



**2016-2017**

**30TH ANNUAL REPORT**

**NOESIS INDUSTRIES LIMITED**

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## Noesis Industries Limited

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## **BOARD OF DIRECTORS**

Mr. Prem Adip Rishi	<b>Chairman &amp; Managing Director</b>
Mr. Rajesh Galhotra	<b>Director &amp; Chief Financial Officer</b>
Mr. Rakesh Gupta	<b>Director</b>
Mr. Vijay Kumar Sood	<b>Independent Director</b>
Ms. Kalpana Gupta	<b>Independent Director</b>
Mr. Kamal Kumar Jain	<b>Independent Director</b>
Mr. Mandeep Kaur	<b>Company Secretary</b>

## **Statutory Auditors**

M/s Arun Kishore & Co.  
Chartered Accountants, New Delhi

## **Bankers**

Punjab National Bank  
UCO Bank  
Allahabad Bank  
Punjab & Sind Bank  
Standard Chartered Bank  
IDBI Bank Limited  
State Bank of Mysore

## **Registered Office**

1201 B, 12<sup>th</sup> Floor,  
Hemkunt Chamber,  
89 Nehru Place,  
New Delhi-110019

## **Registrars and Share Transfer Agents**

Alankit Assignments Limited,  
205-208, Anarkali Complex,  
Jhandewalan Extension,  
New Delhi-110055  
Ph: 42541234, 23541234  
Fax: 91-11-42541967  
E-mail: [info@alankit.com](mailto:info@alankit.com)

## **Works**

A-785, RIICO Industrial Area  
Bhiwadi, Distt. Alwar, Rajasthan.

## DIRECTORS' REPORT

### To the Members

Your Directors are pleased to present the 30<sup>th</sup> (Thirtieth) Annual Report and the Company's Audited Financial Statement for the Financial Year ended March 31, 2017.

### 1. FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2017 is summarized below:

Particulars	(Rs. In lacs)	
	Year ended 31.03.2017	Year ended 31.03.2016
Total Income	0.23	0.86
Profit/(Loss) from Ordinary activities before Exceptional Item	(76.12)	(99.36)
Profit/(Loss) from Ordinary activities before Tax	(76.12)	(189.78)
Profit/(Loss) from Ordinary activities after tax	(76.12)	(189.78)
Add: Write back of Excess Provisions	-	-
Net Profit for the period from Ordinary activities after Tax	(76.12)	(189.78)
Net Profit for the period	(76.12)	(189.78)

### 2. FINANCIAL/ OPERATION PERFORMANCE REVIEW

During the year under review, the Company recorded NIL turnover and loss of Rs. (76.12) lacs. The Company has incurred business losses arising out of product obsolescence, under cutting from unorganized sector, high interest rates and write off of pending claims. Over the past few years, the consumer electronic sector has faced changes in the consumer preferences as well as the demand patterns. The company was trying to diversify to add new products to mitigate these risks, but due to general slow down in the economy; lack of capital and high interest costs, these plans could not get materialized. The company had to write off/revalue some of its obsolete/ irrecoverable current assets resulting into business losses. The Company's activities and operations stand discontinued since middle of Financial Year 2012-13.

However, in view of heavy Losses in the past and loss during the current year, operations have been virtually discontinued. Lenders had declared Loans as N.P.A, which stand recalled. Lenders have issued notices under the SARFAESI Act, 2002 and have also filed suits for recovery with Debts Recovery Tribunal. Management is hopeful of further capital raising from promoters & group support, settlement /re-structuring of loans and starting of activity for revival. As per management's said perception, these accounts have been prepared on a going concern basis. However in the opinion of statutory auditors, looking at the continuous losses during the current year & last 4 years leading to erosion of net worth to minus Rs. 23877.15 Lacs and with no activity for revival and slow progress in application for one time settlement with the lenders, it is not feasible for the company to continue a going concern.

### 3. PRESENT STATUS OF BANK LOANS

- Punjab National Bank as the Lead Bank under the Consortium Lending arrangement for itself and for 6 other Banks has issued notice dated 10.12.2013 u/s 13 (4) of Chapter III of Securitization And Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs.17,948.67 lacs

along with further interest up to the date of payment. Symbolic possession of immovable's in pursuance of the said notice was taken over on 22.01.2014

- UCO Bank had filed application u/s 19(4) of the Recovery of Debts Due to Banks & Financial Institutions Act, 1993 before the Debts Recovery Tribunal Delhi vide application dated 26.03.2013 along with interest up to the date of payment.
- Standard Chartered Bank had filed application u/s 19 (4) of the RDDB Act & Financial Institutions Act, 1993 before the Debts Recovery Tribunal Delhi vide application dated 20.05.2013 claiming recovery of debts of Rs. 1857.79 lacs along with interest up to the date of payment.
- Punjab National Bank has filed application u/s 19(4) of the RDDB Act, before the Debts Recovery Tribunal Delhi vide application dated 19.09.2013 claiming dues on behalf of 5 Lending Banks namely Punjab National Bank itself, Allahabad Bank, State Bank of Mysore, IDBI Bank Ltd. & Punjab & Sind Bank of the value of Rs. 13,259.55 lacs along with interest up to the date of payment.

#### **4. DIVIDEND**

Keeping in view the business losses, the directors of your Company do not recommend any dividend for the year under review.

#### **5. FIXED DEPOSITS**

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

#### **6. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Prem Adip Rishi, retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

During the year under review, Mr. Narendra Singh has resigned as Company Secretary of the Company w.e.f. 18<sup>th</sup> August, 2016. Further, Ms. Mandeep Kaur be appointed as Company Secretary of the Company w.e.f. 15<sup>th</sup> October, 2016.

In terms of Section 149(7) of the Companies Act, 2013, Mr. Vijay Kumar Sood, Mr. Kamal Kumar Jain and Mrs. Kalpana Gupta, Independent Directors of the Company have given declarations to the Company to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Brief resumes of Directors proposed to be so appointed or re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and their memberships/ chairmanships on Board Committees of various Companies, have been provided in the Corporate Governance Report.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;



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- c) the Directors have 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;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **8. POLICIES OF THE COMPANY**

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

### **9. CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE**

The report on Corporate Governance as stipulated under The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report and attached as Annexure I. The requisite certificate from Mr. V. Ramasamy, Proprietor of V. Ramasamy & Co., a firm of Practicing Company Secretary (Membership No. FCS 6191 and C.P. No. 6618) confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

### **10. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

### **11. RELATED PARTY TRANSACTIONS**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had entered into a few transaction which are disclosed in the quarterly Corporate Governance Reports.

Your Directors draw attention of the members to Note 22.17 to the financial statement which sets out related party disclosures.

### **12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

### **13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.



## Noesis Industries Limited

**14. 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 end of the financial year to which this financial statements relate on the date of this report.

**15. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

**16. PARTICULARS OF EMPLOYEES**

Information as per section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given in this Report, as no employee of your Company is covered as per provisions contained therein.

**17. AUDITORS**

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said section. The audit committee of the Company has proposed, and on 25.08.2017, the Board of Directors of the Company has recommended the appointment of M/s. Raj Chawla & Associates, Chartered Accountants (Firm registration number 011602N) as the statutory auditors of the Company. They will hold office for a period of five consecutive years from the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company scheduled to be held on 27<sup>th</sup> September, 2017, till the conclusion of the 35<sup>th</sup> Annual General Meeting to be held in the year 2022, subject to the approval of the shareholders of the Company. They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment. The first year of audit will be of the financial statements for the year ending March 31, 2018, which will include the audit of the quarterly financial statements for the year.

**18. AUDITORS' REPORT**

- a. The Auditors' Report to the members together with Audited Accounts for the period ended 31st March, 2017 and notes thereon are attached, which are self-explanatory.
- b. Point no. 4 of Auditor Report per se is the opinion of the Auditor on certain points of notes to accounts attached to the financial statement for the period ended 31.03.2017. Since notes to accounts are part of financial statement prepared by the Company, the Company in the relevant points has explained the each situation which has arisen this time. The relevant clauses of notes to accounts alongwith Board's response is as follows:-
  - i. *Note No. 22.11 Regarding the financial statements of the company being prepared on a going concern basis, notwithstanding the fact that there are no operations, Loss of Rs. 76.12 Lacs has been incurred during the year, net worth is minus Rs. 23,877.15 Lacs and defaults towards repayment of dues to banks and financial institution are of Rs. 21915.19 Lacs with no sign of revival. We are of the opinion that there is no feasibility for the company to carry on as a going concern: The Board is of the opinion that the company can revive if loans are settled by the lenders and new product lines are introduced with fresh capital infusion.*
  - ii. *Note No. 22.07 regarding non availability of confirmations in respect of debit and/or credit balances of loans, advances, deposits, trade payable and lenders: The Board is of the opinion that due to closure of business line, a*

wide nature of consequential claims have arisen against the company, therefore, it would not be possible to obtain such confirmations of debit/credit balances.

- iii. *Note No. 22.16 regarding Non-provision of Interest on recalled banks loans declared as NPA:* The lender banks are not booking interest income on the NPA Accounts as per prudential norms issued by Reserve Bank of India. On the similar footing, the Board is also of the opinion that interest provision on NPA/recalled accounts be not made, as the Settlement proposals are under consideration of the lender banks.
- iv. *Note No. 22.12 regarding non provision of penal interest on recalled banks loans declared as NPA:* The Board is of the opinion that liability for penal interest payable has not been quantified on account of uncertainty and discretionary nature of lending banks on this matter.

#### **19. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

The Board has appointed Mr. V. Ramasamy, Partner, RSMV & Co., Company Secretaries (Membership No. FCS 6191 and C.P. No. 6618), to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith and marked as **Annexure II** to this Report.

The observations of Secretarial Auditor are self-explanatory except their remark on the below points alongwith Board's response is as follows:-

- i. *Appointment of Company Secretary:* The Board explains that Mr. Narendra Singh has resigned as Company Secretary of the Company w.e.f. 18<sup>th</sup> August, 2016. Further, Ms. Mandeep Kaur has been appointed as Company Secretary of the Company w.e.f. 15<sup>th</sup> October, 2016. During the period from 19<sup>th</sup> August 2016 to 14<sup>th</sup> October 2016, the company did not have a company secretary. However, the company has appointed company secretary within the time limit prescribed under Section 203(4) of the Companies Act, 2013.
- ii. *Compliances with SEBI (LODR) Regulations, 2015:* The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.
- iii. *Present Status of Bank Loans:* The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.
- iv. *The Report of the Statutory Auditors on the Financial Statement for the Financial Year 2016-17 is qualified on the basis of the Notes on Accounts (22.11, 22.07, 22.16 and 22.12):* The Board is giving their explanation to the same in their report to the shareholders at S.No. 18.b.i to 18.b.iv above.
- v. *TDS amount deducted from the various entities are yet to be paid to the authorities:* The Board explains that however, there are some delays in depositing TDS amount during the year, but all liabilities pertaining to PF, ESI and TDS will be cleared very shortly.
- vi. *There are disputes with Sales Tax and Income Tax Authorities, the proceedings of which are at various stages:* The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.

#### **20. MEETINGS OF THE BOARD**

Six (06) meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.



**21. EXTRACT OF 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 furnished in Form MGT-9 is annexed herewith as Annexure III.

**22. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

As per the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, the Audit Committee consists of the following members:

- a. Mrs. Kalpana Gupta
- b. Mr. Rajesh Galhotra
- c. Mr. Kamal Kumar Jain

The above composition of the Audit Committee consists of Independent Directors viz., Mrs. Kalpana Gupta and Mr. Kamal Kumar Jain who form the majority.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

**23. STAKEHOLDERS RELATIONSHIP COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board has set up a Stakeholders Relationship Committee comprising of Mrs. Kalpana Gupta (Chairman), Mr. Rajesh Galhotra and Mr. Rakesh Gupta as other Members. The details of the Committee are furnished at S.No. 3(b) of Report of Corporate Governance of this Annual Report.

**24. NOMINATION AND REMUNERATION COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board has set up a Nomination and Remuneration Committee comprising of Mrs. Kalpana Gupta (Chairman), Mr. Kamal Kumar Jain and Mr. Rajesh Galhotra as other Members. The details of the Committee are furnished at S.No. 3(c) of Report of Corporate Governance of this Annual Report.

