



DIRECTORS' REPORT

TO THE MEMBERS OF ICAI ACCOUNTING RESEARCH FOUNDATION

The Directors have pleasure in presenting the Seventeenth Annual Report of the ICAI Accounting Research Foundation (ICAI ARF), together with the Audited Balance-Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the Financial Year ended 31st March 2016.

ICAI ARF was established in January, 1999 by the Institute of Chartered Accountants of India, as a Section 25 company (now section 8 Company) and a core research body to promote research in the areas of accounting, auditing, capital markets, fiscal policies, monetary policies and other related disciplines. ICAI ARF believes that proper research inputs are necessary condition for raising the level of corporate governance, management, accounting and financial reporting. High quality research projects based on practical experience with theoretical extrapolations would also provide valuable inputs in formulation of policies and implementation thereof at macro and micro levels.

PERFORMANCE HIGHLIGHTS:

ICAI ARF has completed another successful year, 2015-16, in establishing it as a core research body in the areas of Accounting, Auditing, Fiscal Laws and Policy, Corporate and Economic Laws and Policies, Economics, Financial Management, Financial Services, Capital and Money Markets and other related disciplines.

Recognizing the impetus required for promoting quality research in the country, the Board has adopted and pursued a multi-pronged action plan to support research projects of contemporary national and international significance in the areas related to accountancy profession. ICAI ARF has extended an open invitation to undertake research to various institutions, research bodies, research scholars and the practitioners. Focussed advertisements were also hosted on the website of ICAI ARF and ICAI; and published in the Journal of ICAI '*The Chartered Accountant*', inviting expression of interest from the members and others to carryout research in the areas of contemporary interest with requisite financial support from ICAI ARF with an option of pursuing research or for taking up of systematic study in relevant areas. Furthermore, ICAI ARF also invited interested researchers to undertake projects / assignments on flexi-working basis in its focus areas.

New value added projects will continue to be the fundamental part of subsistence of ICAI ARF. Accordingly, ICAI ARF reaffirms its commitment to continue undertaking the research projects that would add value and help in spreading, promoting and advancement of various disciplines in the fields of accountancy, auditing, fiscal laws and policy, corporate and economic laws and policies, economics, financial management, financial services, capital and money markets, management information and control systems and other allied fields.

**RESEARCH PROJECTS:**

The main objective of the establishment of ICAI ARF is to undertake, conduct, foster, promote and provide aid and facilities for prosecuting core, fundamental, empirical, applied and other kinds of research work, projects and studies. The research work undertaken by ICAI ARF has been divided amongst two branches of research, viz., (1) Basic Research, and (2) Applied Research.

A status update of major research projects completed during the year and presently undertaken / implemented under basic and applied research is outlined here under along with particulars of proposals that are under consideration:

1. BASIC RESEARCH:

Basic research is designed to add to an organized body of scientific knowledge and does not necessarily produce results of immediate practical value. It is concerned with formulation of a theory or a contribution to theory. The ICAI ARF involves in carrying out basic research projects pertaining to subjects requiring enquiring into problems and issues significant to accounting and auditing and allied disciplines such as economics, finance and business laws through outsourcing research projects by inviting applications from research bodies/scholars and providing them financial assistance. The following research projects have been undertaken/continuing during the year:

1.1. PROJECT PROPOSALS:

The research studies on the following topics have been approved in principle by ICAI ARF subject to modifications in methodology / scope of the research:

1.1.1 “Request received from Research Committee, ICAI for conducting a Research Project”

The Research Committee, ICAI requested ICAI ARF to consider and take up a Research Project to compile from the Published Accounts of various companies about the type and variety of qualifications which can be given by auditor in various situations for the benefits of Members.

1.1.2 Analysis of issues on Mandatory Reporting under IFRS in India by Dr. Shigufta Uzma, Associate Professor, NIT, Rourkela

The researcher aims to carry out the analysis on the aspects related to Mandatory Reporting under IFRS in India.

1.1.3 Study of Corporate Bond Market in India – An Investor’s Perspective” by Mr. Dinabandhu Bag, Asst. Prof., NIT, Rourkela

The main objectives of the study are to determine the factors that drive the debt market as an alternative source of financing for corporate and identify the factors that position the debt market as an effective form of investments for investors.



2. APPLIED RESEARCH:

Applied Research is directed towards the solution of immediate specific and practical problems. It is performed in relation to actual problems and under the conditions in which they are found in practice. The applied research requires systematic study to gain knowledge or understanding necessary to determine the means by which a recognized and specific need may be met.

