



**30th  
Annual Report  
2014-15**

**MCS LIMITED**



**BOARD OF DIRECTORS**

PARSHURAM V BHUWAD  
Whole Time Director

MADHUKAR M PARASE  
Director

PRIYA DARSHAN WAILA  
Director

**COMPANY SECRETARY**

HIREN VYAS

**AUDITORS**

AMOD AGRAWAL & ASSOCIATES  
Chartered Accountants

**BANKERS**

ICICI BANK  
HDFC BANK

**REGD. OFFICE:**

21/22, Kashiram Jamnadas Building  
5 P.D. Mello Road, Ground Floor  
Ghadiyal Godi  
Mumbai, Maharashtra  
India-400009  
Tel. No. : (022) 2372 6253  
Fax No. : (022) 23726256  
Email: mcspanvel@yahoo.co.in

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## NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the members of MCS Limited will be held at the registered office at 21/22, Kashiram Jamnadas Building, 5, P.D. Mello Road, Ground floor, Ghadiyal Godi, Mumbai-400009 on 30th September 2015 on Wednesday, at 11.00 a.m. to transact the following business

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2015 and the Profit and Loss Account for the year ended on that date together with the report of the Auditor and Directors thereon.
2. To appoint a Director in place of Mr. Madhukar M Parase who retire by rotation at the meeting and offer himself for reappointment.
3. To appoint A SARAOGI & ASSOCIATES auditors in place of Amod Agarwal & Associates (retiring auditor) to hold office from the conclusion of the meeting up to the conclusion of the next Annual General Meeting and authorize the Board to fix their remuneration

Place: Mumbai  
Date: 30th May, 2015

By order of the Board

For MCS LTD.

HIREN VYAS  
Company Secretary

### Registered Office:

21/22, Kashiram Jamnadas Building  
5 P.D. Mello Road, Ground Floor  
Ghadiyal Godi  
Mumbai, Maharashtra  
India-400009

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE VALID MUST BE LODGED WITH THE REGISTERED OFFICE OF THE COMPANY BY 10.00 AM OF 28TH SEPTEMBER, 2015
2. The Register of Member and Register of Share Transfer shall remain closed for the period from 21st September 2015 to 28th September 2015 (both days inclusive).
3. Member holding shares in physical form are requested to notify/sent the intimation about the change in their address, if any and details of Bank account to the company's Registered Office at 21./22, Ground floor, kashiram Jamnadas Building, 5 P.D.'mello road, Ghadiyal Godi, , Mumbai-400009
4. Members holding shares in Demat form are advised to inform changes in address, if any and Bank mandate directly to their respective Depository Participants.
5. The resolution regarding reappointment of Mr. Madhukar M Parase, as Director of the company as stated in the notice shall be moved for adoption by members at the 30th Annual General Meeting. In compliance with provisions in clause no. 49 of the Listing Agreement with Stock Exchange, the following particulars about the Director is furnished herein :

**Mr. Madhukar M Parase**

He is a graduate and has wide experience which the company wants to encash and his long association with the Company is the criteria for his reappointment as Director.

6. Members, who wish to obtain information on accounts for the financial year ended 31st March 2015, may send their queries to the Registered Office of the company 10 days before the 30th Annual General Meeting.
7. Members are requested to bring their attendance slip along with copy of the Annual Report to the meeting.

By order of the Board

Place: Mumbai  
Date: 30th May, 2015

**For MCS LTD.**

HIREN VYAS  
Company Secretary

**Registered Office:**

21/22, Kashiram Jamnadas Building  
5 P.D. Mello Road, Ground Floor  
Ghadiyal Godi  
Mumbai, Maharashtra  
India-400009

## DIRECTORS REPORT

TO

THE MEMBERS,

Your Directors hereby present their Thirtieth Annual Report to the members with the Audited Statement of Accounts for the year ended 31st March, 2015

### OPERATION

The year under review saw world wide depression, threatening to very survival of many economies, However Indian economy, because of conservative polices and timely decisions taken by Government could maintain the growth rate though less than achieved in earlier years. The stock market continued with extreme volatility and quitting at very low levels again pushing many corporate to shelf their plans for mobilization of funds for capital market through new issues.

However, your company's turnover for the year had been substantially lower by Rs. 39.5 lacs than that of the previous year. However the company has earned the nominal profit of Rs. 1.56 lacs during the year. With the government having taken over and the high expectations of reform measures to boost the depressing economy and the measures announce by the government to bring about turnaround in business and industrial environment, your company expects good news for the Stock Market making way for hitherto shelved corporate projects and plants to approach market for funds to come alive once again and thus steer your company to expand its activities in the current year.

### FINANCIAL RESULTS

The highlights of financial results of the company for the Financial Year ended 31st March, 2015.