**25. CONSERVATION OF ENERGY**

Disclosure of particulars with respect to conservation of energy and technology absorption are not applicable to the Company.

**26. RESEARCH AND DEVELOPMENT**

Since the market scenario and technologies are changing rapidly, Research and Development (R&D) is important to ensure that Company increases its market share. The Company has always attempted to use the latest and advanced technology for its product lines, but keeping pace with current technological developments is becoming difficult for want of capital. The slow down in the economy and higher interest costs has also deterred the further research and development activities of the company to keep it abreast with the current technological changes.

**27. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- |                              |         |
|------------------------------|---------|
| a) Foreign Exchange Earnings | Rs. Nil |
| b) Foreign Exchange Outgo    | Rs. Nil |

**28. RISK MANAGEMENT**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has constituted a risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report.

At present the company has not identified any element of risk which may threaten the existence of the company.

**29. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. Its redressal is placed on the intranet for the benefit of its employees. During the year under review, no complaints were reported to the Board.

**30. SIGNIFICANT AND MATERIAL ORDERS BY ANY COURTS OR TRIBUNALS**

No significant and material orders have been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

**31. ACKNOWLEDGEMENT**

During the current difficult times where the company is facing all the challenges, your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors as well as regulatory and government authorities. Your Directors also thank the employees at all levels who, through their dedication and co-operation have always supported the company.

**By Order of the Board of Directors  
For Noesis Industries Limited**

**Sd/-  
(Prem Adip Rishi)  
Chairman & Managing Director**

**Place: New Delhi  
Date : 25<sup>th</sup> August, 2017**

**Registered Office:  
1201B, 12<sup>th</sup> Floor, Hemkunt Chamber,  
89 Nehru Place,  
New Delhi-110019  
Tel: +91-11-41662674  
E-mail: coporates@yahoo.com, cs@mvl.in  
Website: www.mvlindustries.in  
CIN: L32109DL1986PLC026273**

## ANNEXURE I TO DIRECTORS' REPORT

### Report on Corporate Governance

#### 1. The Company's philosophy on code of Governance

Corporate Governance provides a framework within which stakeholders pursue the objectives of the organization most effectively and signifies acceptance by management of the inalienable rights of the shareholders as the true owners of the organization and of their own role as trustees on behalf of them. Corporate Governance has been a high priority for us both in the letter and in spirit. Our commitment to ethical and lawful business conduct is a fundamental shared value of our Board of Directors, senior management personnel and employees and is critical to the Company's success. Our standards for business conduct provide that we will uphold ethical and legal standards vigorously as we pursue our financial objectives. We believe that good governance brings about sustained corporate growth and long-term benefits to the stakeholders by the adopting the following business philosophy:

- Fairness, transparency, accountability and fair to all stakeholders;
- Without compromising on the ethics and principles creating value for all stakeholders;
- Compliance with the law of land.
- Clear communication of significant information leading to high degree of disclosures and transparency in the conduct of management and the business.

#### 2. Board of Directors

The present strength of the Board of Directors of the Company is six comprising of Chairman & Managing Director, Executive Director and four non-executive Directors. The Composition of the Board is in conformity with the Listing Agreement/the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No Director is a member of more than 10 committees or acts as Chairman of more than 5 committees across all companies in which he/she is a Director.

##### a) Composition of the Board of Directors

Name of the Directors	Designation	Category (Independent/ Non-executive/ Executive)	Number of Directorships held in other Companies*	Number of Board Committee membership/ chairmanship held in other companies**	
				Chairman	Member
Mr. Prem Adip Rishi	Chairman & Managing Director	Promoter Director	7	—	3
Mr. Rakesh Gupta	Director	Executive Director	4	—	2
Mr. Rajesh Galhotra	Director & Chief Financial Officer	Non-Executive Director	2	—	—
Mr. Vijay Kumar Sood	Director	Non-Executive Independent Director	2	—	—
Mrs. Kalpana Gupta	Director	Non-Executive Independent Director	7	4	—
Mr. Kamal Kumar Jain	Director	Non-Executive Independent Director	1	—	2

\* Number of directorships in other companies excludes alternate directorships, directorships held in private limited companies, foreign companies and in companies under section 8 of the Companies Act, 2013.

\*\* The Committees considered for the purpose are those prescribed under Regulation 18, 19, 20 & 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**b) Attendance Record of Directors**

Name of the Director	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM held on 30.09.2015
Mr. Prem Adip Rishi	06	06	Yes
Mr. Rakesh Gupta	06	06	Yes
Mr. Rajesh Galhotra	06	06	Yes
Mr. Vijay Kumar Sood	06	01	No
Mrs. Kalpana Gupta	06	06	Yes
Mr. Kamal Kumar Jain	06	03	No

**c) No. of Board Meetings held**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board must meet at least four times a year with a maximum gap of not more than four months between any two meetings.

During the year, 6 Board Meetings were held on various dates as per details given below:-

18.04.2016	27.05.2016	11.08.2016	25.08.2016	10.11.2016	13.02.2017
------------	------------	------------	------------	------------	------------

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board under Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year, separate meeting of the Independent Directors was held on 21<sup>st</sup> November, 2016, without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board reviewed compliance reports prepared by the Company on half-yearly periodicity.

**d) Brief resume of Directors proposed for appointment/ re-appointment**

- i) **Mr. Prem Adip Rishi**, aged 62 years is a science graduate having an experience of over three decades in various lines of businesses including consumer electronics. Mr. Rishi has been on the board of the company since its incorporation. This experience has been instrumental in establishing Noesis Industries Limited as a front line company.

**Directorship of Companies (as on 31.03.2017)**

S. No.	Name of the Company	Position
1.	MVL Limited	Managing Director
2.	Falcon Technosystems Limited	Director
3.	Anukool Films Private Limited	Director
4.	Media Magnetic Cassettes Limited	Director
5.	MVL Credits Holdings & Leasing Limited	Director
6.	Risbro Technical Equipments Private Limited	Director
7.	Media Holdings Private Limited	Director
8.	MVL Developers Limited	Director
9.	Cardinal Infratech Limited	Director
10.	MVL Solar Power Limited	Director

S. No.	Name of the Company	Position
11.	Balaji Tirupati Property Developers Pvt. Ltd.	Director
12.	MVL Mega City Private Limited	Director
13.	Udyan Horticultures Private Limited	Director
14.	Parisar Property Developers Private Limited	Director
15.	Shiwalik Property Developers Private Limited	Director
16.	Creative Pools Developers Private Limited	Director
17.	Creative Pools Estates Private Limited	Director

**Shareholding in Noesis Industries Limited**

Mr. Prem Adip Rishi holds 3,03,940 equity shares in his name as on 31st March, 2017.

**e) No. of Shares held by Non-Executive Directors**

Mr. Rajesh Galhotra, Non-Executive Director was holding 60 equity shares of the Company as on 31.03.2017.

**f) Relationship between Directors inter-se**

None of the Directors of the Company are related to each other.

**g) Selection of Independent Directors**

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, *inter alia*, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

**h) Familiarisation programmes for Board Members**

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. and the same is available on the website of the Company at [www.mvlindustries.in](http://www.mvlindustries.in).

**i) Meetings of Independent Directors**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

One meeting of Independent Directors was held during the year. The said meeting was held on 21.11.2016.

**j) Code of Conduct**

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there exists a

Code of Conduct, laid down by the Board, for all Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company ([www.mvlindustries.in](http://www.mvlindustries.in)). The Board Members and Senior Management Personnel have confirmed compliance with the said Code in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A declaration to this effect for the financial year 2016-17 signed by the Chairman & Managing Director is published in this Report.

**k) Code for Prevention of Insider Trading**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information and has been made available on the Company's website at ([www.mvlindustries.in](http://www.mvlindustries.in)).

**3. Board Committees**

Noesis Industries Limited has the following Board Committees of its Directors for the compliance with various Corporate Governance requirements:

- a) Audit Committee
- b) Stakeholders Relationship Committee.
- c) Nomination and Remuneration Committee
- d) Risk Management Committee

**a) Audit Committee**

**Composition of the Audit Committee**

The composition of Audit Committee is in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges. Members of the Audit Committee possess financial / accounting expertise / exposure.

The Audit Committee would assure to the Board, adherence of adequate internal control and financial disclosure and other acts confirming to the requirements of Listing Agreement with the Stock Exchanges.

Presently, Audit Committee comprises three members out of which two are Non-Executive and Independent Directors viz. Mrs. Kalpana Gupta, Mr. Kamal Kumar Jain and one is Non-executive Director Mr. Rajesh Galhotra. All members of the Audit Committee have financial knowledge and Mrs. Kalpana Gupta have accounting or related financial management expertise. Company Secretary of the Company is the Secretary of the Committee.

**Powers of Audit Committee**

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee**

The role of the Audit Committee, *interalia*, includes the following:

- i. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- ii. Recommending the appointment, remuneration and terms of appointment of statutory auditors of the Company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 5 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi. Monitoring and Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process.
- viii. Approval or any subsequent modification of transactions of the Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the Company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems.
- xiii. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit.
- xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xv. Discussion with internal auditors of any significant findings and follow-up thereon.
- xvi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- xv. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- xvi. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xvii. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism.
- viii. Approval of appointment of the CFO (i.e. the wholetime Finance Director or any other person heading the finance

- function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate.
- xix. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- xx. Reviewing financial statements.
- xxi. Reviewing the following information:
- The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s).

#### **Committee Meeting Details**

Four meetings of the Audit Committee were held on 27.05.2016, 11.08.2016, 10.11.2016 and 13.02.2017.

The attendance at the Audit Committee:

<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mrs. Kalpana Gupta	Chairman	4	4
Mr. Rajesh Galhotra	Member	4	4
Mr. Kamal Kumar Jain	Member	4	1

#### **b) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of Shareholders' grievances and complaints satisfactorily and improve the quality of investor services.

The Stakeholders Relationship Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013.

Mrs. Kalpana Gupta, Director of the Company, chairs the Committee. The other members of the Committee are Mr. Rakesh Gupta and Mr. Rajesh Galhotra, Directors of the Company. Company Secretary of the Company is the Secretary of the Committee.

Terms of Reference of the Committee, *inter alia*, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of the Company's duplicate share certificates.
- Consider, resolve and monitor redressal of shareholders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.



The Committee met four times during current year on 30.06.2016, 30.09.2016, 31.12.2016 and 31.03.2017.

The attendance at the Stakeholders Relationship Committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mrs. Kalpana Gupta	4	4
Mr. Rajesh Galhotra	4	4
Mr. Rakesh Gupta	4	4

During the year, nil complaints were received from shareholders and no investor complaint was pending at the beginning or at the end of the year. The Company has acted upon all valid requests for share transfer received during 2016-17 and no transfer is pending.

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

**c) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of two non-executive and independent and one non-executive director viz. Mrs. Kalpana Gupta (Chairman), Mr. Kamal Kumar Jain and Mr. Rajesh Galhotra, respectively. Head of Human Resource is permanent invitee to the Committee meetings. Company Secretary of the Company is the Secretary of the Committee.

The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them.

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Terms of Reference of the Committee**

- i. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- ii. To carry out evaluation of every Director's performance.
- iii. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommended to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- iv. To formulate the criteria for evaluation of Independent Directors and the Board.
- v. To device a policy on Board diversity.
- vi. To recommend/review remuneration of the Managing Director(s) and Whole Time Director(s) based on their performance and defined assessment criteria.
- vii. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- viii. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**Meeting Details**

During the year one nomination and remuneration committee meeting was held on 21/11/2016.

**Remuneration of Directors for 2016-17**

Name of the Director	Sitting Fee	Salaries and Allowances	Perquisites	Company's Contribution to PF	Commission and Performance Linked Incentive	Total
Mr. Prem Adip Rishi	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rajesh Galhotra	12,000/-	N.A.	N.A.	N.A.	N.A.	12,000/-
Mr. Rakesh Gupta	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Nr. Vijay Kumar Sood	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mrs. Kalpana Gupta	96,000/-	N.A.	N.A.	N.A.	N.A.	96,000/-
Mr. Kamal Kumar Jain	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**d) Risk Management Committee**
**Composition of the Committee**

Mrs. Kalpana Gupta, Director of the Company, chairs the Committee. The other members of the Committee are Mr. Vijay Kumar Sood and Mr. Rajesh Galhotra, Directors of the Company. Company Secretary of the Company is the Secretary of the Committee.