In view of the above, ICAI ARF has, in past, undertaken research projects related to conversion of accounts from cash basis to accrual system of Accounting of Municipal Corporation of Delhi (MCD), Kolkata Municipal Corporation (KMC), Controller General of Accounts (CGA) and Department of Posts (DoP), All India Institute of Medical Sciences (AIIMS), Kerala State Insurance Department (KSID), etc. involving conceptualizing a new accounting system including the incorporation of methodologies and procedures not common in India had been successfully completed. The Foundation had also undertaken DFID Project relating to Strengthening Rural Decentralization (SRD) suggesting a detailed methodology and road map for under pinning the issue on a logical framework. In continuation to above, the following projects have been undertaken by ICAI ARF:

2.1 PROJECTS COMPLETED DURING THE YEAR

2.1.1 EPFO – Report on Migration Strategy at EPFO – Cash to Accrual Accounting

ICAI ARF undertaken and completed the above mentioned Pilot Study Project. The final report was submitted in October 2015.

2.1.2 Indian Railways – Study of existing Budgeting and Costing System and Drafting of Concept Paper on Outcome Budgeting and Integrated Cost Accounting Architecture in line with Indian Railway Budget Announcement of 2015-16

The Concept paper on the pilot study project was prepared and submitted to the Indian Railways in November 2015. The cost incurred on the project was reimbursed by ICAI.

2.1.3 Ministry of Power - Coal India Limited, Kolkata (Ministry of Power) - Review of the Capital Expenditure (Capex) Procurement Process and Policy Compliances framework

ICAI ARF had undertaken and completed the Pilot Study Project. The final report of the project was submitted in May 2016. The cost incurred on the project was reimbursed by ICAI.

2.1.4 Power Finance Corporation (PFC) – To Strengthen Compliance Management Framework with PFC and its Subsidiaries

ICAI ARF has undertaken and completed the pilot study project in respect of Strengthening Compliance Framework at its Corporate



Office and three subsidiaries. The corporate office final report was submitted in June 2016 and reports of subsidiaries are submitted in August/September 2016.

2.2 ONGOING PROJECTS DURING THE YEAR

2.2.1 Indian Railways -Validation of Accounting Reforms Report and Related Pilot Study Project on Migration to Accrual Based Accounting System at NWR, Jaipur

The pilot sites for the aforesaid project were Ajmer Division; Ajmer Workshop and Ajmer Traffic Accounts. The project work has commenced on 7th January, 2015. Later, Indian Railways modified the scope of the project to North Western Railway, Jaipur. The modified scope would additionally include Jaipur, Bikaner & Jodhpur divisions and Bikaner & Jodhpur workshops. ICAI ARF has so far submitted Comprehensive Scope Evaluation Report (CSER), Fixed Assets Register, Opening Balance Sheet as on 1st April, 2014 and Draft Financial Statements for the period ended 31st March, 2015.

2.2.2 Indian Railways - Comprehensive study of the existing Cash based Government Accounting system in a Production Unit of Indian Railways (IR) and a Pilot study for introduction of Accrual Based Accounting at Rail Coach Factory (RCF), Kapurthala as an additional set of Accounts

The work has been commenced since March 2016. The milestones achieved by the team are as follows:

- **Accrual Accounting**
 - Fixed Assets Register as on 31.03.2014
 - Formats to capture Accrual Impact from the books maintained at the Production Unit
 - Opening Balance Sheet as on 1st April, 2014
- **Costing**
 - Comprehensive Scope Evaluation Report
 - Methodology of Marginal Costing
 - Methodology of Standard Costing
 - Presentation on absorption Costing and Marginal Costing (To create awareness about the Concept of Costing, absorption Costing and Marginal Costing)
 - Identification of Activity Based Cost Centres, Direct and Indirect Cost and basis of allocation and assignments of expenses

2.3 NEW PROJECT PROPOSALS RECEIVED DURING THE YEAR:

2.3.1 Municipal Corporation of Greater Mumbai (MCGM) - Pilot Study Project on Review and Strengthening of Accrual Accounting System and Designing of a Sustainable Audit Management Framework



ANNUAL REPORT 2015-16

ICAI ARF has received the Letter of Assignment and the Commencement date was stated as 28th December 2015 for the Project. However, the project work will commence after signing up of the MoU.