Particulars	For the year Ended 31.03.14	For the year Ended 31.03.15
Professional Service Charges (Net)	513.95	474.45
Other Income	4.14	8.71
Total	<u>518.09</u>	<u>483.16</u>
Profit/Loss before Depreciation and Tax	47.49	46.81
Depreciation	28.04	27.70
Profit (Loss) before Tax	19.45	19.11
Prior period Adjustment (Net)	-	-
Extra Ordinary Item	-	-
Profit after adjustment	<u>19.45</u>	<u>19.11</u>
Provision for Taxation	-	-
Current Tax	10.74	10.50
Fringe Benefit Tax	-	-
Taxation for earlier year	3.01	7.05
Deferred Tax Assets	(2.16)	-
Profit after Tax	<u>7.86</u>	<u>1.56</u>
Add : Balance of Profit brought forward from previous year	<u>616.62</u>	<u>624.48</u>
Balance of Profit Carried Forward	<u>624.48</u>	<u>595.37</u>

**DIVIDEND:**

In view of requirement of funds for working capital and upcoming proposals the directors are constrained not to recommend payment of dividend for the year ended 31st March, 2015

**DIRECTORS:**

In terms of the provisions of Section 152 of the Companies Act, 2013 Mr. Madhukar M Parase shall retired at the 30th Annual General Meeting (AGM) and shall offer him self for reappointment. Resolution for his reappointment shall be moved at the AGM for approval of the members.

**DIRECTORS RESPONSIBILITY STATEMENTS:**

Pursuant to Section 134 (3) (c) of The Companies Act, 2013, your Directors confirm that;

1. In the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgments estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year.
3. 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.
4. The directors have prepared the accounts on a going concern basis.

**FIXED DEPOSITS:**

During the year under review your company had not accepted/taken any Fixed Deposit from the public.

**TRANSFER TO THE INVESTOR EDUCATION FUND**

The liabilities regarding unclaimed dividend have been transferred on completion of prescribed period to the Investor Education and Protection Fund formed by the Central Government. The company does not have any liability towards unclaimed Fixed Deposits, Debentures and other liabilities.

**AUDITORS:**

The statutory auditors M/s. Amod Agrawal & Associates, Chartered Accounts retire at the conclusion of the 30th Annual General Meeting and M/s A Saraogi & Associates Auditors appoint in place of M/s. Amod Agrawal & Associates. The Audit committee has recommended the appointment of M/s A Saraogi & Associates as the auditor of the company for the year 2015-16

**BOARD EVALUATION :**

**In compliance with Companies Act-2013 and clause 49 of Listing Agreement, the Board has carried out an annual performance evaluation of it's own performance, the Director individually as well as the evaluation of the working of it's Audit, Nomination & Remuneration Committee and other committee. More details on the same is given in the Corporate Governance Report.**

**CORPORATE GOVERNANCE**

Report on Corporate Governance an auditors certificate confirming compliance of the conditions of the same as stipulated under clause 49 of the Listing Agreement with the stock exchange is annexed and forms part of this report.

#### **INTERNAL CONTROL SYSTEM :**

The Company has adequate Internal Control System commensurate with the size, scale and complexity of its operation.

#### **MEETINGS :**

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the meeting was within the period prescribed under Companies Act-2013

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The company has no activities relating to conservation of energy or technology absorption during the year under review.

During the year under review your Directors have been negotiating with various parties in foreign countries to boost the export performance. Information related to foreign exchange earnings and outgo have been given in schedule 'M' being forming part of the accounts for the year ended 31st March 2015

#### **EMPLOYEES**

Provisions of Section 197(12) of the Companies Act, 1956 are not applicable since none of the employees have been paid remuneration in excess of the limits prescribed by the Act.

#### **Disclosure of relation between Directors inter se as [Clause 49(viii)(e)(2)]**

None Director are related to inter se so the disclosure is not required.

#### **ACKNOWLEDGEMENT**

Your Directors acknowledgement and thank the Customers, Banks, Statutory authorities, suppliers, Shareholders for the support and co operation extend to the company. Your directors also record their appreciation for the services rendered by employees at all levels.

For and on behalf of the Board  
**For MCS LIMITED**

PRIYA DARSHAN WAILA  
Director

PARSHURAM V BHUWAD  
Whole time Director

MADHUKAR M PARASE  
Director

PLACE: MUMBAI

DATE: 30th May, 2015



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE AND DEVELOPMENT:**

The year 2014-2015 was turbulent in many ways with economic slowdown in many developed countries having its impact on the Indian Stock market which recorded its lowest index in many years. The foreign capital inflow having slowed down, stock market quoting at lowest levels, many of the corporate has shelved/differed their expansion plans and approach to capital market for funds.

In the scenario, your company because of its track record could retain its clientele and operating at very thin margin to stay in the business with the expectation of a turn around and better times with the installation of new government with comfortable majority promising stability and rapid economic reforms.

### **OPPORTUNITIES AND THREATS:**

Your company, being rated among the leading Registrar and Transfer Agent, continues its pursuit to render better services to its clients and looks forward to add to its client list by utilizing the contacts. However the threats come in the form of limited public issues and presence of large number of players chasing small volume of jobs forcing to operate at thin margins for survival.

### **FINANCIAL PERFORMANCE**

The turnover achieved during the year was Rs. 474.45 lacks as decreases by 39.5 lacks as compare to previous year. In the situation, considering the needs for working capital your directors do not recommend any dividend for the year.

### **RISKS & CONCERNS:**

The major risk faced by your company is from competition from other players and fewer opportunities for work. Your directors are considering diversification into other lines, exploring the possibility of Joint Venture into other business through subsidiary companies in foreign countries. To meet the challenges posed by low margin, various costs saving measure have been put in place to balance the costs.