The Risk Management Committee was constituted by the Board on September 22, 2014 adhering to the requirements of the Companies Act, 2013 and Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Role and Responsibilities of the Committee includes the following:

- i. Framing of Risk Management Plan and Policy.
- ii. Overseeing implementation of Risk Management Plan and Policy.
- iii. Monitoring of Risk Management Plan and Policy.
- iv. Validating the process of risk management.
- v. Validating the procedure for Risk Minimisation.
- vi. Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- vii. Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.
- viii. Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

**Meeting Details**

**One meeting of the Committee was held on 21.11.2016.**

The attendance at the Risk Management Committee meeting is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mrs. Kalpana Gupta	1	1
Mr. Vijay Kumar Sood	1	1
Mr. Rajesh Galhotra	1	1

#### 4. General Body Meetings

The particulars of the last three Annual General Meetings:

Year	Date	Time	Location	Special resolution
2015-2016	30.09.2016	01.30 P.M	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074.	1. Approval for Related Party Transactions under Reg. 23 of SEBI (LODR), 2015 2. To approve mortgaging of the Assets of the Company u/s 180(1)(a) of the Companies Act, 2013
2014-2015	30.09.2015	03.00 P.M	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074.	1. Appointment of Mr. Rajesh Galhotra as Director & Chief Financial Officer of the Company u/s 196, 197, 203, 188 2. Borrowing Limits u/s 180(1) (c) 3. Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company u/s 94.
2013-2014	30.09.2014	03.00 P.M	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074.	NIL

#### Notes :

- i) Special resolution was passed by e-voting.
- ii) There was no postal ballot during the year.
- iii) The Company has not convened any EGM during the year.

#### 5. Disclosures

- a. **Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large**

During the period under review, the Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 22.17 of Financial Statements, forming part of the Annual Report.

All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests.

**b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years**

No penalties or strictures have been imposed on the Company by the stock exchange or SEBI or any statutory authority on any matter related to capital market for non-compliance during the last three years. The Company has not received any complaint from Investor's through SEBI/ Stock Exchanges as on March 31, 2017. *However, there was few days delay in submitting the information under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended on 30<sup>th</sup> June, 2016*

**c. Whistle Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**d. Compliance with Mandatory Requirements**

(i) **Management Discussion and Analysis:** are given elsewhere in this Annual report.

(ii) **Subsidiaries Companies:** The Company has no Subsidiary as on 31.03.2017.

(iii) **Details about Material Subsidiaries and Transactions:** There was no material subsidiary as at 31.03.2017.

**Compliance with Non-Mandatory Requirements**

Nomination and Remuneration Committee: The Board has set up a Nomination and Remuneration Committee, details whereof are furnished at Sr. No. 3(c) of this report.

**e. Means of Communication:**

The Annual, Half yearly and Quarterly Results are submitted to the Stock Exchanges in accordance with the Listing Agreements and are normally published in English in Financial Express and in Hindi in Jansatta. However, the results for the quarter ended on 30<sup>th</sup> June 2016 was not published, *in terms of regulation 47 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

Corporate Filing and Dissemination System (CFDS): The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE and NSE are filed electronically through the CFDS portal. In particular, the Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**f. Risk Management**

In order to ensure that Management controls risk through means of a properly defined framework, a report on Risk Assessment and Minimization procedure as prepared by functional heads of the Company is being reviewed periodically by the Board of Directors.

**6. General Shareholders' Information**
**(a) Company Registration Details**

The Company is registered in the State of Delhi, India. The Corporate Identification Number allotted to the Company by the Ministry of Corporate Affairs is L32109DL1986PLC026273.

**(b) Annual General Meeting**

Date	27 <sup>th</sup> September, 2017
Day	Wednesday
Time	1.00 P.M.
Venue	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074

(c) **Dividend:** The Company is not declaring any dividend.

**(d) Financial Calendar: 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018**

Results for the Quarter ending 30 <sup>th</sup> June, 2017	Second week of August, 2017
Results for the Quarter ending 30 <sup>th</sup> September, 2017	Second week of November, 2017
Results for the Quarter ending 31 <sup>st</sup> December, 2017	Second week of February, 2018
Results for the Quarter ending 31 <sup>st</sup> March, 2018	Last week of May, 2018
Annual General Meeting for the year ending March, 2018	Last week of September, 2018

(e) **Date of Book Closure** Friday, 22<sup>nd</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (both days inclusive)  
**/ Record Date** Wednesday, 20<sup>th</sup> September, 2017

**(f) Listing on Stock Exchanges**

S.No.	Name of the Stock Exchanges	Stock Code
i.	National Stock Exchange of India Limited	'NOESISIND'
ii.	Bombay Stock Exchange Limited	530435

(g) **Annual Listing Fee** : Not paid to the Stock Exchanges (BSE & NSE) for the financial year 2017-18

(h) **ISIN Number for NSDL & CDSL** : IN8141B01011 (Old ISIN No. INE141B01020)

**(i) Stock Price Data**

Month	National Stock Exchange		Bombay Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2016	0.45	0.30	0.74	0.60
May, 2016	0.50	0.20	0.72	0.41
June, 2016	0.60	0.35	0.50	0.44
July, 2016	0.50	0.40	0.47	0.37
August, 2016	-	-	0.39	0.38
September, 2016	0.55	0.50	0.40	0.38
October, 2016	0.60	0.50	0.58	0.40
November, 2016	-	-	0.86	0.55
December, 2016	-	-	0.81	0.66
January, 2017	0.55	0.50	0.77	0.62
February, 2017	0.55	0.40	0.70	0.56
March, 2017	0.50	0.40	0.75	0.61

Source: [www.nseindia.com](http://www.nseindia.com)

Source: [www.bseindia.com](http://www.bseindia.com)

(j) **Distribution of Shareholding/ Shareholding Pattern**  
**Distribution of Shareholding as on 31/03/2017**

NO. OF SHARES	NO. OF SHAREHOLDERS		NO. OF EQUITY SHARES	
	TOTAL	% OF TOTAL	TOTAL	% OF TOTAL
1 - 5000	10,921	88.42	11,38,625	4.32
5001 - 10000	673	5.45	5,12,763	1.95
10001 - 20000	315	2.55	4,68,304	1.78
20001 - 30000	123	1.00	3,13,249	1.20
30001 - 40000	51	0.41	1,82,813	0.69
40001 - 50000	55	0.44	2,58,592	0.98
50001 - 100000	102	0.83	7,36,920	2.80
100000 and above	111	0.90	2,27,17,825	86.28
<b>TOTAL</b>	<b>12,351</b>	<b>100.00</b>	<b>2,63,29,091</b>	<b>100.00</b>

**Shareholding Pattern as on 31/03/2017**

	Category	No. of shares	% of Shareholding
<b>(A)</b>	<b>Promoter Holding</b>		
	Promoters	1,16,50,144	44.25
	<b>Sub Total (A)</b>	<b>1,16,50,144</b>	<b>44.25</b>
<b>(B)</b>	<b>Institution</b>		
(a)	Mutual Funds/ UTI	5,880	0.02
(b)	Financial Institutions/ Banks	6,33,632	2.41
	<b>Sub Total (B)</b>	<b>6,39,512</b>	<b>2.43</b>
<b>(C)</b>	<b>Non-Institution</b>		
(a)	Bodies Corporate	33,35,256	12.81
(b)	Individuals	1,02,19,613	38.81
(c)	Any Other (NRIs/ OCBs)	4,81,566	1.83
	<b>Sub Total (C)</b>	<b>1,40,39,435</b>	<b>53.32</b>
	<b>Grand Total ( A+B+C)</b>	<b>2,63,29,091</b>	<b>100.00</b>

(k) **Shares Transfer System**

The shares of the company are tradable compulsorily in demat form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). The share transfer work is handled by Registrar and Share Transfer Agent(RTA), Alankit Assignments Limited. All requests received by the Company/RTA for Dematerialisation/ Rematerialisation/ Transfer are disposed off expeditiously. Share Certificates duly endorsed are issued/ transferred to all those shareholders, who opt for shares in the physical form.

(l) **Dematerialization of Shares**

The Company's Equity Shares are eligible for dematerialization. The Company has signed agreements with both the depositories namely NSDL and CDSL. The shareholders may therefore hold Company's share in electronic mode. The Company's ISIN No. for both the depositories is IN8141B01011 (Old ISIN No. INE141B01020). As on 31<sup>st</sup> March, 2017,



2,59,58,223 Equity Shares constituting 98.59% of total Equity of the Company were held in dematerialized form with both the depositories namely NSDL and CDSL.

**(m) Outstanding GDRs / ADRs / Warrants etc.**

The Company has no outstanding GDRs/ADRs/ Warrants as on 31/03/2017.

**(n) Plant Location**

A-785, RIICO Industrial Area,  
Bhiwadi, Distt. Alwar,  
Rajasthan.

**(o) Registrar and Share Transfer Agent**

Alankit Assignments Limited,  
205-208, Anarkali Complex,  
Jhandewalan Extension,  
New Delhi-110055  
Ph: 42541234, 23541234  
Fax: 91-11-42541967  
E-mail: [info@alankit.com](mailto:info@alankit.com)

**(p) Investors' correspondence can also be addressed to:**

Ms. Bhawna Saunkiya  
Noesis Industries Limited,  
1201 B, 12th Floor, Hemkunt Chamber,  
89 Nehru Place, New Delhi-110019  
E-mail: [coporates@yahoo.com](mailto:coporates@yahoo.com), [cs@mvl.in](mailto:cs@mvl.in)  
Website: [www.mvlindustries.in](http://www.mvlindustries.in)

**(q) CEO/CFO Certification**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/ CFO certification is given in the Annual report.

**(r) Certificate on Compliance with Code of Conduct**

I, Prem Adip Rishi, Chairman & Managing Director of the Company confirm the compliance of this Code of Conduct by all the members of the Board and Senior Management Personnel.

**By Order of the Board of Directors  
For Noesis Industries Limited**

**Place: New Delhi  
Date : 25<sup>th</sup> August, 2017**

**Sd/-  
Prem Adip Rishi  
Chairman & Managing Director**

**CEO/CFO CERTIFICATION UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS  
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,

The Board of Directors,

**Noesis Industries Limited,**

- A. We have reviewed the financial statements and the cash flow statement of the Company for the year ended 31<sup>st</sup> March, 2017 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- 1. there has been no significant changes in internal control over financial reporting during the year;
  - 2. there has been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3. there has been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi

Date : 25<sup>th</sup> August, 2017

(Sd/-)

(Prem Adip Rishi)

Chairman & Managing Director

(Sd/-)

(Rajesh Galhotra)

Director & Chief Financial Officer





## Noesis Industries Limited

### **Certificate of Company Secretary in practice regarding compliance of conditions of Corporate Governance**

To

The members,

**Noesis Industries Limited**

We have examined the compliance of conditions of corporate governance by Noesis Industries Limited for the year ended 31st March, 2017, as per Regulations 17 to 27, clause (b) to (i) of sub-regulations (2) of Regulations 46 and paragraphs C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as per Regulations 17 to 27, clause (b) to (i) of sub-regulations (2) of Regulations 46 and paragraphs C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable..

We further state that such compliance is neither an assurance as to the future viability of Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company **subject to the disclosures in clauses 5(b), (e) and 6(g) of the Corporate Governance Report.**

**For V. Ramasamy & Co.  
Company Secretaries**

**Sd/-**

**V. Ramasamy  
Proprietor**

**Membership No. FCS 6191**

**C.P. No. 6618**

**Place : New Delhi**

**Date : 25<sup>th</sup> August, 2017**

**ANNEXURE II TO DIRECTORS' REPORT****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2017**

*[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 Board of Directors

**NOESIS INDUSTRIES LIMITED**

1201 B, 12th FLOOR HEMKUNT CHAMBER,  
89 NEHRU PLACE,  
NEW DELHI, Delhi-110019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NOESIS INDUSTRIES 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 our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, details and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2017** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **NOESIS INDUSTRIES LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March 2017 according to the provisions of:

- 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 Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. 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;
  - d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- v. We further report that the Company has, in our opinion complied with the provisions of Companies Act, 2013 and the rules made under that the Act and the Memorandum and Articles of Association of the Company, with regard to:
  - a) Maintenance of the various Statutory registers and documents making necessary entries therein;
  - b) Closure of the register of members;
  - c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
  - d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - e) Notice of board meetings and committee meetings of directors.
  - f) The 29<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016.
  - g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
  - h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

- i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
- j) Payment of remuneration to Directors including the Managing Director and Whole-time Directors;
- k) Appointment and remuneration of Auditors;
- l) Transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
- m) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- n) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- o) Directors' report;
- p) Contracts, common seal, registered office and publication of name of the Company; and
- q) Generally, all other applicable provisions of the Act and the Rules made under the Act.

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

- Mr. Narendra Singh has resigned as Company Secretary of the Company w.e.f. 18th August, 2016. Further, Ms. Mandeep Kaur has been appointed as Company Secretary of the Company w.e.f. 15th October, 2016. During the period from 19th August 2016 to 14th October 2016, the company did not have a company secretary. However, the company has appointed company secretary within the time limit prescribed under Section 203(4) of the Companies Act, 2013.

vi. The following are the various laws applicable to the company. According to the information/details/explanation provided to us, the company has generally complied with the provisions of the said Acts and the company has a mechanism to monitor the compliances of the said laws.

- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund And Misc. Provisions Act, 1952
- Employers State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (Protection) Act, 1986
- Income Tax Act 1961, Wealth Tax Act, Service Tax Act, Sales Tax Act and rules made thereof.
- Negotiable Instrument Act 1881
- Maternity Benefits Act 1961
- Payment of Gratuity Act, 1972
- The Apprentices Act 1961
- The Industrial Disputes Act, 1947
- The Child Labour (Regulation and Abolition) Act, 1970
- The Weekly Holidays Act, 1942
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
- The Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

However, the company has not deposited the TDS amount deducted from the various entities within stipulated time.

We have also examined compliance with the applicable regulations of the SEBI (LODR) Regulations, 2015.

**We further report that**

- During the year, the company has paid requisite fees for delay in submission of information under Regulation 31 of SEBI (LODR) Regulations, 2015 for March, 2016 and delays in submission of financial results under Regulation 33 of SEBI (LODR) Regulations, 2015.
- Company has not published financial results for the quarter ended on 30<sup>th</sup> June, 2016 as required under Regulation 33

of SEBI (LODR) Regulations, 2015.

- The Company has not paid Annual listing fees to Stock Exchanges for the Financial Year 2017-18.
- The company has not informed the changes in the Directorate / KMP to the exchanges from time to time in terms of Regulation 30 of SEBI (LODR), 2015 read with Clause 7, Part A of Schedule III.
- There are disputes with Income Tax Authorities, the proceedings of which are at various stages:

S.No	Name of the Statute	Nature of dues & period	Amount under dispute (Rs. in lakh)	Forum where dispute is pending
1.	Income Tax	Asstt. Year 2009-2010	63.22	CIT (Appeals) New Delhi and Rectification pending with AO
2.	Income Tax	Asstt. Year 2010-2011	41.24	CIT (Appeals) New Delhi and Rectification pending with AO
3.	Income Tax	Asstt. Year 2011-2012	60.18	CIT (Appeals) New Delhi
	<b>TOTAL</b>		<b>164.64*</b>	

\* The above figures are exclusive of interest if any payable thereon.

#### **Present status of Bank Loans**

- Punjab National Bank as the Lead Bank under the Consortium Lending arrangement for itself and for 6 other Banks has issued notice dated 10.12.2013 u/s 13 (4) of Chapter III of Securitization And Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs.17,948.67 lacs along with further interest up to the date of payment. Physical possession of immovable mortgaged properties in pursuance of the said notice was taken over on 03.07.2017.
- UCO Bank had filed application u/s 19(4) of the Recovery of Debts Due to Banks & Financial Institutions Act, 1993 before the Debts Recovery Tribunal Delhi vide application dated 26.03.2013 along with interest up to the date of payment.
- Standard Chartered Bank had filed application u/s 19 (4) of the RDDB Act & Financial Institutions Act, 1993 before the Debts Recovery Tribunal Delhi vide application dated 20.05.2013 claiming recovery of debts of Rs. 1857.79 lacs along with interest up to the date of payment.
- Punjab National Bank has filed application u/s 19(4) of the RDDB Act, before the Debts Recovery Tribunal Delhi vide application dated 19.09.2013 claiming dues on behalf of 5 Lending Banks namely Punjab National Bank itself, Allahabad Bank, State Bank of Mysore, IDBI Bank Ltd. & Punjab & Sind Bank of the value of Rs.13,259.55 lacs along with interest up to the date of payment.

#### **Other matters:**

- The Report of the Statutory Auditors on the Financial Statement for the Financial Year 2016-17 is qualified on the basis of the Notes on Accounts (22.11, 22.07, 22.16 and 22.12). The directors are giving their explanation to the same in their report to the shareholders.
- There are six cases filed against the company, which are under various stages.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



Majority decision is carried through. The company has obtained all the necessary approvals under the various provisions of the Act, as and when required.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

For **RSMV & CO.**  
**Company Secretaries**

**Sd/-**  
**V Ramasamy**  
**Company Secretary**  
**(Partner)**  
**FCS: 6191**  
**CP No.: 6681**

**PLACE: New Delhi**  
**DATE : 25.08.2017**

**'ANNEXURE A'**

The Board of Directors  
**NOESIS INDUSTRIES LIMITED**  
1201 B, 12th FLOOR HEMKUNT CHAMBER,  
89 NEHRU PLACE,  
NEW DELHI -110019

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial and other records are the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in the records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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 the Management. Our examination was limited to the verification of procedures on 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.

For **RSMV & CO.**  
**Company Secretaries**

**Sd/-**  
**V Ramasamy**  
**Company Secretary**  
**(Partner)**  
**FCS: 6191**  
**CP No.: 6681**

**PLACE: New Delhi**  
**DATE : 25.08.2017**

**ANNEXURE III TO DIRECTORS' REPORT**
**FORM NO. MGT 9**
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**
**EXTRACT OF ANNUAL RETURN**
**As on the financial year ended on 31/03/2017**
**I REGISTRATION & OTHER DETAILS:**

i	CIN	L32109DL1986PLC026273
ii	Registration Date	03-12-1986
iii	Name of the Company	<b>Noesis Industries Limited</b>
iv	Category of the Company	Public Company
v	<b>Address of the Registered office &amp; contact details</b>	
	Address	1201B, 12th Floor, Hemkunt Chamber, 89 Nehru Place, New Delhi-110019
	Town / City	New Delhi
	State	Delhi
	Country Name	India
	Telephone (with STD Code)	011-41662674
	Fax Number	—
	Email Address	coporates@yahoo.com
	Website, if any	<a href="http://www.mvindustries.in">www.mvindustries.in</a>
vi	Whether listed company	Yes
vii	<b>Name and Address of Registrar &amp; Transfer Agents ( RTA ):-</b>	
	Name of RTA	Alankit Assignments Limited
	Address	205-208, Anarkali Complex, Jhandewalan Extension,
	Town / City	New Delhi
	State	Delhi
	Pin Code	110055
	Telephone	011- 42541234, 011-23541234
	Fax Number	011-42541967
	Email Address	info@alankit.com

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

Consumer Electronics
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All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Consumer Electronics	2640- Manufacture of consumer electronics	100

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

No. of Companies for which information is being filled		Nil			
S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
N.A.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. Category-wise Share Holding**

Category of Shareholders	No. of shares held at the beginning of the year				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	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2813552	0	2813552	10.69%	2813552	0	2813552	10.69%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	8821472	0	8821472	33.50%	8821472	0	8821472	33.50%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	15120	0	15120	0.06%	15120	0	15120	0.06%	0.00%
<b>(2) Foreign</b>									
a) NRI - Individual	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other - Individual	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Total shareholding of Promoter (A)</b>	<b>11650144</b>	<b>0</b>	<b>11650144</b>	<b>44.25%</b>	<b>11650144</b>	<b>0</b>	<b>11650144</b>	<b>44.25%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	5880	5880	0.02%	0	5880	5880	0.02%	0.00%
b) Banks / FI	632551	1081	633632	2.41%	632551	1081	633632	2.41%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>632551</b>	<b>6961</b>	<b>639512</b>	<b>2.43%</b>	<b>632551</b>	<b>6961</b>	<b>639512</b>	<b>2.43%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3337949	36780	3374729	12.82%	3300636	36900	3337536	12.68%	0.14%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3547774	278934	3826708	14.53%	3664348	277519	3941867	14.97%	-0.44%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6319946	33913	6353859	24.13%	6243833	33913	6277746	23.84%	0.29%

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	
c) Others (specify)									
i) Non Resident Indians	469859	13680	483539	1.84%	467886	13680	481566	1.83%	-0.46%
ii) Clearing Members	0	0	0	0%	0	0	0	0.00%	0.00%
iii) Employee/ office Bearers	0	600	600	0%	0	600	600	0.00%	0.23%
iv) Trust	0	0	0	0%	0	0	0	0.00%	0.00%
Sub-total (B)(2):-	13675528	363907	14039435	53.55%	13676823	362612	14039435	53.32%	-0.38%
Total Public Shareholding (B)= (B)(1)+ (B)(2)	14308079	370868	14678947	55.75%	14309374	369573	14678947	55.75%	-0.38%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A+B+C)	25958223	370868	26329091	100.00	25959518	369573	26329091	100.00	0.00

**ii. Shareholding of Promoters**

S.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/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Prem Adip Rishi	303940	1.15	0.00	303940	1.15	0.00	0.00
2	Anukool Rishi	1533989	5.83	0.00	1533989	5.83	0.00	0.00
3	Arjun Rishi	100000	0.38	0.00	100000	0.38	0.00	0.00
4	Prem Adip Rishi HUF	873043	3.32	0.00	873043	3.32	0.00	0.00
5	Prem Adip Rishi JT. Anuradha Rishi	120	0.00	0.00	120	0.00	0.00	0.00
6	Anuradha Rishi JT. Prem Adip Rishi	2460	0.01	0.00	2460	0.01	0.00	0.00
7	MVL Credits Holdings & Leasing Ltd.	1289207	4.90	0.00	1289207	4.90	0.00	0.00
8	MVL Credits Holdings & Leasing Ltd.	867045	3.29	0.00	867045	3.29	0.00	0.00
9	Risbro Tech. Equipments Pvt. Ltd.	2450000	9.31	7.41	2450000	9.31	7.41	0.00
10	Media Holdings Private Limited	1487940	5.65	4.79	1487940	5.65	4.79	0.00
11	Anukool Films Private Limited	2018380	7.67	3.46	2018380	7.67	3.46	0.00
12	Media Magnetic Cassettes Limited	708900	2.69	0.04	708900	2.69	0.04	0.00
13	Rakesh Gupta	15060	0.06	0.00	15060	0.06	0.00	0.00
14	Rajesh Galhotra	60	0.00	0.00	60	0.00	0.00	0.00
	<b>TOTAL</b>	<b>11650144</b>	<b>44.25</b>	<b>15.70</b>	<b>11650144</b>	<b>44.25</b>	<b>15.70</b>	<b>0.00</b>



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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016)	% of total shares of the company				No. of Shares	% of total shares of the company
No Changes in Promoter Shareholding								

**Inter-se Transfer among Promoters**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016)	% of total shares of the company				No. of Shares	% of total shares of the company
No Changes in Promoter Shareholding								

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016)/ end of the year (31-03-2017)	% of total shares of the company				No. of Shares	% of total shares of the company
1	Usha Sharma	3513473	13.34	01/04/2016				
				27/05/2016	104000	Sale	3409473	12.95
				03/06/2016	50000	Sale	3359473	12.76
				30/06/2016	25192	Purchase	3384665	12.86
				28/10/2016	50000	Sale	3334665	12.67
		3513473	13.34	31/03/2017			3334665	12.67
2	Bennett, Coleman And Company Ltd	2626517	9.98	01/04/2016	0	0		
		2626517	9.98	31/03/2017			2626517	9.98
3	Globe Capital Market Ltd	373006	1.42	01/04/2016	0	0		
		373006	1.42	31/03/2017			373006	1.42
4	Sicom Ltd	631111	2.40	01/04/2016	0	0		
		631111	2.40	31/03/2017			631111	2.40
5	Chhotalal Ramjibhai Bhanderi	0	0	01/04/2016				
				03/02/2017	103872	Purchase	103872	0.39
				10/02/2017	20464	Purchase	124336	0.47
				24/02/2017	72594	Purchase	196930	0.75
		0	0.00	31/03/2017			196930	0.75