FINANCIAL PERFORMANCE:

During the year the revenue from research activities has been Rs. 39.47 lakh as against Rs. 13.75 lakh in the previous year. The Net Loss for the year under review amounted to Rs. 45.33 lakh as compared to Rs. 40.19 lakh during the year 2014-15. Financial results for the year 2015-16 compared with those of previous year are summarized below:

| <i>Particulars</i> | <i>2015-16</i> | <i>2014-15</i> |
|---|--------------------|--------------------|
| Revenue from Research Activities | 39,47,400 | 13,75,000 |
| Subscription from Members | 1,45,000 | 1,80,000 |
| Interest from Bank | 1,90,847 | 1,75,933 |
| Interest from Income Tax Refund | 3,64,654 | - |
| Grant | 54,14,882 | 50,00,000 |
| Miscellaneous Income | - | 750 |
| Total Income (A) | 100,63,400 | 67,31,683 |
| Total Expenditure (B) | 1,45,96,191 | 1,07,51,323 |
| Profit Before Taxation (C) - (A-B) | -45,32,791 | -40,19,640 |
| Less: Provision for Taxation (D) | | |
| Current Tax | | |
| Deferred Tax | - | - |
| Profit After Taxation (C-D) | -45,32,791 | -40,19,640 |

The Directors propose to appropriate this amount as under:

| | | |
|---------------------------------------|-------------------|-------------------|
| Amount transferred to General Reserve | -45,32,791 | -40,19,640 |
|---------------------------------------|-------------------|-------------------|

| <i>Summarized Cash Flow Statement:</i> | <i>2015-16</i> | <i>2014-15</i> |
|--|----------------|----------------|
| Inflow/(outflow) from operations | 11,10,801 | 9,38,796 |
| (Inflow)/outflow from investing activities | 1,90,847 | 1,75,933 |
| (Inflow)/outflow from financing activities | 30,7000 | 3,24,247 |
| Net increase/decrease in cash & cash equivalents | 16,08,606 | 14,38,976 |

STRENGTHENING OF INFRASTRUCTURAL BASE:

In order to strengthen the infrastructure base, ICAI ARF had taken an area of 20,000 sq. ft. in the Research Block, A-29, Sector-62, Noida, U.P. on sub-lease for a period of not less than ten years from the Institute of Chartered Accountants of India on annual lease rental of Rs. 5,000/- along with Rs. 5,00,00,000/- (Rs. 5 Crore only) towards the



acquisition of built up space and the proportionate cost of construction, furniture and fixtures, installation and interiors thereof.

THE WAY FORWARD:

Recognising the fact that considerable efforts are required to promote research in the field of accounting in India, ICAI ARF has taken a number of proactive measures for undertaking applied research, and carrying out research studies. ICAI ARF further plans to intensify promotional campaign for establishing direct contact with the Universities and other bodies on the one hand, and reaching out to the potential researchers throughout the country, on the other.

The list of proposed research projects of contemporary national and international significance and proposed research projects for Ph.D. degree would be further expanded, and expression of interest invited. In select areas, ICAI ARF may directly undertake research. Possibilities for networking with research organisation of repute, within and outside India, would be explored. Series of technical documents are proposed to be published and focussed training programmes organised for dissemination of technical knowledge and skills to various stakeholders.

Initiative for applied research in newer areas including already undertaken with the office of EPFO, PFC and IR on the lines of those taken up under MCD, KMC, CGA, AIIMS and DoP would also be considered basis their significance and usefulness as well as serving the ICAI ARF objectives. Following the same, we are in talks with the following:

- **Tamil Nadu Civil Supplies Corporation Limited - To Develop Integrated Accounting System Including a complete IT enabled Management Information System**
- **Indian Railways - Work of Rolling Out of Accrual Accounting in all the Zonal Railways and Production Units across the country.**

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

DEPOSITS

The Company has not invited/accepted any deposits from the public during the year ended March 31, 2016. There were no unclaimed or unpaid deposits as on March 31, 2016.

DIVIDEND

The Company is restricted by its Memorandum of Association for distribution of dividend among its members.



ANNUAL REPORT 2015-16

CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE:

| | |
|---|--|
| Conservation of energy: | The Foundation deals in Basic and Applied research and does not require large quantities of energy. However, wherever possible energy saving efforts are made. |
| Technology absorption: | Being a research organization, all the functions and resources are devoted towards research purposes. The IR, EPFO, PFC, MCD, KMC, CGA and DoP projects have been instrumental in building expertise in conversion of accounts to accrual basis. |
| Foreign Exchange earnings & Outgo: | Foreign Exchange earnings : Nil Foreign Exchange Outgo : Nil |

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is annexed herewith as **Annexure A** to this Report.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

Three Meetings of the Board of Directors were held during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

1. In the preparation of annual accounts, applicable accounting standards have been followed with no material departure;
2. The selected accounting policies had been applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and



ANNUAL REPORT 2015-16

- fair view of the state of affairs of the Foundation as at 31st March 2016 and of the excess of Expenditure and over income of the Foundation for that period;
3. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for detecting and prevention of fraud and other irregularities; and
 4. We have prepared the annual accounts on a 'going concern' basis.
 5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have written Risk Management Policy however closely monitors the threat to the Company's existence to the minimal.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of the business of the company.