### **INTERNAL CONTROL SYSTEMS:**

The company has put in place suitable internal control systems which provides for reasonable assurance with regard to safeguarding of assets, promoting operational efficiency and compliance with legal and statutory provisions. The Board of Directors periodically reviews the systems and directs actions wherever necessary to strengthen the system.

For and on behalf of the Board  
**For MCS LIMITED**

PRIYA DARSHAN WAILA  
Director

PARSHURAM V BHUWAD  
Whole time Director

MADHUKAR M PARASE  
Director

PLACE: MUMBAI

DATE: 30th May, 2015

## **REPORT ON CORPORATE GOVERNANCE**

### **COMPANY'S PHILISOPHY AND CORPORATE PRINCIPLES**

The company believes in adopting and adhering to best recognized corporate Governance practices and continuously bench marking itself against each such practice. The Company understands and respects its fiduciary role and responsibility to shareholders and strives hard to meet their expectations. The Company has infused the philosophy of Corporate Governance in all its activities. The Company has made all efforts to adhere to the principles of Corporate Governance as laid down in the Listing Agreement in its true spirits.

### **BOARD OF DIRECTORS**

#### **Composition of the Board**

The composition of the Board is in compliance with the requirements of clause 49 (2) A of the Listing Agreement with Stock Exchange. The Board consist of total 3 (Three) Directors out of which 1 (one) is Whole time Director 1 (one) is independent director and other one is non executive director. The Board does not have any Non Executive Chairman and at the Board/General meeting of the company, one of the Directors is elected to chair the meetings.

The members of he Board are drawn from various facets of the industries having vast and varied experience in financial services, administration, information technology, investment consulting etc. The Board meetings of the Company are held as per the provisions of the Companies Act, 2013 and the Listing Agreement.

#### **1) Mr. Parshuram V Bhuwad** (Appointed on 02/04/2012)

He is a graduate and has 22 years experience which the company wants to encash and his long association with the Company is the criteria for his appointment as Whole Time Director.

#### **2) Priya Darshan Waila** (Appointed as on 03/05/2014)

He is graduate and has 21 years experience which the company wants to encash and his long association with the Company is the criteria for his appointment as Director.

#### **3) Mr. Madhukar M Parase** (Appointed on 04/08/2012)

He is a commerce graduate and has 21 years experience which the company wants to encash and his long association with the Company is the criteria for his appointment as Independent Director.

The details of Directorship or Board, membership and office of the Chairman of Board Committee across all companies as well as their attendance at the Board and Annual General Meeting of the Company are given hereunder \*

Name of Director	Directorship held in other Companies	Memberships of Board Committees	Chairman of Board Committee	Last AGM attended	No. of Board meeting Attended during the year
Mr. Parshuram V Bhuvad	0	1	2	Yes	4
Mr. Priya Darshan Waila	0	2	2	Yes	4
Mr. Madhukar M Parase	0	1	2	Yes	4

Details of Board Meeting held during the year and Directors attendance are as follow:

	30/05/2014	31/07/2014	31/10/2014	12/02/2015
Mr. Parshuram V Bhuvadl	Yes	Yes	Yes	Yes
Mr. Priya Darshan Waila	Yes	Yes	Yes	Yes
Mr. Madhukar M Parase	Yes	Yes	Yes	Yes

Details of Remuneration paid to Whole time Director is as follows ;

NAME	AMOUNT (RS.)
MR.. PARSHURAM V BHUWAD	NIL
<b>TOTAL</b>	<b>NIL</b>

- Bonus are paid as per the Company's rule
- During the financial year company has not given any stock option
- Severance: Notice period is 3 (three months.)
- The above remuneration is exclusive of provision for future liabilities in respect of retirement benefit which are based on actuarial valuation on overall company basis.

#### SCHEDULE OF SITTING FEE PAID TO DIRECTORS

Name of Directors	No. of Board Meeting	No. of Committee Meeting	Amount (Rs.)
Mr. Parshuram V Bhuvad	4	4	NIL
Mr. Priya Darshan Waila	4	4	NIL
Mr. Madhukar M Parase	4	4	NIL

## Audit Committee

### Composition

The composition of the Audit Committee is as under. During the financial year 2014-2015 four meetings of Audit committee were held on 30/05/2014,31/07/2014,31/10/2014 and 12/02/2015 respectively :

Name of Director	Designation	Category	No. of Meeting attended
Mr. Priya Darshan Waila	Member	Director	4
Mr. Madhukar M Parase	Member	Director	4
Mr. Pashuram V Bhuwad	Member	Director	4

### TERMS OF REFERENCE

The terms of reference and powers of the Audit Committee are as mentioned in clause 49 II(D) of the Listing Agreement entered into with Stock Exchange and Companies Act, 2013.

The terms of reference are briefly described below:

- a) Oversight of the Company' financial reporting process and disclosure of financial information.
- b) Recommend the appointment and removal of external and internal auditors, the adequacy of internal control systems.
- c) Review with management the annual financial statements before submission to the Board.
- d) Review with management, external and internal auditors, the adequacy if internal control systems.
- e) Review the adequacy of internal audit function.
- f) Discussions with internal auditors of any significant findings and follow-ups thereon.
- g) Review the findings of any internal investigations by the internal auditors.
- h) Discuss with external auditors before the audit commences, of the nature and scope of audit as well as have post-audit discussions to ascertain any areas of concern.
- i) Reviewing the company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the depositions, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors, if any.