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016)/ end of the year (31-03-2017)	% of total shares of the company				No. of Shares	% of total shares of the company
6	Cherlo Penchala Reddy	224615	0.85	01/04/2016				
				21/10/2016	13043	Purchase	237658	0.90
				11/11/2016	1	Sale	237657	0.90
				23/12/2016	1	Sale	237656	0.90
				03/02/2017	5500	Sale	232156	0.88
				10/02/2017	75	Sale	232081	0.88
				31/03/2017	300	Sale	231781	0.88
		<b>224615</b>	<b>0.85</b>	<b>31/03/2017</b>			<b>231781</b>	<b>0.88</b>
7	Cherlo Madhavi	110798	0.42	01/04/2016				
				28/10/2016	27972	Purchase	138770	0.53
				04/11/2016	74387	Purchase	213157	0.81
				09/12/2016	11440	Sale	201717	0.77
				23/12/2016	1200	Sale	200517	0.76
		<b>110798</b>	<b>0.42</b>	<b>31/03/2017</b>			<b>200517</b>	<b>0.76</b>
8	Meenakshi Sharma	398349	1.51	01/04/2016	0	0		
		<b>398349</b>	<b>1.51</b>	<b>31/03/2017</b>			<b>398349</b>	<b>1.51</b>
9	Moizbhai Hakimuddin Boria	231106	0.88	01/04/2016	0	0		
		<b>231106</b>		<b>31/03/2017</b>			<b>231106</b>	<b>0.88</b>
10	Shreela Jayasree Subramony	262847	1.00	01/04/2016	0	0		
		<b>262847</b>	<b>1.00</b>	<b>31/03/2017</b>			<b>262847</b>	<b>1.00</b>

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

Sl. Name No.		Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of Shares at the beginning (01-04-2016)/ end of the year (31-03-2017)	% of total shares of the company				No. of Shares	% of total shares of the company
<b>A. DIRECTORS</b>								
1	Mr. Kamal Kumar Jain	0	0.00	01/04/2016	0	Nil Holding/ movement during the year	0	0.00
		0	0.00	31/03/2017			0	0.00
2	Mr. Vijay Kumar Sood	0	0.00	01/04/2016	0	Nil Holding/ movement during the year	0	0.00
		0	0.00	31/03/2017			0	0.00
3	Mrs. Kalpana Gupta	0	0.00	01/04/2016	0	Nil Holding/ movement during the year	0	0.00
		0	0.00	31/03/2017			0	0.00
4	Mr. Rajesh Galhotra	60	0.00	01/04/2016	0	Nil Holding/ movement during the year	0	0.00
		60	0.00	31/03/2017			60	0.00
5	Mr. Rakesh Gupta	15060	0.06	01/04/2016	0	Nil movement during the year	0	0.00
		15060	0.06	31/03/2017			15060	0.06
<b>B. KMP'S</b>								
1	Mr. Prem Adip Rishi	303940	1.15	01/04/2016	0	Nil movement during the year	0	0.00
		303940	1.15	31/03/2017			303940	1.15
2	Ms. Mandeep Kaur	0	0.00	01/04/2016	0	Nil Holding/ movement during the year	0	0.00
		0	0.00	31/03/2017			0	0.00

**V INDEBTEDNESS**

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

Indebtedness at the beginning of the financial year (01.04.2016)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	0	253674644	0	253674644
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>253674644</b>	<b>0</b>	<b>253674644</b>
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
• Addition	0	1,25,08,952	0	12508952
• Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>1,25,08,952</b>	<b>0</b>	<b>12508952</b>
Indebtedness at the end of the financial year (31.03.2017)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	0	26,61,83,596	0	26,61,83,596
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>26,61,83,596</b>		<b>26,61,83,596</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Mr. Prem Adip Rishi	
1	Gross salary	0	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	
	- as % of profit	0	0
	- others, specify	0	0
5	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act	0	0

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Mrs. Kalpana Gupta	
1	<b>Independent Directors</b>		
	Fee for attending board committee meetings	96,000/-	96,000/-
	Commission	0	0
	Others, please specify	0	0
	<b>Total (1)</b>	<b>96,000/-</b>	<b>96,000/-</b>

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
2	<b>Other Non-Executive Directors</b>	<b>Mr. Rajesh Galhotra</b>	
	Fee for attending board committee meetings	12000	12000
	Commission	0	0
	Others, please specify	0	0
	<b>Total (2)</b>	<b>12000</b>	<b>12000</b>
	<b>Total (B)=(1+2)</b>	<b>108000</b>	<b>108000</b>
	Total Managerial Remuneration	0	0
	Overall Ceiling as per the Act	0	0

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	66000	66000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0 0	0 0
5	Others, please specify	0	0
	<b>Total</b>	<b>66000</b>	<b>66000</b>

**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)
<b>A. COMPANY</b>					
Penalty	<b>Not Applicable</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>Not Applicable</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>Not Applicable</b>				
Punishment					
Compounding					

**ANNEXURE IV TO DIRECTORS' REPORT**

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**  
**REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

**FORM NO. AOC.2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis:

a. Name(s) of the related party and nature of relationship	NIL
b. Nature of contracts/arrangements/transactions	
c. Duration of the contracts/arrangements/transactions	
d. Salient terms of the contracts or arrangements or transactions including the value, if any	
e. Justification for entering into such contracts or arrangements or transactions	
f. Date(s) of approval by the Board	
g. Amount paid as advances, if any:	
h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

2. Details of material contracts or arrangement or transactions at arm's length basis:

a. Name(s) of the related party and nature of relationship	MVL Limited, Related Company
b. Nature of contracts/ arrangements/ transactions	Long Term Borrowing
c. Duration of the contracts/ arrangements/ transactions	Recurring
d. Salient terms of the contracts or arrangements or transactions including the value, if any	Corporate Loan taken to repay the outstanding of Bankers/ Financial Institution.
e. Date(s) of approval by the Board, if any:	N.A. 25.5.2015
f. Amount paid as advances, if any:	N.A.

**By Order of the Board of Directors**  
**For Noesis Industries Limited**

**Sd/-**  
**Prem Adip Rishi**  
**Chairman & Managing Director**

**Place: New Delhi**  
**Date : 25<sup>th</sup> August, 2017**

## MANAGEMENT DISCUSSION AND ANALYSIS

The management is presenting this Report as a part of Director's Report in compliance to the Corporate Governance Code of Securities and exchange Board of India under Regulation 34(3) Schedule V Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 1. Industrial Structure

The consumer electronics industry is going through tough times due to rapid technological changes. The margins on the products are declining and the companies are facing cut throat competition. The products are being sold at hefty discounts resulting into erosion in bottom line, and business losses also. The slowdown in the economy has also added fuel to the problem. Companies are cutting corners to stay afloat as rising input cost and costlier borrowing have forced them to defer investment plans, thus offering fewer jobs. The industrial and agricultural growth index is also declining; and the disposable income in the hands of the consumer is not increasing due to high inflation. There is shift in demand patterns and the consumer is inclined to defer its purchase decision unless it becomes a necessity; thus reducing demand for goods.

### 2. Business Outlook

The Company has incurred business losses arising out of product obsolescence, under cutting from unorganized sector, high interest rates and write off of pending claims. Over the past few years, the consumer electronic sector has faced changes in the consumer preferences as well as the demand patterns. The company was trying to diversify to add new products to mitigate these risks, but due to general slow down in the economy; lack of capital and high interest costs, these plans could not get materialized. The company had to write off/revalue some of its obsolete/ irrecoverable current assets resulting into business losses. The Company's activities and operations stand discontinued since middle of Financial Year 2012-13.

### 3. SWOT Analysis

#### Strengths

- More than two decades old, professionally managed Company.
- Experienced, committed and forward-looking Management Team.
- Reputed "MEDIA" Brand in general masses.

#### Weaknesses

- Dependence on single product line.
- Low margins on products because of severe competition.
- High debts and their servicing costs.
- Higher working capital cycle.

#### Opportunities

- Continued growth in the consumer electronics market.
- Rising disposable income.
- Availability of financing Scheme.

#### Threats

- Risk of technical obsolescence.
- Competition in consumer electronic industry and also from unorganized/grey market.
- Government policy on Taxation has significant impact on the price and thus demand for the Company's products.
- Slowdown in economy.
- High interest costs.
- Cheaper imports from the overseas market.
- Threat of substitute products
- Threat of new entrants

### 4. Financial and Operational Performance

During the period under Review, the company has suffered losses due to closure of business line. The debtors have adjusted their dues towards the company against their past claims and future liabilities towards the customers. The realizable value

of stocks has become negligible because of their non saleability. Due to these reasons, the debtors and stocks are written off resulting into business loss from operational activities.

**5. Adequacy of Internal Control Systems**

The Company has set up internal control procedures commensurate with its size and nature of the business and periodically reviews the internal control system and procedures leading to the orderly and efficient conduct of its business. These business procedures ensure optimum use and protection of the resources and compliance with the policies, procedures and statues. The internal control systems provide for well defined policies, guidelines, authorization and approval procedures. The prime objective of such audits is to test the adequacy and effectiveness of the internal controls laid down by management and to suggest improvements.

The Audit Committee of the Board, Statutory Auditors and the Management are regularly apprised of internal audit findings. The Audit Committee of the Company consisting of Non-Executive and Independent Directors.

**6. Material Development in Human Resources**

The company lays lot of importance on manpower rationalization and efficiency improvement. The company believes that human resources are vital resources for giving the company a competitive edge in the current business environment. The Company strictly follows the philosophy of congenial work environment, performance oriented work culture, knowledge, skill building, creativity and responsibility and performance based compensation. Action has been taken to develop and enhance the skills of human resource.

**7. Risks and Concerns**

The company was reeling under the pressure of negative cash flows from operating activities since the last 7-8 years. It tried to diversify into new product lines to mitigate the losses but economic slowdown, inadequate capital and high cost of capital acted as deterrent for such diversification plans. Presently, the major concern for the company is to revive its business activity and to repay the borrowings. The Company is exploring all avenues to come out of these bad times which it will be able to do with the help of its business associates and lending institutions.

**8. Cautionary Statement**

The statements in the Directors' and Management Discussion and Analysis Report describing the Company's projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the company's operations are influenced by many external and internal factors beyond the control of the Company.

**By Order of the Board of Directors  
For Noesis Industries Limited**

**Sd/  
(Prem Adip Rishi)  
Chairman & Managing Director**

**Place: New Delhi  
Date : 25<sup>th</sup> August, 2017**

**Registered Office:  
1201B, 12<sup>th</sup> Floor, Hemkunt Chamber,  
89 Nehru Place,  
New Delhi-110019  
Tel: +91-11-41662674  
E-mail: coporates@yahoo.com, cs@mvl.in  
Website: www.mvlindustries.in  
CIN: L32109DL1986PLC026273**



## INDEPENDENT AUDITOR'S REPORT

To the Members

### NOESIS INDUSTRIES LIMITED

#### 1. **Report on the Financial Statements**

We have audited the accompanying financial statements of Noesis Industries Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### 2. **Management's responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

#### 4. **Basis for Qualified Opinion**

Reference is invited to

- (i) Note No. 22.11 Regarding the financial statements of the company being prepared on a going concern basis, notwithstanding the fact that there are no operations, Loss of Rs.76.12 Lacs has been incurred during the year, net worth is minus Rs. 23,877.15 Lacs and defaults towards repayment of dues to banks and financial institution are of Rs. 21915.19 Lacs with no sign of revival. We are of the opinion that there is no feasibility for the company to carry on as a going concern.
- (ii) Note No. 22.07 regarding non availability of confirmations in respect of debit and/or credit balances of loans, advances, deposits, trade payable and lenders In the absence of such confirmations, any provision to be made for the adverse variation in carrying of amounts of these balances, cannot be quantified, as well as the quantum of adjustment if any,

required to be made remains unascertained.

- (iii) Note No. 22.16 regarding Non-provision of Interest on recalled banks loans declared as NPA of Rs. 43,47,10,019/- (Previous year Rs. 37,73,14,451/-) resulting in understating of loss by Rs.43.47 crores (Previous year Rs. 37.73 crores) and understatement of minus net worth by Rs. 43.47 crores for current year and understatement of cumulative minus net worth by Rs. 113.77 crores from 01.04.2014 i.e from the date of non provision of interest on N.P.A Accounts.
- (iv) Note No. 22.12 regarding non provision of penal interest on recalled banks loans declared as NPA. Liability for penal interest payable has not been quantified owing to discretionary nature of such charges.