DETAILS OF DIRECTOR OR KEY MANAGERIAL PERSONNEL

As on the date of this report the composition of Board of Directors of the Company is as follows:

1. CA. M. Devaraja Reddy (President, ICAI)
2. CA. Nilesh S. Vikamsey (Vice-President, ICAI)
3. CA. Manoj Fadnis*
4. CA. Rajkumar S. Adukia*
5. CA. Charanjot Singh Nanda*
6. CA. Anuj Goel*
7. CA. Sumantra Guha*
8. CA. Tarun Jamnadas Ghia
9. CA. Babu Abraham Kallivayalil
10. CA. Atul Gupta**
11. CA. Ranjeet Agarwal**
12. CA. K Sripriya**
13. Sh. V. Sagar (Secretary, ICAI)
14. CA. K. Rehman Khan
15. CA. Ved Jain***
16. CA. Amarjit Chopra

* Since retired as director w.e.f. 12th February 2016

** Appointed as director on 15th July 2016

*** Since retired as director w.e.f. 24th May 2016

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year under review, the Company has not advanced any loans/given guarantees/made investments.



ANNUAL REPORT 2015-16

BOARD OF DIRECTORS

During the year CA. Manoj Fadnis relinquished the charge of Chairman held by him as Ex-Officio. The Board places on record its appreciation for the commendable services and contribution made by CA. Manoj Fadnis.

DECLARATION OF INDEPENDENT DIRECTORS

The Provision of Section 149 pertaining to the appointment of Independent Directors does not apply to the Company.

STATUTORY AUDITORS

M/s. Mukesh Ramesh & Co. (Chartered Accountants) will retire as Auditors at the conclusion of this Annual General Meeting. The Board at its 68th Meeting held on 3rd September 2016 has recommended re-appointment of M/s. Mukesh Ramesh & Co. (Chartered Accountants) as Statutory Auditors of the Company for the F.Y 2016-17 and they have confirmed their eligibility in accordance with the provision of the Companies Act, 2013.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

During the year under review the Audit Committee comprised of following Directors:

1. CA. Anuj Goyal, Chairman, Audit Committee
2. CA. M. Devaraja Reddy, Member, Audit Committee
3. CA. Tarun Jamnadas Ghia, Member, Audit Committee
4. Shri V. Sagar, Member, Audit Committee

The Audit Committee was reconstituted on August 30, 2016 comprising of the following Directors:

1. CA. Amarjit Chopra, Chairman
2. CA. Tarun Jamnadas Ghia, Member
3. CA. Atul Gupta, Member
4. CA. Sripiya K., Member

INDUSTRIAL RELATIONS

ICAT ARF has always maintained cordial and harmonious relations at all levels. Efforts were made to inculcate team spirit and motivate the employees to fully develop their potential.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The internal financial controls are adequate with reference to the financial statements.

PARTICULARS OF EMPLOYEES

The activities of the company are being pursued through a team of staff from ICAI. Since the company does not have employees, the provision of Rule 5(2) of the Companies (Management and Administration) Rules, 2014 are not applicable and hence details have not been given.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Company has not received any complaint on sexual harassment during the financial year 2015 -16.


ACKNOWLEDGEMENT

The Board takes this opportunity to place on record its appreciation for the continued assistance, support and co-operation received from the Ministry of Corporate Affairs, Ministry of Power, Coal & Renewable Energy, Government of India, Indian Railways (IR), State Governments and Urban Local Bodies, M/s. Infosys Technologies Ltd, Office of the Department of Posts (DoP), Employee Provident Fund Organisation (EPFO), All India Institute of Medical Sciences (AIIMS), Power Finance Corporation Limited, Government of India, Guru Gobind Singh Indraprastha University, Bank of India and other authorities, experts, research scholars and individuals during the course of execution of the research projects and in other disciplines.

The Board of Directors sincerely appreciate and commend the valuable contribution made by the employees of the foundation at all levels in the pursuit of achieving objectives of the foundation for another year in succession.