The committee is vested with necessary powers to achieve its objectives.

## REMUNERATION COMMITTEE

During the financial year 2014-15 no meeting of the Remuneration Committee was held as the same was not required

## SHAREHOLDERS AND INVESTORS GRIEVANCES COMMITTEE

During the financial year 2014-15 meeting of Investor Grievance Committee was held on 28/01/2015. The details of members and their attendance in meeting are as follows:

Name of Members	Category	No. of meeting held
Mr. Priya Darshan Waila	Director	1
Mr. Alok Mukherjee	General Manager	1

Name & Designation of the Compliance Officer: Mr. Uday Mogaveera General Manager.

The Committee reviewed grievance received from the shareholders and the action taken thereon. The status of complaints received and redressed during the period from April 1, 2014 to March 31, 2015 are as under:

Description	Number
Number of shareholders complaint received	NIL
Number of shareholders complaints redressed	NIL
Number of shareholders complaint pending	NIL

## SHARE TRANSFER COMMITTEE

The Share Transfer Committee consist of Mr. Madhukar M Parase and Ms. Uday Mogaveera

As transfers are few in numbers, the meetings are held once every 10 days to facilitate prompt transfers. A Statement containing the summary of shares transferred and de-materialized between two Board Meeting dates is placed at every Board Meeting for their information.

There were no transfers pending as of March 31, 2015 exceeding the limit prescribed by the Listing Agreement.

## GENERAL MEETINGS

The Company holds its Annual General Meetings in between July to September every year. The Company's Annual General Meeting for the year ended on 31st March, 2015 will be held on 30th September 2015 However, during the last three years, the Annual General Meeting was held on 17th September, 2012 , 30th September, 2013, and 30th September, 2014 respectively.

## INSIDER TRADING

As per SEBI (Prohibition of Insider Trading) Regulations 1992, the company has prescribed a Code of Conduct for prevention of Insider Trading and a Code of Corporate Disclosure Practice. This Code was adopted by the Board of Directors of the Company on January 27, 2003 and has been implemented by the Company.

## **SECRETARIAL AUDIT**

As required by Circular issued by SEBI, Secretarial Audit was carried out by a practicing Company Secretary for each of the 4 quarters ending 31st March 2015 and the Audit Report for each quarter submitted to Stock Exchange, Mumbai.

## **DISCLOSURES**

There are no materially significant transactions with related parties except under contractual obligations viz, promoters, Directors or the Management or their relatives that may have potential conflict with the interest of the Company at large.

There are no pecuniary relationships or transactions with Non executive directors of the Company except the remuneration paid to them as for services rendered as Directors of the company.

The Company has adopted a Website Blower policy and has established the necessary mechanism in the line with clause 7 of Annexure ID to clause 49 of the listing Agreement with the Stock Exchange, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

## **DISCLOSURES OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the accounting Standard issued by the Institute of Chartered Accountants of India.

## **DISCLOSURE OF RISK MANAGEMENT**

The Company has initiated the risk assessment and minimization procedures.

## **CEO/CFO CERTIFICATION**

A certificate in accordance with the revised Clause 49 of the Listing Agreement issued by Mr. Parshuram Bhuwad who is a Whole Time Director on the Financial Statements of the Company has been placed before the Board and noted by the members of the Board.

## **REVIEW OF DIRECTORS' RESPONSIBILITY STATEMENT**

The Board in its report has confirmed that the annual accounts for the year ended 31st March 2014 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

## **MEANS OF COMMUNICATIONS**

The Quarterly/half yearly/annual results together with the information relating to Book Closure/Annual General Meeting are published in free press journal/business standard and Navshakti as per the requirements of the Listing Agreements and Companies Act-2013

The annual Report of the Company together with the Notice convening the Annual General Meeting are also sent to the members at their registered addresses.

The Management Discussion and Analysis Report forming part of the Annual Report is annexed.

## REVIEW OF GOVERNANCE PRACTICES

We have in this report attempted to present the governance practices and principles being followed at the Company, as evolved over the years, and as best suited to the needs of our business and shareholders. Our discussion and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the recognized practices of governance, so as to meet the expectations of all our stakeholders.

## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

As required under clause 49 of the Listing Agreement, the certificate given by Company Secretary is as Annexure to the Directors' Report.

## SHAREHOLDERS INFORMATION

### DETAILS OF TWENTY NINTH ANNUAL GENERAL MEETING

DATE	30th September 2015
TIME	11 :00 A.M.
VENUE	21/22, Kashiram Jamnadas Building, 5 P.D. Mello Road, Ground Floor, Ghadiyal Godi, Mumbai, Maharashtra, India-400009

## FINANCIAL CALENDER

Financial Year	April 2015 to March 2015
First Quarter Results	3rd /4th week of July 2015
Half Yearly and second quarter Results	3rd/4th week of October 2015
Third Quarter Result	3rd/4th week of January 2016
Audited Result for the year ended March 31,2015	May/June 2016
Book Closure period	21st September, 2015 to 28th September 2015

## LISTING ON STOCK EXCHANGE

The equity share of the Company is listed at the following Stock Exchange:

The Stock Exchange Limited, Mumbai  
Phiroze Jeejeebhoy Tower, Dalal Street,  
Mumbai-400001.