**5. Qualified Opinion**

In our opinion and to the best of our information and according to the explanation given to us, except for possible effects of the matters described in paragraph . 4 above - the basis of qualified opinion , the financial statements give a true and fair view :-

- (i) In the case of the Balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2017;
- (ii) In the case of Statement of Profit and Loss of the Loss for the year ending on 31<sup>st</sup> March, 2017.
- (iii) In the case of the Cash Flow Statement, of the Cash flow for the year ending on 31<sup>st</sup> March, 2017.

**6. Emphasis of Matter**

- (i) We draw attention to note no. 22.13 of the financial statements regarding recalling of loans by the lending consortium of bankers, issue of notices under SARFAESI ACT 2002, recovery proceedings initiated with debt recovery tribunal and taking over symbolic possession of Immovable properties and inventories by the lenders.
- (ii) We draw attention to note no. 3 of the financial statements regarding total deficit in the statement of profit and loss account of Rs. 26,510.06 Lacs (Previous year Rs. 26,433.94 Lacs) representing accumulated losses and complete erosion of net worth with no operation.

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

**7. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2017;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**8. Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors report) Order, 2016 ("The Order") issued by the central government of India in terms of subsection 11 of section 143 of the Act, We give in the Annexure 'A' statement on the matter specified in paragraphs 3 & 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 it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 except non provision of gratuity and leave encashment liabilities on actuarial basis.
- e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' and .
- g) With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
- 1) The company has disclosed the impact of pending litigation on its financial position in its financial statement.
  - 2) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - 3) No amount is required to be transferred to the investor's education and protection fund by the company.
  - 4) The company has provided requisite disclosure in the financial statement as to holdings as well as dealings in specified bank notes during the period 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Refer note No.22.09 based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management .

**For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
(ICAI FRN : 001898 N)**

**Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]**

**Place : New Delhi  
Date : 16<sup>th</sup> May, 2017**

**Reg. NOESIS INDUSTRIES LIMITED YEAR ENDED 31.03.2017**
**Annexure 'A' to the Independent Auditors' Report of even date**
**The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory requirements" section of our report of even date**

- (i) In Respect of its Fixed Assets:
- (a) the company is maintaining records showing particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification. But the properties (Land and Building) of the company situated at Bhiwadi and IMT Manesar are under symbolic possession of the lender Banks.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:
- According to the information and explanations given to us, the stock is under symbolic possession of the lenders banks.
- (iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) According to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us, undisputed amounts in respect of dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, VAT, wealth tax, service tax, customs duty, excise duty, cess and any other statutory dues as applicable which were outstanding as at March 31, 2017 for period of more than six months from the date they became payable are Rs 108.71 lacs (excluding interest) as on the balance sheet date.
- (b) According to the information and explanations given to us following dues have not been admitted as payable on account of disputes/ appeals pending with appropriate authorities:

S.No.	Name of the statute	Nature of the dues & Period	Amount under dispute (Rs. in Lacs)	Forum where dispute is pending
1.	Income Tax	Asstt. Year 2009 -2010	63.22	CIT (Appeals) New Delhi and rectification pending with AO
2.	Income Tax	Asstt. Year 2010 -2011	41.24	CIT (Appeals) New Delhi and rectification pending with AO
3.	Income Tax	Asstt. Year 2011 -2012	60.18	CIT (Appeals) New Delhi
<b>Total</b>			<b>164.64*</b>	

\*The above figures are exclusive of interest if any payable thereon.

- (c) Based on the information and explanations obtained, the company has no liability or requirement to transfer any amount to Investor Education & Protection Fund in accordance with relevant provisions of the Act and rules there under.
- (viii) According to the information and explanations given to us, the Company has defaulted in re-payment of dues to financial institution and banks amounting to Rs. 21,915.19 lacs as at 31.03.2017, default towards principal amount is Rs. 15,950.00 lacs and towards interest is Rs. 5,975.19 lacs. The default started from the period beginning from January, 2012 and continue till the date of our audit.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) We have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year
- (xi) No managerial remuneration is paid or provided during the year except for the directors meeting fees of Rupees one lac.
- (xii) As this is not a nidhi company, the provision in respect thereof are not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

**For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
(ICAI FRN : 001898 N)**

**Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]**

**Place : New Delhi  
Date : 16<sup>th</sup> May, 2017**

**Reg. NOESIS INDUSTRIES LIMITED YEAR ENDED 31.03.2017****ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NOESIS INDUSTRIES LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Noesis Industries Ltd. ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
(ICAI FRN : 001898 N)**

**Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]**

**Place : New Delhi  
Date : 16<sup>th</sup> May, 2017**

**Balance Sheet as at 31st March, 2017**

PARTICULARS	NOTE NO'S		AS AT 31/03/2017 (Amount in Rs.)	AS AT 31/03/2016 (Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	2	263,290,910		263,290,910
Reserves & Surplus	3	<u>(2,651,006,326)</u>		<u>(2,643,394,272)</u>
			(2,387,715,416)	(2,380,103,362)
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	4	266,183,596		253,674,644
Deferred Tax Liability (Net)		-		-
Other Long-Term Liability		-		-
Long-Term Provisions		-		-
			266,183,596	253,674,644
<b>Current Liabilities</b>				
Short-Term Borrowings	5	2,191,511,198		2,191,519,649
Trade Payables		-		-
Other Current Liabilities	6	2,620,442		13,238,778
Short-Term Provisions	7	<u>119,006</u>		<u>635,849</u>
			2,194,250,646	2,205,394,276
<b>TOTAL:</b>			<b><u>72,718,826</u></b>	<b><u>78,965,558</u></b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	8	54,847,943		59,546,449
Intangible Assets		-		-
Capital Work-in-Progress		-		-
			54,847,943	59,546,449
Non-Current Investments	9	10,397,812		10,397,812
Deferred Tax Assets (Net)		-		-
Long-Term Loans and Advances	10	84,250		136,044
Other Non-Current Assets	11	<u>272,947</u>		<u>391,642</u>
			10,755,009	10,925,498
<b>Current Assets</b>				
Inventories	12	470,806		470,806
Trade Receivables		-		-
Cash and Cash Equivalents	13	5,563,992		5,810,917
Short-Term Loans and Advances	14	1,081,077		2,211,888
Other Current Assets		-		-
			7,115,875	8,493,611
<b>TOTAL</b>			<b><u>72,718,826</u></b>	<b><u>78,965,558</u></b>
<b>Significant Accounting Policies</b>	1			
<b>Other Notes</b>	22			

The Notes referred to above form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants  
(ICAI FRN: 001898N)

Sd/-

**CA Arun Kishore**  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 16<sup>th</sup> May, 2017

For and on behalf of the Board of Directors

Sd/-

**(Prem Adip Rishi)**  
Chairman & Managing Director  
(DIN : 00020611)

Sd/-

**(Rajesh Galhotra)**  
Director &  
Chief Financial Officer  
(DIN : 00021326)

Sd/-

**(Mandeep Kaur)**  
Company Secretary  
(M.NO. 27346)



**Statement of Profit & Loss for the year ended on 31st March, 2017**

PARTICULARS	NOTE NO'S	FOR THE YEAR ENDED 31/03/2017 (Amount in Rs.)	FOR THE YEAR ENDED 31/03/2016 (Amount in Rs.)
<b>INCOME</b>			
Revenue from Operations	15	-	-
Other Income	16	23,338	85,773
<b>TOTAL</b>		<b>23,338</b>	<b>85,773</b>
<b>EXPENSES</b>			
Purchase of stock-in-trade (Traded goods)		-	-
Increase / (Decrease) in Inventories	17	-	-
Employees Benefits Expenses	18	729,411	1,161,469
Finance Cost	10	15,026	121,197
Other Expenses	20	2,192,448	3,967,238
Depreciation and amortization	8	4,698,506	4,771,817
<b>TOTAL</b>		<b>7,635,391</b>	<b>10,021,720</b>
<b>Profit/(Loss) from Ordinary activities before Exceptional Item</b>		<b>(7,612,053)</b>	<b>(9,935,947)</b>
Exceptional Items Dr/(Cr)	21	-	(9,041,622)
<b>Profit/(Loss) from Ordinary activities before Tax</b>		<b>(7,612,053)</b>	<b>(18,977,569)</b>
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
<b>Profit/(Loss) from Ordinary activities after Tax</b>		<b>(7,612,053)</b>	<b>(18,977,569)</b>
Write back of Excess Provisions		-	-
<b>Net Profit for the Period from Ordinary activities after Tax</b>		<b>(7,612,053)</b>	<b>(18,977,569)</b>
Extra Ordinary Items (Net of Tax)		-	-
<b>Net Profit for the Period</b>		<b>(7,612,053)</b>	<b>(18,977,569)</b>
<b>Earning per equity share (Nominal value of shares Rs.10/- each)</b>			
Basic (in Rs.)		(0.29)	(0.72)
Diluted (in Rs.)		(0.29)	(0.72)
<b>Significant Accounting Policies</b>	1		
<b>Other Notes</b>	22		

The Notes referred to above form an integral part of the financial statements  
This is the Statement of Profit & Loss referred to in our report of even date

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants  
(ICAI FRN: 001898N)

Sd/-  
CA Arun Kishore  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 16<sup>th</sup> May, 2017

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

Sd/-  
(Prem Adip Rishi)  
Chairman & Managing Director  
(DIN : 00020611)

Sd/-  
(Rajesh Galhotra)  
Director &  
Chief Financial Officer  
(DIN : 00021326)

Sd/-  
(Mandeep Kaur)  
Company Secretary  
(M.NO. 27346)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

S. No. PARTICULARS	FOR THE YEAR ENDED 31.03.2017 (RS. IN LACS)	FOR THE YEAR ENDED 31.03.2016 (RS. IN LACS)
<b>A. Cash flow from Operating activities</b>		
Net profit before taxation & extraordinary items	(76.12)	(189.77)
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation and Amortisation	46.99	47.72
Revenue Exp./other claims written off	(3.07)	(0.54)
Profit/(Loss) on sale of Fixed Assets	-	-
Interest expense	0.15	1.21
Lease rent / hire purchase expense	-	-
Interest income	(0.23)	(0.75)
Other misc income	-	(0.11)
<b>Operating Profit before working capital changes</b>	<b>(32.29)</b>	<b>(142.24)</b>
<b>Movement in working capital</b>		
Increase/(Decrease) in Trade Payables	-	-
Increase/(Decrease) in Long Term Liabilities & Provisions	-	(2.50)
Increase/(Decrease) in Other current liabilities and short term Provisions	(111.35)	95.33
(Increase)/Decrease in Trade Receivable	-	-
Increase/(Decrease) in Inventories	-	-
(Increase)/Decrease in Long Term Loan and Advances	0.52	0.03
Increase/(Decrease) in Short Term Loan and Advances	11.31	0.93
Increase/(Decrease) in Other Current Assets	1.19	(0.67)
<b>Cash generated from / (used in) operations</b>	<b>(130.63)</b>	<b>(49.13)</b>
Direct Taxes paid (net of refunds)	-	-
Cash Flow before extraordinary items	(130.63)	(49.13)
Extraordinary items - write back	3.07	0.54
<b>Net cash flow from / (used in) Operative Activities (A)</b>	<b>(127.56)</b>	<b>(48.59)</b>
<b>B. Cash Flow from investing activities.</b>		
Purchase of Fixed Assets	-	(0.65)
(Purchase)/Sale of Non-Current Investments	-	(48.13)
Proceeds from Sale of Fixed Assets	-	-
Other Income	0.23	0.75
Other misc income	-	0.11
<b>Net cash flow from / (used in) Investing Activities (B)</b>	<b>0.23</b>	<b>(47.92)</b>
<b>C. Cash Flow from Financing Activities</b>		
Interest expense	(0.15)	(1.21)
Lease rent / hire purchase expense	-	-
Increase / (Decrease) in Long Term Borrowing	125.09	212.09
Increase / (Decrease) in Short Term Borrowing	(0.08)	(67.43)
<b>Net cash flow from / (used in) Finance Activities (C)</b>	<b>124.85</b>	<b>143.45</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2.47)	46.94
Cash and Bank Equivalent at the beginning of the year	54.47	7.53
Cash and Bank Equivalent at the end of the year	52.00	54.47
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash in Hand</b>	0.05	2.15
<b>In Current Accounts</b>	51.95	52.32
	<b>52.00</b>	<b>54.47</b>

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

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants

(ICAI FRN: 001898N)

Sd/-

**CA Arun Kishore**

Partner

Membership No.10770

Place : New Delhi

Date : 16<sup>th</sup> May, 2017

For and on behalf of the Board of Directors

Sd/-

**(Prem Adip Rishi)**

Chairman & Managing Director

(DIN : 00020611)

Sd/-

**(Rajesh Galhotra)**

Director &  
Chief Financial Officer

(DIN : 00021326)

Sd/-

**(Mandeep Kaur)**

Company Secretary

(M.NO. 27346)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**
**1. Significant Accounting Policies**
**(a) Corporate Information**

Noesis Industries Ltd. (hereinafter referred to as the "Company") is a Company domiciled in India and incorporated under the provisions of the Companies Act 1956 (The Act). The Company had been engaged in the business of Consumer Electronics Goods. The Company's activities and operations stand discontinued since middle of FY 2012-13.

**(b) Method of Accounting**

The financial statements of the company are prepared and presented under the historical cost convention on a going concern basis and comply in all material respects with applicable accounting standards as specified under section 129 and 133 of the Companies Act 2013, except non adoption of Accounting Standard AS-15 All incomes & expenditure are accounted for on accrual method of accounting unless otherwise stated hereafter. Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles

**(c) Use of estimates**

In preparation of the financial statements in conformity with generally accepted accounting principles, estimates and assumptions, where necessary, have been made based on management's best knowledge and experience. Accordingly, actual results may differ from such estimates.

**(d) Inventory Valuation**

Stocks of trading goods, are valued at lower of cost or market value on first in first-out basis as per past practice.

**(e) Fixed Assets including intangible assets and work-in-progress**

Fixed Assets are stated at cost, net of accumulated depreciation.

**(f) Depreciation**

i) Depreciation on tangible and intangible assets is provided on the Useful life method as specified under Companies Act 2013. Depreciation on additions/ deletions to/from fixed assets is provided on pro-rata basis from the date the asset is put to use /discarded.

ii) The Management's estimate of the useful life of the assets is as under:

Buildings	30 years
Plant & Machinery	15 years
Office equipment	5 years
Computer equipment	3 years
Vehicles	10 years

**(g) Amortisation**

i) No amortization is provided for on lands taken on lease of above 30 years period.

**(h) Investments**

i) Non-current investments in equity shares, government securities and mutual funds are stated at cost.

ii) Current investments are stated at lower of cost or fair value.

iii) Permanent diminution in the value of long term investments are stated at the fair value, after such decline is determined for such investment individually in terms of Accounting Standard (AS)-13

**(i) Taxation**
**i) Current Tax**

Provision for Income Tax is based on assessable profits/loss of the company as computed in accordance with the relevant provision of the Income Tax Act, 1961 on year to year basis.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**
**ii) Deferred Tax**

No provision of Deferred Tax is made in view of no activity.

**(j) Retirement /Employee Benefits**

i) Contributions payable by the Company to the concerned Government Authorities in respect of Provident Fund, Family Pension fund and Employee State Insurance are charged as revenue expenditure.

ii) No Provision for gratuity and leave encashment is made. These expenses are accounted for on actual payment basis. Employees being less than 10 anytime during the year.

**(k) Segmental reporting**

The company has no operations, as such the provisions of segment report are not applicable.

**(l) Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

PARTICULARS	AS AT 31/03/2017 (Rs.)	AS AT 31/03/2016 (Rs.)
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**Note - 2**
**SHARE CAPITAL**
**AUTHORISED CAPITAL**

3,67,35,351 Equity shares of Rs.10/- each	<b>367,353,510</b>	<b>367,353,510</b>
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**ISSUED, SUBSCRIBED & FULLY PAID-UP CAPITAL:-**

2,63,29,091 Equity Shares of Rs.10/- each fully paid up .	263,290,910	263,290,910
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	<b>263,290,910</b>	<b>263,290,910</b>
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(a) There is no variation or change in the issued , subscribed and fully paid -up capital structure during the year. Therefore, no separate disclosure of reconciliation of the number of equity share outstanding as at the beginning and at the end of the year is required.

(b) Shareholders Holding more than 5% shares based on legal ownership in the subscribed share capital of the company is set out below:

Name of the Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Share	% Held	No. of Share	% Held
1 Bennett, Coleman & Co. Limited	2,626,517	9.98	2,626,517	9.98
2 Usha Sharma	3,334,665	12.67	3,513,473	13.34
3 Anukool Rishi	1,533,989	5.83	1,533,989	5.83
4 Risbro Technicals Equipments Pvt. Ltd.	2,450,000	9.31	2,450,000	9.31
5 MVL Credits Holdings and Leasing Ltd.	2,156,252	8.19	1,563,233	5.94
6 Anukool Films Pvt. Ltd.	2,018,380	7.67	2,018,380	7.67
7 Media Holdings Pvt. Ltd.	1,487,940	5.65	1,487,940	5.65

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**

PARTICULARS	AS AT 31/03/2017 (Rs.)	AS AT 31/03/2016 (Rs.)
<b>Note - 3</b>		
<b>RESERVES &amp; SURPLUS:-</b>		
(a) General Reserve		
Opening Balances	174,863,516	174,863,516
Less Depreciation related to last year	-	-
	<u>174,863,516</u>	<u>174,863,516</u>
(b) Share Premium Account (Opening Balance)	107,117,577	107,117,577
Add : Provided during the year	-	-
	<u>107,117,577</u>	<u>107,117,577</u>
(c) Surplus/(Deficit) in the Statement of Profit and Loss		
Opening Balance	(2,925,375,366)	(2,906,397,797)
Add : Profit / (Loss) for the Year	(7,612,053)	(18,977,569)
Less : Transfer to General Reserve	-	-
Closing Balance	<u>(2,932,987,419)</u>	<u>(2,925,375,366)</u>
	<b><u>(2,651,006,326)</u></b>	<b><u>(2,643,394,273)</u></b>
<b>Note - 4</b>		
<b>LONG-TERM BORROWINGS</b>		
Unsecured inter corporate loans	266,183,596	253,674,644
	<u>266,183,596</u>	<u>253,674,644</u>
<b>Note - 5</b>		
<b>SHORT TERM BORROWINGS</b>		
<b>WORKING CAPITAL LIMITS</b>		
[Above loans are secured against hypothecation of stocks, debts, other movable and immovable assets present or future and personal Guarantee of the Managing Director]	2,191,511,198	2,191,519,649
	<u>2,191,511,198</u>	<u>2,191,519,649</u>
<b>Note - 6</b>		
<b>OTHER CURRENT LIABILITIES</b>		
For Expenses & Others	2,620,442	3,488,778
For Advances against properly	-	9,750,000
	<u>2,620,442</u>	<u>13,238,778</u>
<b>Note - 7</b>		
<b>SHORT-TERM PROVISIONS</b>		
Provision for Gratuity	-	304,160
Provision for Bonus	110,320	161,181
Provision for LTA	8,686	39,679
Provision for Leave Encashment	-	130,829
	<u>119,006</u>	<u>635,849</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**
**Note - 8**
**Depreciation for the Year ended 31.03.2017**

Particulars	Gross Block				Depreciation				Net Block		
	Name of Assets	Cost as on 01-04-2016	Additions	Sales/Trf.	Cost as on 31-03-2017	Total upto 01-04-2016	Adj.for changes in the system	For the Year upto 31-03-2017	Total upto 31-03-2017	WDV As on 31-03-2017	WDV As on 31-03-2016
Land	10,622,159.00	-	-	-	10,622,159.00	-	-	-	-	10,622,159.00	10,622,159.00
Buildings	83,931,443.00	-	-	-	83,931,443.00	35,267,496.00	-	4,694,513.00	39,962,009.00	43,969,434.00	48,663,947.00
Electricals Installation	4,425,861.00	-	-	-	4,425,861.00	4,396,404.00	-	-	4,396,404.00	29,457.00	29,457.00
Dies & mouldes	27,680,774.00	-	-	-	27,680,774.00	27,680,774.00	-	-	27,680,774.00	-	-
Furniture & Fixtures	2,157,019.00	-	-	-	2,157,019.00	2,157,019.00	-	-	2,157,019.00	-	-
Office Equipment	39,390,374.00	-	-	-	39,390,374.00	39,342,568.00	-	-	39,342,568.00	47,806.00	47,806.00
Plant & machinery	24,583,388.00	-	-	-	24,583,388.00	24,468,330.00	-	-	24,468,330.00	115,058.00	115,058.00
Vehicles	12,814,613.00	-	-	-	12,814,613.00	12,755,659.00	-	3,993.00	12,759,652.00	54,961.00	58,954.00
Testing equipments	1,320,529.00	-	-	-	1,320,529.00	1,316,497.00	-	-	1,316,497.00	4,032.00	4,032.00
Tubewell	269,190.00	-	-	-	269,190.00	264,154.00	-	-	264,154.00	5,036.00	5,036.00
<b>Total as on 31.03.2017</b>	<b>207,195,350.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207,195,350.00</b>	<b>147,648,901.00</b>	<b>-</b>	<b>4,698,506.00</b>	<b>152,347,407.00</b>	<b>54,847,943.00</b>	<b>59,546,449.00</b>
<b>Total as on 31.03.2016</b>	<b>207,130,615.00</b>	<b>64,735.00</b>	<b>-</b>	<b>-</b>	<b>207,195,350.00</b>	<b>142,877,084.00</b>	<b>-</b>	<b>4,771,817.00</b>	<b>147,648,901.00</b>	<b>59,546,449.00</b>	<b>64,253,531.00</b>

NOTE NO.	PARTICULARS	AS AT 31/03/2017 (Rs.)	AS AT 31/03/2016 (Rs.)
<b>9.</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>Equity Shares (Long Term) (Unquoted at Cost)</b>		
	(a) 1,05,20,000 Equity Shares of Rs.10/- each of Falcon Technosystems Ltd.	1,052,000	1,052,000
	(b) 24,800 Equity Shares of Rs.10/- each of MVL Solar Power Ltd.	248,000	248,000
	<b>Equity Shares (Long Term) (Quoted at cost)</b>		
	(c) 1,72,14,639 Equity Shares of Rs.1/- each (Previous year 1,72,14,639 Eq.Shares of Rs.1/- each) of MVL Ltd. (Out of the above 1,11,28,056 (Previous year 1,11,28,056) Equity shares of Rs.1/- each are pledge for against loan availed by an associate companies)	7,574,441	7,574,441
	(d) 50,000 Equity Shares of Rs.10/- each (Previous year 50,000 Eq. Shares) of Burnpur Cement Ltd.	1,503,371	1,503,371
	<b>Government Securities (Long Term)</b>		
	Principal Mutual Fund (Long Term) (Quoted)	20,000	20,000
		<b>10,397,812</b>	<b>10,397,812</b>
	<b>Market Value of quoted Securities</b>		
	Shares	9,159,820	6,502,624
	Mutual Funds	20,000	20,000

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**

NOTE NO.	PARTICULARS	AS AT 31/03/2017 (Rs.)	AS AT 31/03/2016 (Rs.)
<b>10</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	Security Deposits	84,250	132,147
	Prepaid Expenses	-	3,897
		<u>84,250</u>	<u>136,044</u>
<b>11.</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	FDR'S/NSC Pledged in sales tax	55,014	137,014
	Interest Accrued	217,933	254,628
		<u>272,947</u>	<u>391,642</u>
<b>12.</b>	<b>INVENTORIES</b>		
	Trading Goods	470,806	470,806
		<u>470,806</u>	<u>470,806</u>
<b>13.</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash and Imprest balances	5,304	214,874
	Balances with Scheduled Banks (in current a/c)	5,194,766	5,232,122
	FDR's/Margin Money with Scheduled Banks (pledged)	363,922	363,921
		<u>5,563,992</u>	<u>5,810,917</u>
<b>14.</b>	<b>SHORT-TERM LOANS AND ADVANCES</b>		
	Unsecured considered good	1,081,077	2,211,888
	Unsecured considered - Doubtful	-	-
		<u>1,081,077</u>	<u>2,211,888</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**

NOTE NO.	PARTICULARS	For the year ended 31/03/2017 (Rs.)	For the year ended 31/03/2016 (Rs.)
<b>15.</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sales	-	-
		<u>-</u>	<u>-</u>
<b>16</b>	<b>OTHER INCOME</b>		
	Interest Income	23,338	74,773
	Miscellaneous Income	-	11,000
		<u>23,338</u>	<u>85,773</u>
<b>17.</b>	<b>INCREASE /(DECREASE) IN STOCKS</b>		
	<b>Closing Inventories</b>		
	Finished goods	470,806	470,806
	<b>Opening Inventories</b>		
	Finished goods	470,806	470,806
		<u>-</u>	<u>-</u>
<b>18.</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salary, Allowances & Welfare	651,994	1,065,720
	Bonus	24,585	26,630
	Contribution to Funds	52,832	69,119
		<u>729,411</u>	<u>1,161,469</u>
<b>19.</b>	<b>FINANCE COSTS</b>		
	Interest Charges	-	117,672
	Bank Charges	15,026	3,525
		<u>15,026</u>	<u>121,197</u>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**

NOTE NO.	PARTICULARS	For the year ended 31/03/2017 (Rs.)	For the year ended 31/03/2016 (Rs.)
<b>20.</b>	<b>OTHER EXPENSES</b>		
	Advertisement Expenses	121,939	227,118
	Auditors Remuneration	172,500	171,750
	Books & Periodicals	-	6,628
	Balance W/off	(306,918)	(54,470)
	Conveyance	-	6,628
	Electricity & Water Exp.	3,269	11,085
	Insurance Charges	5,789	8,191
	Legal & Professional Charges	857,201	1,127,043
	Meeting Expenses	67,808	60,300
	Postage & Courier	13,310	182,800
	Power & Fuel	61,240	51,339
	Printing & Stationery	49,497	155,603
	Rates Fee & Taxes	929,163	851,129
	Rent	60,000	60,000
	Repair & Maintenance	-	310,999
	Telephone Expenses	5,241	15,342
	Watch & Ward Expenses.	224,937	775,752
	Prior Period Items (Net)	(72,528)	-
		<b>2,192,448</b>	<b>3,967,238</b>
<b>21.</b>	<b>EXCEPTIONAL ITEMS</b>		
	Permanent diminution net of gain on shares of earlier years	-	(9,041,622)
		-	<b>(9,041,622)</b>

**22.01 Defined Employee Benefit Plans: -**

No Provision for gratuity and leave encashment has been made in these accounts since in the opinion of the management the number of employees is not sizable which may require such provisions under the applicable Labour Laws. It is accounted for on actual payment basis, which shall not make any material effect on the profit and loss for the year, keeping in view, only the few number of employees on rolls.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**
**22.02 Earning per Share (EPS)**

Particulars		Unit	For the Year Ended 31.03.17	For the Year Ended 31.03.16
Profit/(Loss) attributable to equity share holder (numerator)	"A"	Rs.	(76.12) Lacs	(189.88) Lacs
No. of equity shares at the beginning of the year		Nos.	2,63,29,091	2,63,29,091
No of equity shares entitled to shares profits.		Nos.	2,63,29,091	2,63,29,091
Weighted average no. of equity shares at year end.(Denominator)	"B"	Nos.	2,63,29,091	2,63,29,091
Face Value per Equity Share		Rs.	Rs.10/-	Rs.10/-
Basic / Diluted earning per share (A) / (B)		Rs.	(0.29)	(0.72)

		(Rs. In Lacs)	(Rs. In Lacs)
22.03	<b>Contingent Liabilities</b>		
	Corporate Guarantees given for loans availed by group companies.	37,900.00	37,900.00
22.04	<b>Claims not acknowledged as debt</b>		
	For Commercial disputes	Nil	2.77
	<b>Total</b>	-	<b>2.77</b>
22.05	<b>Auditors Remuneration Covers</b>		
	For Statutory Audit & Tax Audit	0.90	0.90
	For Taxation matters	0.60	0.60
	For Other Services Tax on above services	0.22	0.22
	<b>Total</b>	<b>1.72</b>	<b>1.72</b>
22.06	<b>Directors Remuneration Covers</b>		
	Sitting Fees	1.08	0.84
	<b>Total</b>	<b>1.08</b>	<b>0.84</b>

22.07 Management has not been able to obtain confirmation of balances from Loan Lenders and other debit & credit balances of Trade payables, Loans, advances & deposits. In the absence of such confirmations, any provisions to be made for the adverse variation in the carrying amounts of these balances are not quantified, since quantum of claims and disputes, if any remains unascertained.

22.08 In the opinion of Directors, the current assets have value on realization in the ordinary course of business at least equal to the value at which they are stated in the forgoing Balance Sheet except as otherwise stated.

22.09 Disclosure in respect of Specified Bank Notes (SBN) held and transacted during the period 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December 2016.

	SBNs	Other denomination Notes	Total
Closing cash in hand as on 8.11.2016	Nil	8948	8948
(+) Permitted receipts	Nil	10000	10000
(-) Permitted payments	Nil	13000	13000
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30.12.2016	Nil	5948	5948

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**

- 22.10 VAT assessments have been finalized up to financial year 2013-14, and the VAT registration number has been surrendered due to no business activities.
- 22.11 In view of heavy Losses in the past and loss during the current year, operations discontinued since mid 2012 lenders had classified Loans as N.P.A, and recalled loans. Lenders have issued notices under the SARFAESI Act, 2002 and have also filed suits for recovery with Debts Recovery Tribunal. These accounts have been prepared on a going concern basis, however in the opinion of statutory auditors, looking at the loss during the current year & continuous losses since last 5 years, leading to erosion of net worth to minus Rs. 23877.15 Lacs, defaults of Rs. 21915.20 Lacs towards repayment of dues to banks and financial Institutions, and with no revival, it is not feasible for the company to continue on a going concern basis.
- 22.12 The consortium of Banks which had provided funds towards working capital and term loans have declared the company's loans accounts as NPA as per Reserve Bank of India guidelines. All loans have been recalled. As the bank loans are declared NPA, Lenders are not providing interest annually. The company has also stopped providing of interest / penal interest if any applicable on NPA loan accounts w.e.f 01.04.2014

**22.13 Positions of Banks Loans :-**

		<b>Current Year (Rs. in Lacs)</b>	<b>Previous Year (Rs. in Lacs)</b>
	<b>Working Capital Loans availed are secured against:-</b>		
I.	Hypothecation of Stocks, Books Debts & Other Current Assets both present & future Symbolic possession of stock taken over by lenders on 22.01.2014.	21928.69	21928.69
II.	Immovables equitably mortgaged. Symbolic possession of which has been taken over by the lenders on 22.01.2014.		
	a) Factory Land & Building situated at A-785, Bhiwadi, Rajasthan belonging to the company.		
	b) Property (Land & Building) at Plot No. 112, Sector-8, IMT Manesar, Haryana belonging to the company.		
	c) Property (Land & Building) at A-316-C, Ricoh Industrial Area, Bhiwadi, Rajasthan belonging to one of the guarantor company.		
III.	Corporate Guarantee provided by associate company/third parties	15950.00	15950.00
IV.	Personal Guarantee of Promoter Director Sh. Prem Adip Rishi	15950.00	15950.00

**Present Status:**

- Punjab National Bank as the Lead Bank under the Consortium Lending arrangement for itself and for 6 other Banks has issued notice dated 10.12.2013 u/s 13 (4) of Chapter III of Securitization And Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs.17,948.67 lacs along with further interest up to the date of payment. Symbolic possession of immovable's in pursuance of the said notice was taken over on 22.01.2014
- UCO Bank had filed application u/s 19(4) of the Recovery of Debts Due to Banks & Financial Institutions Act, 1993 before the Debts Recovery Tribunal Delhi vide application dated 26.03.2013 along with interest up to the date of payment.
- Standard Chartered Bank had filed application u/s 19 (4) of the RDDB Act & Financial Institutions Act, 1993 before the Debts Recovery Tribunal Delhi vide application dated 20.05.2013 claiming recovery of debts of Rs. 1857.79 lacs along with interest up to the date of payment.
- Punjab National Bank has filed application u/s 19(4) of the RDDB Act, before the Debts Recovery Tribunal Delhi vide application dated 19.09.2013 claiming dues on behalf of 5 Lending Banks namely Punjab National Bank itself, Allahabad

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

Bank, State Bank of Mysore, IDBI Bank Ltd. & Punjab & Sind Bank of the value of Rs.13,259.55 lacs along with interest up to the date of payment.

- 22.14 Previous year figures have been regrouped and rearranged, wherever necessary to facilitate comparison with current year figures.
- 22.15 Inventories/ trading goods of the value of Rs. 4.71 lacs (Previous year 4.71 lacs) represent non moving and rejected goods, which may not fetch the same value at which it is stated in the balance sheet, but under lien and symbolic possession of lenders, the management has decided to carry it forward at cost.
- 22.16 As per board resolution dt. 22.09.2014, company had decided not to provide interest on NPA bank loans on accrual basis w.e.f 1.4.2014. As such during the year, interest on Bank Loans amounting to Rs.43.47 Lacs payable as per last agreed terms has not been provided.
- 22.17 Disclosure of Related Party Transactions in accordance with Accounting Standard (AS) - 18 "Related Party Disclosures".

### Relationship

i) **Companies/Parties in which key management Personnel or their relatives have substantial interest/significant influence**

- MVL Limited.
- MVL Credits Holdings & Leasing Ltd.
- Falcon Technosystems Ltd.

ii) **Key Managerial Personnel**

- Mr. Prem Adip Rishi – Managing Director
- Mr. Rajesh Galhotra – Director & Chief financial officer
- Mrs.Kalpana Gupta – Director
- Mr. Rakesh Gupta – Director

iii) **Relatives of key managerial personnel where transactions have taken place:**

Nil

Summary of transactions carried out with related parties (as identified above by the Company and relied upon by the Auditors)

(Rs. in Lacs)

Sl. No.	Nature of Transactions	Referred in 22.17 (i)	Referred in 22.17 (ii)	Referred in 22.17 (iii)	Total For the Year ended 31/03/17	Total For the Year ended 31/03/16
i	Rent Paid	0.60	-	-	0.60	0.60
ii	Directors Sitting Fees	-	1.08	-	1.08	0.84
iii	Purchase of shares	-	-	-	-	4.21
iv	Sale of shares	-	-	-	-	6.05
v	Amount Received (Net) during the year	148.46	-	-	148.46	66.56
vi	Amount Paid (Net) during the year	0.80	-	-	0.80	-

### **Year End Balances**

vii.	Payables	2,661.84	-	-	2,661.84	2,486.17
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017**
**22.18 Other Disclosures: -**

<b>a)</b>	<b>CIF Value of imports</b>		<b>Value</b>	<b>Value</b>
	Stores & Spares		0	0
	Trading Goods / Raw Material		0	0
	Capital Goods		0	0
	<b>Total</b>		<b>0</b>	<b>0</b>
<b>b)</b>	<b>Earning in Foreign Exchange</b>		<b>NIL</b>	<b>NIL</b>
<b>c)</b>	<b>Expenditure in Foreign Currency</b>		<b>NIL</b>	<b>NIL</b>
<b>d)</b>	<b>Value of Raw Materials, Stores, Spares and Packing Material consumed</b>	<b>Value</b>	<b>%age</b>	<b>Value</b>
	<b>Raw Material</b>			
	Imported	0	0	0
	Indigenous	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Stores, Spares and Packing Material</b>			
	Imported	0	0	0
	Indigenous	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

Signature to Note No.1 to 22.18

Subject to our report of even date

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants

(ICAI FRN: 001898N)

Sd/-

**CA Arun Kishore**

Partner

Membership No.10770

Place : New Delhi

Date : 16<sup>th</sup> May, 2017

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

Sd/-

**(Prem Adip Rishi)**

Chairman & Managing Director

(DIN : 00020611)

Sd/-

**(Rajesh Galhotra)**

Director &  
Chief Financial Officer  
(DIN : 00021326)

Sd/-

**(Mandeep Kaur)**

Company Secretary  
(M.NO. 27346)

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