For & On behalf of the Board
For ICAI Accounting Research Foundation

Place: New Delhi
Date: 8th September, 2016


(CA. M. DEVARAJA REDDY)
CHAIRMAN, ICAI ARF

**Annexure 'A'**

Form No. MGT-9

EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON 31ST
MARCH 2016

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|-------------|---|--|
| i. | CIN | U73200DL1999NPL097935 |
| ii. | Registration Date | 14/01/1999 |
| iii. | Name of the Company | ICAI ACCOUNTING RESEARCH FOUNDATION |
| iv. | Category/Sub-Category of the Company | COMPANY LICENSED UNDER SECTION 25 (NOW SECTION 8) |
| v. | Address of the Registered office and contact details | THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA, IP MARG, NEW DELHI, DELHI |
| vi. | Whether listed company | No |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | NA |

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:-

| Sr.No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------------|--|---|---|
| 1 | NA | | |
| 2 | | | |
| 3 | | | |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | %of shares held | Applicable Section |
|----------------|--|----------------|---------------------------------------|------------------------|---------------------------|
| 1. | NA | | | | |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |



ANNUAL REPORT 2015-16

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during The year |
|----------------------------------|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter | | | | | | | | | |
| 1) Indian | NA | | | | | | | | |
| a) Individual/ HUF | | | | | | | | | |
| b) Central Govt | | | | | | | | | |
| c) State Govt(s) | | | | | | | | | |
| d) Bodies Corp | | | | | | | | | |
| e) Banks / FI | | | | | | | | | |
| f) Any Other | | | | | | | | | |
| Sub-total(A)(1):- | | | | | | | | | |
| 2) Foreign | | | | | | | | | |
| g) NRIs-Individuals | | | | | | | | | |
| h) Other-Individuals | | | | | | | | | |
| i) Bodies Corp. | | | | | | | | | |
| j) Banks / FI | | | | | | | | | |
| k) Any Other.... | | | | | | | | | |
| Sub-total(A)(2):- | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | |
| b) Banks / FI | | | | | | | | | |
| c) Central Govt | NA | | | | | | | | |
| d) State Govt(s) | | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | |
| g) FIIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | | | | | | | | | |
| Sub-total(B)(1) | | | | | | | | | |
| 2. Non Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| (i) Indian | | | | | | | | | |
| (ii) Overseas | | | | | | | | | |



ANNUAL REPORT 2015-16

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | | | | | | | | | |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | | | | | | | | | |
| c) Others(Specify) | | | | | | | | | |
| Sub-total(B)(2) | | | | | | | | | |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | | | | | | | | | |
| C. Shares heldby Custodian for GDRs & ADRs | | | | | | | | | |
| GrandTotal (A+B+C) | | | | | | | | | |

Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbere d to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbere d to total shares | |
| 1. | | NA | | | | | | |
| 2. | | | | | | | | |
| 3. | | | | | | | | |
| | Total | | | | | | | |



ii. Change in Promoters' Shareholding (please specify, if there is no change)

| Sr no | | 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 |
| | At the beginning of the year | NA | | | |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | At the End of the year | | | | |

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | NA | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |
| - Addition | | | | |
| - Reduction | | | | |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director sand/ or Manager

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|---|-------------------------|--|--|--|--------------|
| 1. | Gross salary | NA | | | | |
| | (a) Salary as per provisions contained in section17(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 section17(3) Income- tax Act,1961 | | | | | |
| 2. | Stock Option | | | | | |
| 3. | Sweat Equity | | | | | |
| 4. | Commission - as% of profit - Others, specify... | | | | | |
| 5. | Others, please specify | | | | | |
| 6. | Total(A) | | | | | |
| | Ceiling as per the Act | | | | | |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|--|-------------------------|--|--|--|--------------|
| | <u>Independent Directors</u> •Fee for attending board committee meetings •Commission •Others,please specify | NA | | | | |
| | Total(1) | | | | | |
| | <u>Other Non-Executive Directors</u> •Fee for attending board committee meetings •Commission •Others,please specify | | | | | |
| | Total(2) | | | | | |
| | Total(B)=(1+2) | | | | | |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |



C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|--|--------------------------|-------------------|-----|-------|
| | | CEO | Company Secretary | CFO | Total |
| 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 | NA | | | |
| 2. | Stock Option | | | | |
| 3. | Sweat Equity | | | | |
| 4. | Commission - as % of profit - Others, specify... | | | | |
| 5. | Others, please specify | | | | |
| 6. | Total | | | | |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD/NCLT/Court] | Appeal made. If any (give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | NA | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other Officers In Default | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |