Act during the financial year 2014 – 2015.

**SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

The company doesn't have any subsidiaries, associates and joint venture companies.

**TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information as required to be disclosed on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure I" to this Report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL****Retirement by Rotation**

In terms of Section 152 of the Companies Act 2013, Shri M.S.Meeramohideen, who retire by rotation at the forthcoming AGM and is eligible for re-appointment. Shri M.S.Meeramohideen offers himself

for re-appointment. Brief profile is mentioned in the Notice of forthcoming Annual General Meeting of the company

#### **Independent Director**

Smt. Lakshmmi Subramanian was appointed as independent director on 11.11.2014, based on the recommendation of Nomination and Remuneration Committee.

The Board recommends her appointment and accordingly resolution seeking approval of the members for her appointment has been included in the Notice of forthcoming Annual General Meeting of the company along with her brief profile.

#### **INDEPENDENT DIRECTORS' DECLARATION**

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 which has been relied on by the Company and placed at the Board Meeting of the Company.

#### **AUDITORS**

##### **STATUTORY AUDITORS**

Pursuant to the provisions of section 139 of the Act and the rules framed there under, M/s. P. Chandrasekar, Chartered Accountants, (firm registration no. 000580s) were appointed auditors of the company from the conclusion of the 39th Annual General Meeting (AGM) of the company held on 30th September 2014 till the conclusion of AGM to be held in 2017, subject to ratification of their appointment at every AGM.

##### **COMMENT ON STATUTORY AUDITOR REPORT**

There are no qualifications, reservations, remarks or disclaimers made by M/s. P. Chandrasekar, Statutory auditor, in their audit report. The statutory auditor have not reported any incident of fraud to the Audit Committee of the Company during the financial year 2014-15.

#### **SECRETARIAL AUDITOR**

Pursuant to the requirements of Section 204 (1) of the companies Act 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed, Mr.P.S.Srinivasan, Practicing Company Secretary (Membership:No1090, CP No.3122.) to conduct secretarial audit for the financial year 2014-15.

The Secretarial Audit report as received from the secretarial auditor is annexed to this report as Annexure II.

#### **COMMENT ON SECRETARIAL AUDITOR REPORT**

With reference to the remarks made by the secretarial auditor, Mr. P.S.Srinivasan, Practicing Company Secretary bearing (MembershipNo1090 CP No. 3122.), in his Secretarial Audit Report, the company has taken the corrective measures during the current financial year.

#### **INTERNAL CONTROL AND ITS ADEQUACY**

M/s R.Subramanian & Company, Chartered Accountant (Firm Reg No. 004137s) were appointed as internal auditors of the Company. They regularly conduct audit and submit their quarterly reports, which are reviewed by the Audit Committee. The Company has an adequate Internal Control system, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

#### **RELATED PARTY TRANSACTIONS**

During the year 2014 – 2015, the Company had not entered into any material transaction with related parties as per section 188 of the Companies Act, 2013. Hence the question of reporting under the requirement of said section doesn't arise.

However, the company has entered in to a lease agreement with a party in which the promoter of your company has significant influence and the details of the same is available in the Notes on Accounts.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of extract of Annual Return in form MGT -9 as provided under Sub Section (3) of the Section 92 of the Companies Act, 2013 (the "Act") is annexed herewith as Annexure –III to this report.

#### **PERSONNEL**

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, forms part of this Report as Annexure IV.

#### **RISK MANAGEMENT POLICY**

The risk management is overseen by the Audit committee of the company in a continuous basis. Major risks, if any, identified by the business and functions are systematically addressed through mitigating action on a continuous basis. The Risk Management policy is available on the Company website [www.dynavision.in](http://www.dynavision.in)

#### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Presently the total number of employees are less than the statutory limit and hence the company has not constituted a separate committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

However the company has zero tolerance for sexual harassment at workplace.

During the financial year 2014-15, the Company has not received any sexual harassment complaints.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Presently the company has very limited activity, No management discussion at large has taken place during the year.

#### **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on date of the balance sheet.

#### **CORPORATE GOVERNANCE REPORT**

Since your company's paid up Equity capital and Net worth is less than Rs.10 crores and Rs.25 crores respectively, the provisions of revised Clause 49 relating to Corporate Governance, vide SEBI circular number CIR/CFD/POLICY CELL/7/2014 dated 15<sup>th</sup> September 2014 is not applicable to the company.

#### **NUMBER OF MEETINGS OF THE BOARD**

In total 4(four) Meetings of the Board of Directors of the Company were held during the year 2014-15, held on 2nd May 2014, 11th August 2014, 11th November 2014 and 11th February 2015. The maximum time gap between any two consecutive meetings did not exceed 120 days.

#### **PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Audit and Nomination & Remuneration Committees and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

A structured questionnaire was prepared after taking into consideration of the inputs received from the Directors, covering various aspects of the Board's

functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interests of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman of the Board and the Executive Directors was carried out by the Independent Directors.

#### **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

The Board of Directors had adopted a Code of Conduct for the Board Members and employees of the company. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements of the Company.

The Code is aimed at preventing any wrongdoing and promoting ethical conduct at the Board and employees. The Compliance Officer is responsible to ensure adherence to the Code by all concerned.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

#### **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

As the activity in the company is very limited, company does not have a whistle blower policy framed at present. However, a full fledged policy shall be in place once the activity in the company takes-off. Further, Directors and employees are having full access to the audit committee to report their genuine and serious concern if they observe any.

#### **POLICY OF DIRECTORS' APPOINTMENT AND REMUNARATION**

Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of the Act are covered under the Board's policy formulated by the Company and is available on the Company website [www.dynavision.in](http://www.dynavision.in)

#### **BOARD COMPOSITION**

The Board is well constituted with composition of two executive and three non-executive independent directors in the meeting.

Category	Name of Director
Executive Director	Mr.R.P.Agarwal Mr.M. S. Meeramohideen
Independent Non-Executive Directors	Mrs.Lakshmmi Subramanian Mr.N.Govindan Mr.J.Narayanamurthy

#### **Board Committees**

The Board has constituted the following committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

**Audit Committee****(A) Qualified and Independent Audit Committee**

The Company complies with Section 177 of the Companies Act, 2013 the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of two whole time directors and three Independent Directors.
- (ii) All members of the Committee are financially literate and having the requisite financial management expertise;
- (iii) The Chairman of the Audit Committee is an Independent Director;
- (iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30th September 2014.

**(B) Terms**

The terms of reference of the Audit Committee include:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments

- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

**Powers of Audit Committee:**

The Audit committee shall have the authority –

- To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board.
- To discuss any related issues with the internal and statutory auditors and the management of the company
- To investigate into any matter in relation to the items or referred to it by the Board
- To obtain professional advice from external sources
- To have full access to information contained in the records of the company.

**(C) Composition, names of Members and Chairperson, its meetings and attendance:**

The composition of the Committee consists of Mr.N.Govindan, an independent Director, its Chairman, Mr.R.P.Agrawal, Mr. M.S.Meeramohideen, Mr.J.Narayanamurty and Mrs. Lakshmmi Subramanian are as members of the committee. During the year, 4 Audit Committee meetings were held on 2nd May'14, 11th August'14, 11th November'14 and 11th February'15.

The composition of the Audit Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Category	Meetings held during FY 2015	Meetings attended
Mr. N.Govindan	Independent/ chairman	4	4
Mr.J.Narayanamurty	Independent	4	4
Mrs.Lakshmmi Subramanian	Independent	2	2
Mr. R.P.Agrawal	Whole Time Director	4	4
Mr. M.S.Meeramohideen	Whole Time Director	4	4

The Committee meetings was attended by the representatives of Statutory Auditors on invitation.

#### **Nomination and Remuneration Committee**

##### **(A) Constitution**

All the five Directors namely Shri.N.Govindan, Shri J.Narayanamurty, Shri R.P.Agrawal, Shri. M.S.Meeramohideen and Mrs. Lakshmmi Subramanian are Members of the Nomination and Remuneration Committee. Shri N.Govindan being the chairman of the committee. All increments/ remuneration etc are decided at the Meetings collectively.

##### **(B) Terms of reference**

#### **Terms of reference of the Nomination and Remuneration Committee include:**

- The Committee shall formulate the criteria for determining the qualification, positive attributes and independence of a director and recommend

to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Committee shall ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
- Review the policy from time to time for selection and appointment of Directors and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.



- Filling up of vacancies in the Board that might occur from time to time and appointment of additional Non-Executive Directors. In making these recommendations, the Committee shall take into account the special professional skills required for efficient discharge of the Board's functions.
- Recommendation to the board with regard to retirement of Directors, liable to retire by rotation and appointment of Executive Directors.
- To determine and recommend to the Board from time to time
  - (a) The amount of commission and fees payable to the Directors within the applicable provisions of the Companies Act, 2013.
  - (b) The amount of remuneration, including performance or achievement bonus and perquisites payable to the Executive Directors
  - (c) To frame guidelines for Reward Management and recommend suitable schemes for the Executive Directors and Senior Management.
- To determine the need for key man insurance for any of the company's personnel
- To carry out the evaluation of every director's performance
- To carry out any function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modifications as may be applicable.

**(C) Meetings and attendance during the year:**

During the year, two meetings of Nomination and Remuneration Committee were held on 11th August 2014 and 11th November 2014.

The number of meetings attended by the members during the year are given below.

Name of Member	Category	Meetings held during FY 2015	Meetings attended
Mr. N.Govindan	Independent/ chairman	2	2
Mr.J.Narayanamurty	Independent	2	2
Mrs.Lakshmmi Subramanian	Independent	2	1
Mr. R.P.Agrawal	Whole Time Director	2	2
Mr. M.S.Meeramohideen	Whole Time Director	2	2

**(D) Remuneration policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee approved a policy for selection and appointment of Directors, Senior Management and for determining their remuneration. Remuneration Policy of the Company is available in the company website [www.dynavision.in](http://www.dynavision.in)

**(c) Details of Remuneration to Directors**

Details of Remuneration to Directors	Mr.R.P.Agrawal	M.S.Meeramohideen
Salary & perquisites	5,38,100	5,13,048
Contribution to Retirement funds	NIL	NIL
Stock options	NIL	NIL
Number of Shares held	NIL	NIL
Service Contracts	NIL	NIL
Notice period	One Month	One Month

**Notes:**

There has been no pecuniary relationship or transactions other than above of the Non-Executive Independent Directors vis-à-vis the Company during the year under review.

**Stakeholders Relationship Committee**

The Stakeholders Relationship Committee specifically looks into issues such as redressing of shareholders' and investors' complaints such as transfer of shares, non-receipt of shares, non-receipt of declared dividends and ensuring expeditious share transfers and also redresses the grievances of deposit holders, debenture holders and other security holders.

**(A) Composition, Members, its meetings and attendance**

This Committee comprises of Mr. N.Govindan as Chairman with Mr.R.P.Agrawal and Mr. M.S.Meeramohideen as members of the Committee.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Category	Meetings held during FY 2015	Meetings attended
Mr. N.Govindan	Independent/ chairman	7	7
Mr. R.P.Agrawal	Whole Time Director	7	7
Mr. M.S.Meeramohideen	Whole Time Director	7	7

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Your company is not having Net profits of more than 5 Crore rupees, in the Year 2013-14 and therefore Constituting of a CSR committee in accordance with the provisions of section 135 of the Act does not arise.

**GENERAL INFORMATION:**

- 1) **AGM Date, Time and Venue:** 30<sup>th</sup> September 2015 at 10.30a.m  
Shri Vidya Kalyan Mahal,  
Old. No. 142, (L.B.Road),  
New No. 74,  
Kalki Krishnamoorthy Salai,  
Thiruvanniyur,  
Chennai- 600041
- 2) **Financial Calendar**

1st Quarter	-1st April to 30th June
2nd Quarter	-1st July to 30th September
3rd Quarter	-1st October to 31st December
4th & last Quarter	-1st January to 31st March
- 3) **Date of Book Closure** Thursday 24<sup>th</sup> September 2015 to Wednesday 30<sup>th</sup> September, 2015 (Both days inclusive)
- 4) **Record Dates** Nil
- 5) **Dividend Payment Date** Not Applicable
- 6) **Listing with Stock Exchanges (with Stock Code)**

Regional Stock Exchange Code for Dynavision Ltd.

The Stock Exchange, Mumbai 517238  
Phiroze Jeejeebhoy Towers  
25th Floor, Dalal Street  
Mumbai 400 001.
- 7) **Listing Fees was Paid for all the above stock exchanges for 2014-2015 and 2015-16**
- 8) **Address of Registered office**

3<sup>rd</sup> Floor, JHAVER PLAZA,  
1-A, Nungambakkam High Road,  
Chennai- 600 034  
Phone: +91 44 28263651  
Fax : +91 44 42040995  
Web site: [www.dynavision.in](http://www.dynavision.in)  
Email: [dvl@dynavision.in](mailto:dvl@dynavision.in)

E-Mail ID of Investor Grievance redressal cell:  
[investors@dynavision.in](mailto:investors@dynavision.in)

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Act, the Directors hereby confirm:

1. That in the Preparation of Final Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. That they had selected such Accounting Policies and applied them consistently and made judgements 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 or Loss of the Company for that period;
3. That they had taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Act, for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. That they had prepared the Annual Accounts on a Going Concern basis.
5. That they laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating properly; and
6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation of the contributions made by employees at all levels, towards the continued growth and prosperity of your Company.

Directors take this opportunity to convey their thanks to all the valued shareholders and the valuable services rendered by the Officers and Staffs at all levels.

For and on behalf of the Board

**R.P.AGRAWAL**

Director

DIN: 05253615

**MS.MEERAMOHIDEEN**

Director

DIN: 00001896

Place : Chennai 34

Date : 12.08.2015

## ANNEXURE I

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The particulars as prescribed under Rule 8(3) of the Companies (Account) Rules, 2014 are as follows:

**A. Conservation of Energy**

At present there is no manufacturing activity in the Company. Hence the scope for conservation of energy is very limited. Hence reporting under this clause is not applicable.

**Details of Consumption of Electricity**

	2014-2015	2013-2014
Units (KWH)	3704	3260
Cost (Rs.)	34039	31863
Rate Per Unit (Rs.)	9.19	9.77

**B. TECHNOLOGY ABSORPTION**

Since the company has moved out from the manufacturing activity, the disclosures required under this clause is not applicable.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

	2014-15	2013-2014
Earnings in Foreign Exchange	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

Since the Company has not carried on any export during the financial year under review, the disclosures requirement relating to exports, initiatives taken to increase exports; development of new export markets for products and services and export plans doesn't arise.

## ANNEXURE II

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2015**

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

**To the Members**

**DYNAVISION LIMITED**  
**3rd Floor, Jhaver Plaza,**  
**No.1A, Nungambakkam High Road, Chennai -**  
**600034**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DYNAVISION 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 my opinion thereon.

Based on my 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, I hereby report that in my 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 **DYNAVISION LIMITED** (“the Company”) for the financial year ended on 31st March, 2015 according to the provisions as applicable to the Company during the period of audit:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
  - (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
    - (d) The Listing Agreements entered into by the Company with the Stock Exchanges, where the equity shares of the Company are listed
    - (e) Secretarial Standards issued by the Institute of Company Secretaries of India (Not Applicable for the Audit Period).
  - (iv) There are no laws/ Regulations (as amended from time to time), as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry.
  - (v) It is reported that during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guide lines etc except the following.
    - The Company has not intimated through the newspaper the date of Board Meeting in which the Audited and Unaudited financial results are to be adopted.
    - Since the Paid up share capital of the Company is less than the threshold limit as laid down under the provisions of Section 203 of the Companies Act, 2013 the company has not appointed certain KMPs.
- I further report that there were no actions/events in the pursuance of
- (a) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014(Not Applicable for the Audit Period);
  - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not Applicable for the Audit Period);

- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not Applicable for the Audit Period);
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(Not Applicable for the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not Applicable for the Audit Period);

Requiring compliance thereof by the Company during the Financial Year under review.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads / CEO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable other general laws like Human Resources and labour laws.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that:

The Board of Directors of the Company is generally well 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 delivered 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that during the audit period, no events during the year have had a major bearing on the Company's affairs except.

•Adoption of new set of Articles of Association (AOA).

Place: Chennai  
Date: 12.08.2015

P. S. Srinivasan  
ACS No. 1090  
C.P.NO. 3122

**Note: This report is to be read with my letter of even date which is annexed as Annexure A and form forms an integral part of this report.**

**ANNEXURE-A**

**The Members**  
**DYNAVISIONLIMITED**  
**3rd Floor, Jhaver Plaza,**  
**No.1A, Nungambakkam High Road,**  
**Chennai - 600034**

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Chennai 34  
Date : 12.08.2015

**P. S. SRINIVASAN**  
Acs No. 1090  
C. P.No: 3122

## ANNEXURE – III

FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

Extract of Annual Return as on financial year ended on 31 March, 2015

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

I.	REGISTRATION & OTHER DETAILS:	
1.	CIN	L32301TN1973PLC006439
2.	Registration Date	24 September, 1973
3.	Name of the Company	Dynavision Limited
4.	Category/Sub-category of the Company	Manufacturer of Electronic goods
5.	Address of the Registered office & contact details	Dynavision Limited 3rd Floor, Jhaver Plaza, N. 1-A, Nungambakkam High Road, Chennai - 600 034 Tel: 044 - 28263651 Fax: 044 - 42040995 email: dvl@dynavision.in investors@dynavision.in
6.	Whether listed company Yes/No	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. GNSA Infotech Ltd Contact Person: Mr. Devasahayam. R Senior Process Manager Nelson Chambers, 4th Floor, F-Block, # 115, Nelson Manickam Road, Aminthakarai, Chennai - 600 029. Tamilnadu, INDIA. Telephone: +91-44-42962025 Email: rdevasahayam@gnsaindia.com Website: www.gnsaindia.com

## 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:

Sl. No.	Name and Description of main Products/services	NIC Code of the product / service	% to total turnover of the company
1	Leasing Activity	99721121	100

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL



## IV SHARE HOLDING PATTERN AS ON 31.03.2015.

Category of Shareholders	No. of Shares held at the beginning of the year on 31 March 2014				No. of Shares held at the end of the year on 31 March 2015				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	2108810	2108810	54.92	0	2108470	2108470	54.91	(0.01)
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (1):	0	2108810	2108810	54.92	0	2108470	2108470	54.91	(0.01)
(2) Foreign									
a) NRIs - Individuals	0								
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any other	0	0	0	0	0	0	0	0	0.00
Sub-total (A) (2)									
Total shareholding of promoter (A) = (A)(1)+(A)(2)	0	2108810	2108810	54.92	0	2108470	2108470	54.91	(0.01)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI									
c) Central Govt									
d) State Govt(s)	0	1000	1000	0.03	0	1000	1000	0.03	-
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B) (1)	0	1000	1000	0.03	0	1000	1000	0.03	-

Category of Shareholders	No. of Shares held at the beginning of the year on 31 March 2014				No. of Shares held at the end of the year on 31 March 2015				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	51970	51970	1.35	0	52862	52862	1.37	0.02
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	1678220	1678220	43.70	0	1677668	1677668	43.69	(0.01)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies									
NRN's									
Foreign Company									
HUF									
Clearing Members									
Market Maker									
Sub-total (B) (2)	0	1730190	1730190	45.05	0	1730530	1730530	45.06	0.01
Total Public Shareholding (B)= (B)(1)+(B) (2)	0	1731190	1731190	45.08		1731530	1731530	45.09	0.01
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	0	3840000	3840000	100.00		3840000	3840000	100.00	

## (ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding 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	Pledged/ encumbered to total shares	
1	Shri P. Vijayakumar Reddy	2108810	54.92	0	2108470	54.91	-	(0.01)
	Total	2108810	54.92	0	2108470	54.91	-	(0.01)

## (iii) Change in Promoter's Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	2108810	54.92	2108810	54.92
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (eg. allotment / transfer / bonus / sweat equity etc)	18-09-2014 Transfer (340)	0.01	2108470	54.91
3	At the end of the year	2108470	54.91	2108470	54.91

**iv. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Share Holding during the Year		Shareholding at the Year as on 31-03-2015	
		No. of shares	% of total shares of the company	% of total shares of the company	% of total shares of the company	% of total shares of the company	% of total shares of the company
1	Red Phoenix Consultancy P Ltd	31120	0.81	0	0	31120	0.81
2	PPN Holdings P Ltd	16360	0.43	0	0	16360	0.43
3	Bhagwati Dolatraishah	5940	0.15	0	0	5940	0.15
4	Kanaka Maha Lakshmi	5600	0.15	0	0	5600	0.15
5	Radhesham S Mahajan	5200	0.14	0	0	5200	0.14
6	Lalita Jain	5010	0.13	0	0	5010	0.13
7	Sankaranarayanan K	3900	0.10	0	0	3900	0.10
8	Modi LinaManhar	3890	0.10	0	0	3890	0.10
9	Manoharlal M Jain	3250	0.08	0	0	3250	0.08
10	Pratik Rajendra Gandhi	2790	0.07	0	0	2790	0.07

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	MR. N. GOVINDAN Independent Director	50	-	50	-

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

		Secured Loans excluding deposits	Unsecured	Deposits	Total Indebtedness
	<b>Indebtedness at the beginning of the financial year</b>				
i.	Principal Amount	0	79186678	0	79186678
ii.	Interest due but not paid	0		0	0
iii.	Interest accrued but not due	0		0	0
	Total (i+ii+iii)	0	79186678	0	79186678
	Change in Indebtedness during the financial year				
	Addition	0	0	0	0
	Reduction	0	(33300000)	0	(33300000)
	Net Change	0	(33300000)	0	(33300000)
	<b>Indebtedness at the beginning of the financial year</b>				
i.	Principal Amount				
ii.	Interest due but not paid		45886678		45886678
iii.	Interest accrued but not due				
	Total (i+ii+iii)		45886678		45886678

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.No	Particulars of Remuneration	Mr. R.P.Agrawal	Mr. M.S.Meeramohideen
1	Gross salary (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	5,38,100	5,13,048
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	5,38,100	5,13,048
	Ceiling as per the Act	Nil	Nil

**B. Remuneration to other Directors:Name of Directors**

<b>Sl.No</b>	<b>Particulars of Remuneration</b>	<b>Mr.J.Narayana murty</b>	<b>Mr.N.Govindan</b>	<b>Mrs. Lakshmmi Subramanian</b>
1	Independent Directors· Fee for attending board / committee meetings· Commission· Others, please specify	30,000	32,000	30,000
	Total (1)	30,000	32,000	30,000
2	Other Non-Executive Directors· Fee for attending board / committee meetings· Commission· Others, please specify	-	--	
	Total (2)	-	-	-
	Total (B)=(1+2)	30,000	32,000	30,000
	Total Managerial Remuneration Overall Ceiling as per the Act			

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

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

## Annexure IV

## Disclosures pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Disclosure Requirement	Disclosure Details
	<b>R.P.Agrawal/ M.S.Meeramohideen</b>
the ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;	1.23 / 1.39
the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	11.36 / 13.74
the percentage increase in the median remuneration of employees in the financial year;	11.40
the number of permanent employees on the rolls of company	7
the explanation on the relationship between average increase in remuneration and company performance	There is no activity in the company except the receipt of rental income. However, a normal increment was given to all the employees.
comparison of the remuneration of the Key Managerial Personnel against the performance of the company	There is no activity in the company except the receipt of rental income. Hence the remuneration of the KMPs can't be compared with the Performance.



<p>variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year</p>	<p>Since no trading had taken place in the stock exchanges, the variation in Market Capitalization doesn't arise. Similarly no PE Ratio could be arrived at.</p>
<p>average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;</p>	<p>There is no significant change in the average percentile increase in the remuneration payable to Employees and Managerial Personnel.</p>
<p>comparison of the each remuneration of the Key Managerial Personnel against the performance of the company</p>	<p>There is no activity in the company except the receipt of rental income. Hence the remuneration of the KMPs can't be compared with the Performance.</p>
<p>the key parameters for any variable component of remuneration availed by the directors</p>	<p>-</p>
<p>the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and</p>	<p>-</p>
<p>affirmation that the remuneration is as per the remuneration policy of the company</p>	<p>Yes.</p>

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of  
DYNAVISION LIMITED

**Report on Financial Statements**

We have audited the accompanying financial statements of DYNAVISION LIMITED ("The Company") which comprise of the Balance Sheet as at 31<sup>st</sup> March 2015, Statement of Profit & Loss, and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ('the act') with respect to the preparation 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 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 an opinion on these financial statements based on our audit.

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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

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 judgement, 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 financial control relevant to the Company's

preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's directors, 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 on the financial statements.

### **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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2015;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("The Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement 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.

Place : Chennai  
Date : 26.05.2015

**S. BABU**  
Partner  
Membership No. : 024136

- e. On the basis of written representations received from the directors as on 31st March 2015 and 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 Auditors report in accordance with Rule 11 of the Companies (Audits 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
- (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses,
- (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection fund by the Company.

For **P. CHANDRASEKAR**  
Chartered Accountants  
ICAI regd. No. 000580s

**Annexure referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements “of our Report of even date to the members of DYNAVISION LIMITED on the accounts of the company for the year ended 31st March, 2015 :**

- I. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. As explained to us, these fixed assets have been physically verified by the Management, at regular intervals; as informed to us no material discrepancies were noticed on such verification;
- II. The Company does not have inventory of goods, hence the provisions of Para 4(ii) of the Companies (Auditors Report), 2015 are not applicable to the company.
- III. The company has not granted Secured/ Unsecured loans to parties covered in the register maintained under section 189 of the Act.
- IV. In our opinion and according to the information and explanations given to us, there is adequate Internal Control System commensurate with the size of the Company and the nature of its business, with regard to purchase of fixed assets and with regard to the sale of services. During the course of

- audit, we have not observed any continuing failure to correct major weaknesses in Internal Controls.
- V. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- VI. As explained to us and based on the information and explanation provided to us, the Central Government has not prescribed the maintenance of Cost records under Sub-section (1) of section 148 of the Companies Act 2013 to this company.
- VII. a. According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Investor education and protection fund Income-tax, Service act and other material statutory dues, as applicable, with the appropriate authorities in India. No undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income tax, Sales Tax, Wealth tax, service tax, Excise duty and cess etc which have not been deposited on account of any dispute.
- c. According to the information and explanation made available to us there are no amount required to be transferred to Investor Education and protection fund.
- VIII. The company has accumulated losses as at 31<sup>st</sup> March 2015, and is more than 50% of its net worth. The company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.
- IX. The company has not defaulted in repayment of dues to Banks/Financial institutions/Debenture holders.
- X. The company has not given guarantees for loans taken by others from banks or financial institutions.
- XI. The Company has not availed any term loan during the year .
- XII. To the best of our knowledge belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **P. CHANDRASEKAR**  
Chartered Accountants  
ICAI regd. No. 000580s

Place : Chennai  
Date : 26.05.2015

**S. BABU**  
Partner  
Membership No. : 024136

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

	Note No.	As at 31st March 2015 (Amt in INR)	As at 31st March 2014 (Amt in INR)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's Funds</b>			
a. Share Capital	1	38,379,095	38,379,095
b. Reserves and Surplus	2	(282,705,349)	(320,621,122)
<b>2. Non-Current Liabilities</b>			
a. Long-term borrowings	3	9,886,678	45,886,678
b. Other Long-term Liabilities	4	205,182,289	205,182,289
c. Long term provisions	5	198,634	187,200
<b>3. Current Liabilities</b>			
a. Other Current Liabilities	6	36,306,386	42,383,771
Total		<u>7,247,733</u>	<u>11,397,911</u>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
a. Fixed assets	7		
(i) Tangible assets		700,061	794,848
(ii) Intangible assets		850	4,040
b. Long term loans and advances	8	5,384,506	1,162,046
<b>2. Current assets</b>			
a. Trade Receivables	9	-	11,236
b. Cash and Bank Balances	10	1,162,316	9,425,741
Total		<u>7,247,733</u>	<u>11,397,911</u>

**Significant Accounting Policies and Notes to Financial Statements**

14

As per our Report of even date

For and on behalf of the Board

For **P. CHANDRASEKAR**  
 CHARTERED ACCOUNTANTS  
 Firm Regn. No: 000580s

**R.P. AGRAWAL**  
 DIRECTOR

**M.S. MEERAMOHIdeen**  
 DIRECTOR

**S. BABU**  
 PARTNER  
 Membership No. 024136  
 Place : Chennai 34  
 Date : 26.05.2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

Sl. No.	Particulars	Notes	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
			Amt. in INR	Amt. in INR
III.	<b>INCOME</b>			
	Other Income	11	43,215,000	6,129,477
	<b>Total Income</b>		<b>43,215,000</b>	<b>6,129,477</b>
IV.	<b>EXPENDITURE</b>			
	Employee benefit expenses	12	2,565,812	2,529,861
	Depreciation and amortization expense	7	105,277	74,920
	Other Expenses	13	2,628,138	2,219,730
	<b>Total expenses</b>		<b>5,299,227</b>	<b>4,824,511</b>
V.	Profit before Tax (III - IV)		<u>37,915,773</u>	<u>1,304,966</u>
VI.	Exceptional Item		-	-
VII.	Profit Before Tax (V-VI)		37,915,773	1,304,966
VIII.	Tax Expenses relating to earlier years		-	-
IX.	Net Profit/ (Loss) for the year (VII-VIII)		<u>37,915,773</u>	<u>1,304,966</u>
X.	Earning per equity share:			
	Weighted average no. of shares outstanding during the period		3,840,000	3,840,000
	Nominal Value per Equity Share		10	10
	Earnings per share			
	- Basic & Diluted EPS		9.87	0.34

**Significant Accounting Policies and Notes to Financial Statements**

14

As per our Report of even date

For and on behalf of the Board

For **P.CHANDRASEKAR**  
 CHARTERED ACCOUNTANTS  
 Firm Regn. No: 000580s

**R.P.AGRAWAL**  
 DIRECTOR

**M.S.MEERAMOHIdeen**  
 DIRECTOR

**S. BABU**  
 PARTNER  
**Membership No. 024136**  
 Place : Chennai 34  
 Date : 26.05.2015

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	Year Ended March 31, 2015 (Amount in INR)	Year Ended March 31, 2014 (Amount in INR)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before Tax as per Profit and Loss Account	37,915,773	1,304,966
Adjusted for:		
Depreciation / Amortisation	105,277	74,920
Interest Income on IT Refund	-	(9,477)
<b>Operating Profit before working Capital changes</b>	<b>38,021,050</b>	1,370,409
Adjustments for changes in working capital		
Trade Receivables	11,236	-
Trade and other Payable	(2,346)	(742,737)
Loans and Advances	(4,222,460)	(410,407)
<b>Cash Generated from Operations</b>	<b>33,807,480</b>	217,265
Interest received	-	9,477
Income tax paid	-	-
<b>Net Cash from / (used in) Operating Activities</b>	<b>33,807,480</b>	226,742
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(7,300)	(82,800)
Sale of Fixed Assets	-	-
<b>Net Cash from / (used in) Investing Activities</b>	<b>(7,300)</b>	(82,800)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) of Unsecured Loans	(33,300,000)	(34,064,398)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(33,300,000)</b>	(34,064,398)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	500,180	(33,920,456)
Cash and Cash Equivalents at the beginning of the year	662,136	1,282,592
Cash and Cash Equivalents at the end of the year	1,162,316	662,136
Net Increase in Cash and Cash equivalents	(500,180)	(620,456)

This is the Cash Flow Statement referred to  
in our Report of even date

For and On behalf of the Board

For **P. CHANDRASEKAR**  
CHARTERED ACCOUNTANTS  
Firm Regn. No: 000580s

**R.P. AGRAWAL**  
DIRECTOR

**M.S. MEERAMOHI DEN**  
DIRECTOR

**S. BABU**  
PARTNER  
Membership No. 024136  
Place : Chennai 34  
Date : 26.05.2015



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

	As at March 31.03.2015 (Amt in INR)	As at March 31.03.2014 (Amt in INR)
<b>Shareholder's Fund</b>		
<b>NOTE 1:</b>		
<b>SHARE CAPITAL</b>		
Authorised Capital		
50,00,000 Equity Shares of Rs.10 each	50,000,000	50,000,000
Issued, Subscribed & Paid-up Capital		
38,40,000 Equity Shares of Rs.10 each	38,400,000	38,400,000
Less: Calls in Arrears	20,905	20,905
<b>TOTAL</b>	<b>38,379,095</b>	<b>38,379,095</b>

**Reconciliation of share outstanding at the beginning and at the end of the year.**

<b>Equity Shares</b>	<b>No's</b>	<b>(Amt in INR)</b>	<b>No's</b>	<b>(Amt in INR)</b>
Shares Outstanding at the beginning of the year	3,840,000	38,400,000	3,840,000	38,400,000
Shares issued during the year at face value Rs.10/-	--	--	--	--
Shares bought back during the year	--	--	--	--
<b>Shares outstanding at the end of the year</b>	<b>3,840,000</b>	<b>38,400,000</b>	<b>3,840,000</b>	<b>38,400,000</b>

**Shareholders holding more than 5% shares**

<b>Equity Shares</b>	<b>No's</b>	<b>% of holding</b>	<b>No's</b>	<b>% of holding</b>
Name of Equity Shareholder (Equity Shareholder holding more than 5% of Equity Share Capital)				
Shri P. Vijaya Kumar Reddy	2,108,470	54.91%	2,108,810	54.92%
	2,108,470	54.91%	2,108,810	54.92%

**NOTE 2:****RESERVES AND SURPLUS****a. Securities Premium Reserve**

Opening Balance	13,051,892	13,051,892
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	1,30,51,892	1,30,51,892

**b. Statement of Profit and Loss**

as per last Balance Sheet (Deficit)	(333,673,014)	(334,977,980)
and Net Profit / (Loss) for the Year	37,915,773	(1,304,966)
Closing Balance (Deficit)	(295,757,241)	(333,673,014)
Total of Reserve and Surplus (Deficit)	<b>(282,705,349)</b>	<b>(320,621,122)</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015**

	<b>As at March 31.03.2015</b>	As at March 31.03.2014
	(Amt in INR)	(Amt in INR)
<b>Note 3:</b>		
<b>Long Term Borrowings</b>		
Unsecured:		
Borrowing from Promoters and Associates (Money was brought in as per the direction of BIFR, prior to the year 2002-03.	9,886,678	45,886,678
<b>TOTAL</b>	<b><u>9,886,678</u></b>	<b><u>45,886,678</u></b>
<b>Note 4:</b>		
<b>Other Long Term Liabilities</b>		
Trade Payable	3,757,289	3,757,289
Rental Deposits	201,425,000	201,425,000
<b>TOTAL</b>	<b><u>205,182,289</u></b>	<b><u>205,182,289</u></b>
<b>Note 5:</b>		
<b>Long Term Provisions:</b>		
Provision for Gratuity	198,634	187,200
<b>TOTAL</b>	<b><u>198,634</u></b>	<b><u>187,200</u></b>
<b>Note 6:</b>		
<b>Other Current Liabilities</b>		
<b>Current Maturities of Long term borrowings</b>	36,000,000	33,300,000
Creditors for Expenses	141,393	156,064
Provision for Bonus	154,420	147,420
Statutory Dues	10,573	16,682
Unclaimed Debentures	-	8,763,605
<b>TOTAL</b>	<b><u>36,306,386</u></b>	<b><u>42,383,771</u></b>

**NOTE 7**  
**FIXED ASSETS**

( in Rupees)

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	AS ON 01.4.2014	ADDI- TION	DELE- TION	AS AT 31.3.2015	AS ON 01.4.2014	FOR THE PERIOD	ADJUST MENT	AS ON 31.3.2015	AS ON 31.3.2015	AS AT 31.3.2014
<b>TANGIBLE ASSETS:</b>										
LAND	300,653	---	---	300,653	---	---	---	---	300,653	300,653
BUILDING	727,200	---	---	727,200	569,527	5,127	---	574,654	152,546	157,673
COMPUTERS	316,200	7,300	---	323,500	233,172	42,023	---	275,195	48,305	83,028
AIR CONDITIONERS	151,323	---	---	151,323	82,729	4,828	---	87,557	63,766	68,594
FURNITURE & FITTINGS	130,022	---	---	130,022	109,268	12,974	---	122,242	7,780	20,754
VEHICLE (LIGHT)	316,200	---	---	316,200	152,054	37,135	---	189,189	127,011	164,146
<b>TOTAL</b>	<b>1,941,598</b>	<b>7,300</b>	<b>---</b>	<b>1,948,898</b>	<b>1,146,750</b>	<b>102,087</b>	<b>---</b>	<b>1,248,837</b>	<b>700,061</b>	<b>794,848</b>
<b>INTANGIBLE ASSETS:</b>										
SOFT WARE	17,000	---	---	17,000	12,960	3,190	---	16,150	850	4,040
<b>TOTAL</b>	<b>1,958,598</b>	<b>7,300</b>	<b>---</b>	<b>1,965,898</b>	<b>1,159,710</b>	<b>105,277</b>	<b>---</b>	<b>1,264,987</b>	<b>700,911</b>	<b>798,888</b>
<b>PREVIOUS YEAR</b>	<b>1875,798</b>	<b>82,800</b>	<b>---</b>	<b>1,958,598</b>	<b>1,084,790</b>	<b>74,920</b>	<b>---</b>	<b>1,159,710</b>	<b>798,888</b>	<b>791,008</b>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

	As at March 31.03.2015 (Amt in INR)	As at March 31.03.2014 (Amt in INR)
<b>Note 8:</b>		
<b>Long Term Loans &amp; Advances (Unsecured, considered good)</b>		
Security Deposits	733,813	729,313
Tax Deducted at source/refund Due (Net off of Provision for Tax)	4,650,693	432,733
<b>TOTAL</b>	<b>5,384,506</b>	<b>1,162,046</b>
<b>Note 9:</b>		
<b>Trade Receivables (Unsecured, considered good)</b>		
Outstanding for a period of Less than six months	-	11,236
<b>TOTAL</b>	<b>-</b>	<b>11,236</b>
<b>Note 10:</b>		
<b>Cash and Bank Balances Cash and Cash Equivalents</b>		
Cash on hand	115,446	49,186
Balance with Bank in Current a/c	1,046,870	612,950
<b>Cash and Cash Equivalents (A)</b>	<b>1,162,316</b>	<b>662,136</b>
<b>Other Bank Balances</b>		
<b>Balance with Bank in Debenture Redemption account (B)</b>	<b>-</b>	<b>8,763,605</b>
<b>Cash and Bank Balances (A+B)</b>	<b>1,162,316</b>	<b>9,425,741</b>
<b>Note 11:</b>		
<b>Other Income</b>		
Rental Income (Ref Note 3)	43,215,000	6,120,000
Interest Income on account of IT refund	-	9,477
<b>TOTAL</b>	<b>43,215,000</b>	<b>6,129,477</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

	<b>As at March 31.03.2015</b>	As at March 31.03.2014
	<b>(Amt in INR)</b>	(Amt in INR)
<b>Note 12:</b>		
<b>Employee Benefit Expenses</b>		
Salaries, Wages and other allowances	2,350,420	2,234,885
Gratuity	40,034	96,117
Contribution to PF and other funds	77,958	105,265
Staff Welfare	97,400	93,594
Total	<u><b>2,565,812</b></u>	<u><b>2,529,861</b></u>
<b>Note 13:</b>		
<b>Other Expenses</b>		
Rent	756,000	744,000
Rates & Taxes	49,227	31,786
Repairs and Maintenance - Building	--	64,000
Repairs and Maintenance - Others	51,260	30,625
Repairs and Maintenance - Computer	17,443	--
Water Charges	2,010	1,970
Vehicle Maintenance	342,942	350,784
Insurance	12,352	9,824
Travelling and Conveyance	120,874	141,780
Postage, telex and Fax	121,541	104,240
Telephone	67,356	52,655
Printing and Stationary	347,878	279,019
Advertisement	33,030	32,564
Legal and Professional Charges	193,370	224,176
Books and Periodicals	3,340	3,410
Subscription and Membership	127,196	31,690
Remuneration to auditors	75,283	64,047
Sitting Fee	1,56,000	--
Electricity Charges	34,039	31,863
Bank Charges	2,627	739
Miscellaneous Expenses	114,370	20,558
Total	<u><b>2,628,138</b></u>	<u><b>2,219,730</b></u>

**NOTE -14****(I) SIGNIFICANT ACCOUNTING POLICIES:****A. Basis of Preparation of Financial Statements:**

The financial statements have been prepared on historical cost convention and in accordance with generally accepted accounting principles and applicable accounting standards.

**B. Use of Estimates:**

Estimates and assumptions made by management in the preparation of Financial Statements have a bearing on reported amounts of Financial Results, Assets & Liabilities and the disclosure of Contingent Liabilities. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively.

**C. Fixed Assets:**

Fixed Assets are stated at cost less Depreciation except Land.

**D. Depreciation:**

Depreciation is Provided under the Straight line Method in accordance with the rates prescribed under Schedule II of the Companies Act, 2013.

**E. Employee Benefits:**

Liability towards Gratuity and Leave Encashment are estimated and provided.

**F. Taxes on Income:**

Current Tax on Income for the Period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax act 1961 and based on the expected outcome of assessment / appeals.

Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for

using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet Date. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a reasonable certainty that the Assets will be realised in future.

**G Lease**

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of leased term are classified as operating Lease. Operating Lease Income is recognised in the statement of Profit and loss account in accordance to payment schedule detailed in the Lease deed.

**H Impairment of Assets**

Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount.

**I Provisions Contingent Liabilities and Contingent Assets**

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Contingent Liabilities are disclosed, unless the possibility of any outflow in settlement is remote, in the notes on accounts. Contingent Assets are neither recognised nor disclosed.

**14(II) OTHER NOTES****1. Debenture redemption - Public:**

The Company during the year 2007-08 redeemed the entire balance debentures of Rs. 152.41 lakhs of principal plus simple interest @ 14% per annum up to and inclusive of 30<sup>th</sup> September 2007, as per the approval accorded by the Debenture Holders at their Meeting held on 12.12.2007. The entire amount was paid into the Current account opened

with the State Bank of India, Chennai Main Branch on 14.12.2007. Unclaimed Debentures aggregating to Rs. 87.02 lakhs was transferred to Investor Education and protection fund on 07th January 2015.

## 2. Lease

The Company has given Land along with its Demised Premise Under Lease for a Period of 29 Years to Apollo Hospitals Enterprises Limited which is renewable at the option of lessee for a further period of 31 years the Company has obtained Refundable interest free Deposit of Rs. 20 Crores.

Operating Lease Income aggregating to Rs. 432.15 Lakhs is shown under Other Income.

The future minimum lease payments under non-cancellable operating leases in the aggregate and for the each of the following periods:

(i) not later than one year;	46,500,000
(ii) later than one year and not later than five years;	207,000,000
(iii) later than five years;	2,416,859,825
	2,670,359,825

## 3. Related Party Disclosure (As per Accounting Standard - 18)

The List of related parties as identified by the Company are as under :-

Key Management Personnel

- 1) Sri. R. P. Agrawal - Director
- 2) Sri. M. S. Meeramohideen - Director

Persons who have significant influence : Sri. P. Vijayakumar Reddy.

Entitles over which related party has Significant Influence : PPN Holdings Limited

Remuneration paid to Key Management Personnel - Rs. 10.51 Lakhs (9.34 lakhs.)

Other Related Party Transactions:

Particulars	2014-15	2013-14
Loans from Related parties and outstanding	42,886,677	49,186,677
Loans repaid during the year	6,300,000	764,398
Rent paid to related party during the year	75,000	NIL
Rental deposit paid during the year	225,000	NIL
Rental deposit outstanding at the end of the year	225,000	NIL

## 4. COMPUTATION OF EARNINGS PER SHARE

	2014-2015	2013-2014
No. of Shares at the beginning and at the end of the year	3,840,000	3,840,000
Face Value per Share (Rs.)	10	10
Profit/(Loss) after Taxation	37,915,773	1,304,966
Basic and Diluted Earnings per Share (Rs.)	9.87	0.34

## 5. Directors' Remuneration - 2 Directors

Particulars	2014-2015 Rs.	2013-2014 Rs.
Salaries	893,000	788,100
Perquisites	158,148	146,161
Total	1,051,148	934,261

6. On consideration of Prudences Deferred Tax Asset has not been created.

7. The Company had no outstanding dues that require to be furnished under section 22 of "The Micro small and medium enterprises development Act 2006.

8. CIF value of imports Nil

9. Earnings and Expenditure in Foreign currency Nil

10. Paise have been rounded off to the nearest Rupee.

11. Previous year's figures have been regrouped and rearranged wherever necessary, to conform to current year's classification.

As per our Report of even date

For and on behalf of the Board

For **P. CHANDRASEKAR**  
CHARTERED ACCOUNTANTS

**R.P. AGRAWAL**  
DIRECTOR

Firm Regn. No: 000580s

**S. BABU**  
PARTNER

**M. S. MEERAMOHIDEEN**  
DIRECTOR

**Membership No. 024136**

Place : Chennai 34  
Date : 26.05.2015

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