SCRIP CODE – BSE-523221

ISIN NO. – INE737A01019

Details of share capital of the Company held in Dematerialized and Physical Form as on March 31, 2015 are as below:

	<b>No. of Shareholders</b>	<b>Shares</b>	<b>% of Total Capital</b>
Held in dematerialized form in CDSL	815	503568	6.89
Held in dematerialized form in NSDL	2004	4355829	83.45
Held in physical mode	4991	359885	9.66
<b>Total</b>	<b>7810</b>	<b>5219282</b>	<b>100.00</b>

Company does the share registry work in-house and has connectivity with both the depositories.

The High/Low price during each month in the last financial year is given hereunder –

<b>Month</b>	<b>Highest price (RS.)</b>	<b>Lowest Price (Rs.)</b>	<b>Volume (Number of share traded)</b>
April-14	5.88	4.31	5430
May-14	6.50	4.97	6972
June-14	10.30	6.16	7660
July-14	8.79	6.42	3386
August-14	8.78	6.84	14213
Sept-14	9.12	6.90	28163
October-14	10.49	6.87	18169
November-14	7.82	6.57	27010
December-14	9.48	6.65	12666
January-15	10.48	7.31	45146
February-15	7.98	5.45	129888
March-15	6.26	3.60	231102

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



## INVESTOR SERVICES

All activities relating to Share Transfer, Transmissions, etc are carried out at the Registered Office of the Company. The details of the contact person are given hereunder:

Mr. Uday Mogaveera

21/22, Kashiram Jamnadas Building  
 5 P.D. Mello Road, Ground Floor, Ghadiyal Godi  
 Mumbai, Maharashtra, India-400009  
 Tel. No. : (022) 2372 6253, Fax No. : (022) 23726256  
 Email: mcsonlineinfo@yahoo.co.in

Timing: Monday to Friday (9.30 a.m. to 1.00 p.m. & 1.30 p.m. to 5.30 p.m.)

## DISTRIBUTION OF SHAREHOLDING AS OF MARCH 31, 2014

No. of equity share held	Folio	%	Shares	%
UPTO 500	7333	93.8924	640100	12.2641
501-1000	216	2.7657	177895	3.4084
1001-2000	114	1.4597	179048	3.4305
2001-3000	43	0.5506	110802	2.1229
3001-4000	24	0.3073	83560	1.6010
4001-5000	23	0.2945	108161	2.0723
5001-10000	25	0.3201	186253	3.5686
10001-50000	22	0.2817	461815	8.8482
50001-100000	5	0.0640	386995	7.4147
100001 AND ABOVE	5	0.0640	2884653	55.2692
<b>TOTAL</b>	<b>7810</b>	<b>100.00</b>	<b>5219282</b>	<b>100.00</b>

**CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2015**

CATEGORY			NO. OF SHARE HELD	% OF SHARE HOLDING
<b>A</b>		<b>Promoter's holding</b>		
	1	Promoter's Holding Indian Promoters Foreign Promoters	2086053 Nil	39.9682 Nil
	2	Person acting in concert Sub - Total	Nil 2086053	Nil 39.9682
<b>B</b>		<b>Non promoters Holding</b>		
	3	Institutional investor		
	a.	Mutual funds and UTI	100	0.0019
	b.	Banks, Financial institutional, Insurance companies (Central/state govt. institutions, non government Institutions Companies Central/state govt.)	400	0.0077
	c.	FIIS	NIL	NIL
		<b>SUB TOTAL</b>	<b>500</b>	<b>0.0096</b>
<b>C</b>		<b>Others</b>		
	a	Private corporate Bodies	974632	18.6737
	b	NRI/OCB	4896	0.0938
	c	Any other	2153201	41.2547
		<b>Sub Total</b>	<b>3132729</b>	<b>60.0222</b>
		<b>GRAND TOTAL</b>	<b>5219282</b>	<b>100</b>

**THE DETAILS OF ENTITIES/PERSONS HODING MORE THAN 1% OF THE SHARES OF THE COMPANY UNDER EACH HEAD AS ON MARCH 31, 2015**

S.No.	NO. OF HOLDER	No. Shares	% of Total Capital
<b>A</b>	<b>Promoter's holding</b>		
	1 Mr. Saurabh Rateria	830301	15.9083
	2 Ms. Sneha Rateria	800000	15.3278
	3 Mr. Saurabh Rateria	453252	8.6842
	4 Mrs. Saroj Rateria	2500	0.0479
	<b>Sub - Total</b>	<b>2086053</b>	<b>39.9682</b>
<b>B</b>	<b>Non promoters Holding</b>		
	Institutional investor		
	-UTI –Unit Trust of India	--	--
	-UTI – Unit scheme for charitable and Religious societies	--	--
	Registered societies, Banks	--	--

S.No.	NO. OF HOLDER	No. Shares	% of Total Capital
<b>C</b>	<b>Others</b>		
	Private corporate Bodies		
	1) S.K. Info solution pvt. Ltd.	700000	13.4118
	2) Gagan Merchants pvt. ltd	81125	1.5568
	Indian Public		
	1) Laxmikant Gupta	62134	1.1905
	2) Shaunak Jagdish shah	99837	1.9128
	3) Balram Bharwani	101100	1.937
	4) Jagdish Amratlal shah	82769	1.5858
	5) Dipak Kainayalal Shah	61000	1.1687
	<b>Sub Total</b>	<b>1188095</b>	<b>22.7634</b>

Name of Depositories for dematerialization of equity shares (ISIN-INE737A01019)

National Securities Depository Limited (NSDL) Central Depository Service (India) Limited (CDSL)

For and on behalf of the Board of Directors

Priya Darshan Waila  
Director

Madhukar M Parase  
Director

Parshuram V Bhuwad  
Wholetime Director

Place : Mumbai

Date : 30th May, 2015

Declaration by whole time Director (CEO) under clause 49 of the Listing Agreement

To

The Members of MCS LTD

I, Parshuram V Bhuwad, whole time Director of MCS LIMITED declare that to the best of my knowledge and belief, all the members of the Board and Senior Management Personnel of the Company have affirmed their respective Compliance with the applicable code of Conduct for the year ended 31st March, 2015

For and on behalf of the Board of Directors

Parshuram V Bhuwad  
Whole time Director

Place: Mumbai

Date: 30th May, 2015

## **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To,

MCS LIMITED,

We have examined the compliance of conditions of Corporate Governance by MCS LIMITED for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedure and implementation thereof adopted by the Company for ensuring compliance with the conditions of the corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial of the Company.

In our opinion and to the best of our information and according to the explanation given to us, and based on the representation made by the Directors and the Management. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Instituted of Chartered Accountants of India we have to state that no investor grievance were pending for a period of one month against the Company as per the records maintained by the Shareholders/Investor's grievances committee.

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

HIREN VYAS

Place: New Delhi  
Date: 30th May, 2015

Company Secretary  
Membership No. : ACS 27779

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
MCS LIMITED

### **Report on the Financial Statements**

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

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. **Because of the matter described in the Basis for Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.**

### **Basis for disclaimer of Opinion :**

1. a) As discussed in notes 13 (i to iii) and 14 of notes to financial statements, investments of ₹ 2589.44 lacs and advances of ₹ 233.81 lacs made in a foreign company, could not be verified in the absence of adequate information and related documents made available to us. Consequently, the requisite disclosure and provision for diminution in the value of investments and advances have not been made. Pending availability of information and related documents and confirmation, we are unable to opine on the recoverability/ adjustment of these amounts and thus its consequent impact on the company's net worth and disclosure in term of AS 13 and AS 21. This had also caused us to qualify our audit opinion on the financial statements relating to preceding years.
2. b) As discussed in note 25 (a) of notes to financial statements, due to discrepancies in process of applications of some public issues handled by the company in earlier years and rectification of the errors by way of settlement of investor's claims are continuing in process. In the absence of adequate information and pending completion of investigations/claims, the liability on account of claims and its effect on profitability is not ascertainable. However, the investors' claims to the extent admitted by the Company are accounted for in the year of settlement. During the year, the company has settled and charged to profit and loss a/c the investor's claims amounting to ₹ 25.24 lacs (P.Y ₹ 67.35 lacs).

3. No provision of interest on unsecured loans has been made. The Management claims no interest is payable thereon. In the absence of adequate information, confirmation and related documents, interest provision, if any, could not be assessed and provided for and consequent impact on financial statements could not be determined. This had also caused us to qualify our audit opinion on the financial statements relating to preceding year.
4. As discussed in note 12 of notes to financial statements, Building & Electrical fittings and Equipment having carrying value ₹ NIL previous year ₹ 8.71 lacs on the land not belonging to the company is doubtful of recovery in view of the Land in question, was mortgaged to banks, and taken in possession by these banks in term of securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act, 2002 for which no provision has been made. This had also caused us to qualify our audit opinion on the financial statements relating to preceding year.
5. e) As discussed in note 35 of notes to financial statements, The Company had received show cause notice for evasion of Service-tax for the period from 10.09.2004 to 31.3.2009. The company had filed an appeal before the Commissioner of Central Excise Delhi-III, Commissionerate, Gurgaon which was disposed off imposing a tax liability of ₹ 498.85 lacs penalty of ₹ 498.85 lacs and interest u/s 75 of the Finance Act, 1994. The company filed an appeal before Custom, Excise and Service-tax Appellate Tribunal, New Delhi (CESAT) on 10.12.2013. The CESAT passed order No. SO/ST/54748/2014-CU(DB) dated 04.12.2014 directing the company to pre-deposit 25% of the adjudicated service-tax liability alongwith proportionate interest within 6 months. The company was unable to make the payment as directed by CESAT and filed a petition before the High Court of Punjab & Haryana, Chandigarh. The Hon'ble High Court directed the company to deposit ₹ 50.00 lacs within 15 days vide its order dated 10.02.2015. The company failed to comply with the order of the Hon'ble High Court also. The company has not made any provision for the aforesaid liability. The interest liability for the period from 01.04.2009 to 31.03.2015 works to ₹ 638.52 lacs. The interest for the period 01.09.2004 to 31.03.2009 is not ascertainable. Had the provisions be made the loss for the year would have been higher by ₹ 1636.22 lacs.
6. As discussed in note 32 of notes to financial statements, The Company has received winding up order dated 28.01.2015 from the Hon'ble High Court of Mumbai and also directed to appoint official liquidator forthwith.
7. As discussed in note 33 of notes to financial statements, The Company has filed a reference u/s 15(1) of the sick Industrial Companies (Special Provisions) Act, 1985 (BIFR). The registration was declined by the Registrar, BIFR. The company preferred an appeal before the BIFR against the Order of the Registrar declining the Registration which was heard on 06.05.2015 and pending for final decision of BIFR.
8. As discussed in note 34 of notes to financial statements, The Company has given a Corporate Guarantee of ₹ 2565.50 lacs (Rupees twenty five crore sixty five lacs fifty thousand only) jointly in favour of Punjab National Bank and Dena Bank on behalf of Computech International Ltd., a company in which promoters have substantial interest. The banks have taken the possession of the assets in terms of Securitisation & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
9. In the absence of adequate informations made available, we are unable to verify. (a) Employees Benefit Expenses amounting to ₹ 34.31 lacs. (b) Postage & Telegram amounting to ₹ 44.18 lacs. But the company claims that the following expenditure have been incurred for the purpose of business of the company in the normal course of its business.
10. The above factors create multiple uncertainties and we are unable to determine their possible effects on the financial statements. We are also unable to conclude on the ability of the company to carry on as a going concern. The Management however believes that is an appropriate to prepare financial

statements on the going concern basis and accordingly these financial statements do not include any adjustments that might result from the outcome of uncertainties explained above.

### Disclaimer of Opinion

Because of the significance of the matters described in above paragraphs specially relating to the multiple uncertainties created due to various factors such as winding-up order from the Mumbai High Court, the service-tax liability, non-realization of investments and advances made by the company and enforcement of Securitisation & Reconstruction of Financial Assets & enforcement of Securitisation Act, 2002 by the Banks. We have not been able to obtain appropriate audit evidence to provide a basis for an audit opinion.

### Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) as described in the Basis for Disclaimer of Opinion paragraph, we were unable to obtain 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies(Accounts) rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i) The Company has disclosed the impact, of pending litigations as at March 31, 2015, on its financial position in its financial statements - Refer note 25(b),32,33 and 35;
    - ii) The Company has not made provision as at March 31,2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer note 13 (i to iii) and 14;
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Amod Agrawal & Associates  
Firm Registration No. 005780N  
Chartered Accountants

Place : New Delhi  
Date : 30-05-2014

Virendra Kumar  
Partner  
M.No. 085380

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 6 of the Independent Auditors' Report of even date to the members of MCS LTD on the financial statements as of and for the year ended March 31, 2015, we report that:

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets **except for furniture & fixtures and electrical fitting and intangible assets. In respect of furniture & fixtures and electrical fitting and intangible assets quantitative details are not maintained. No identification mark is placed on fixed assets.**
- (b) The company has designed a programme for physical verification of assets to cover all the items over a period of three years which in our opinion is reasonable having regard to the size of the company and nature of its assets. **The Company has written off /discarded the tangible assets having value of ₹ 272.04 lacs based on physical verification carried out by the management. However in the absence of the relevant documents made available to us, we are unable to comment on the discrepancies in physical verification and books records and adjustment thereof.**
- II. The Company does not carry any stock of raw material, spare parts, finished goods, stores maintenance and components. As per the practice consistently followed by the company purchases of stationary and spare parts are charged to the revenue directly and no stock is carrying by the company. In view of the above no comments are offered on (i) procedure of physical verification (ii) discrepancies on physical verification if any.
- III. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- IV. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- V. The Company has not accepted any deposits from the public within the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- VI. **The Company has not maintained any 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 and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. **However there has been delay in some cases in depositing service-tax and income-tax deducted at source (TDS). There is an**



**undisputed amount payable in respect of service-tax – ₹ 498.85 lacs, penalty thereon Rs 498.85 lacs and interest u/s 75 of Finance Act, 1994 (the amount not ascertained) at the end of the year for a period of more than 6 months from the date they became payable since the Company did not comply with the order of the Honourable High Court of Punjab & Haryana Chandigarh.**

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues outstanding of income-tax, wealth-tax, sales tax, service-tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute as at March 31, 2015.
- (c) According to the information and explanations given to us the amounts which were required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder has been transferred to such fund within time.

- VIII. The Company has no accumulated losses at the end of the financial year. It has not incurred cash losses in the current year and immediately preceding financial year. **However the accumulated losses at the end of the financial year will not be less than 50% of its net worth, had the provision for diminution in the value of investment to the tune of ₹ 2589.44 lac and provision for doubtful advance of ₹ 233.81 lacs and also the provisions for Service Tax ₹ 977.7 lacs (without considering interest on Service Tax Demand) been made in the financial statements.**
- IX. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- X. **In the absence of requisite information made available to us, the terms & conditions of the guarantee given by the company of ₹ 2565.50 lacs, detailed examination could not be made with regards to its terms & Conditions. Therefore no comments are offered whether the terms & Conditions are prejudicial to interest of Company.**
- XI. The company has not taken any term loans during the year.
- XII. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For AMOD AGRAWAL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN NO. 005780N

Date: 30-05-2015  
Place : New Delhi

VIRENDER KUMAR  
(Partner)  
M No. 85350

## BALANCE SHEET AS AT 31.03.2015

**MCS LIMITED**
**(Rs. in Lakh)**

Particulars	Note	AS At 31.03.2015 (Audited)	As At 31.03.2014 (Audited)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	3	522.04	522.04
Reserves and surplus	4	1,646.34	1,675.44
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	5	1.70	3.62
Deferred tax liabilities (net)	6	-	-
Long-term provisions	7	-	19.30
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	8	901.99	901.99
Trade payables	9	25.32	48.62
Other current liabilities	10	22.05	33.49
Short-term provisions	11	0.86	6.60
		3,120.30	3,211.11
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Tangible assets	12	42.90	102.44
Intangible assets	12	-	-
Non Current Investment	13	2,590.74	2,590.74
Deferred tax assets (net)	6	4.78	4.78
Long-term loans and advances	14	401.68	376.41
Other non-current assets	15	19.57	42.37
<b>CURRENT ASSETS</b>			
Current investments	13	3.53	14.03
Trade receivables	16	41.06	61.17
Cash and Bank Balances	17	13.39	14.43
Short-term loans and advances	18	0.92	3.40
Other current assets	19	1.72	1.33
		3,120.30	3,211.10

**SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES ON ACCOUNTS**
**1 to 40**
**AS PER OUR REPORT OF EVEN DATE  
For AMOD AGRAWAL & ASSOCIATES  
Chartered Accountants  
FRN - 005780N**
**FOR : MCS LIMITED**

(Virendra Kumar)  
M.No : 85380  
Partner

(Hiren Vyas)  
Company Secretary

(Priya Darshan Waila)  
Director

(Parshuram V Bhuwad)  
Whole time Director

Place: NEW DELHI  
Dated : 30/05/2015

(Madhukar M Parase)  
Director

## PROFIT AND LOSS A/C FOR THE YEAR ENDED 31.03.2015

MCS LIMITED

(Rs. in Lakh)

Statement of Profit and Loss	Note	For the Year Ended (Audited) 31-Mar-15	For the Year Ended (Audited) 31-Mar-14
<b>Revenue from operations</b>			
Gross Receipts from Professional Services		528.29	569.34
Less : Service Tax		53.83	55.39
Net Receipts from Professional Services		474.45	513.95
Other income	20	8.71	4.14
<b>Total Revenue</b>		<b>483.16</b>	<b>518.09</b>
<b>Expenses</b>			
Operating Expenses	21	164.02	167.29
Employee Benefit Expenses	22	154.46	150.08
Financial Cost	23	0.52	6.54
Depreciation and Amortisation Expense	12	27.70	28.04
Other Expenses	24	117.35	146.68
<b>Total expenses</b>		<b>464.05</b>	<b>498.64</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>19.11</b>	<b>19.45</b>
<b>Add Extraordinary Items</b>		-	-
<b>Profit/(Loss) Before Tax</b>		<b>19.11405</b>	<b>19.45</b>
Tax expense:			
Current tax		10.50	10.74
Current tax for earlier year		7.05	3.01
Deferred tax		-	(2.16)
<b>Profit for the Year</b>		<b>1.56</b>	<b>7.86</b>
<b>EARNINGS PER EQUITY SHARE (Before exceptional items)</b>			
Equity shares of par value ₹10/- each			
Basic		0.03	0.15
Diluted		0.03	0.15
<b>EARNINGS PER EQUITY SHARE (After exceptional items)</b>			
Basic		0.03	0.15
Diluted		0.03	0.15
Number of shares used in computing earnings per share			
Basic		5,219,282	5,219,282
Diluted		5,219,282	5,219,282

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 40**

AS PER OUR REPORT OF EVEN DATE  
For AMOD AGRAWAL & ASSOCIATES  
Chartered Accountants  
FRN - 005780N

FOR : MCS LIMITED

(Virendra Kumar)  
M.No : 85380  
Partner

(Hiren Vyas)  
Company Secretary

(Priya Darshan Waila)  
Director

(Parshuram V Bhuwad)  
Whole time Director

Place: NEW DELHI  
Dated : 30/05/2015

(Madhukar M Parase)  
Director

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

### 3. SHARE CAPITAL

(Rs. in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Authorized Shares*</b> 1,02,50,000 Equity shares of ₹10/-each		1,025.00 1,025.00	1,025.00 1,025.00
<b>Issued, Subscribed Shares</b> 52,23,697 (Previous Year 52,23,697) Equity shares of ₹10/- each		522.37	522.37
<b>Fully Paid Up Shares</b> 52,19,282 (Previous year 52,19,282 ) Equity shares of ₹0/- each fully paid Add : Forfeited Shares (4,415 (previous year 4,415) shares @ ₹ 2.50 paid up		521.93 0.11	521.93 0.11
		<b>522.04</b>	<b>522.04</b>

\* The Authorized share capital of the Company as per books of accounts is ₹1025 lacs , however, as per the records of the Registrar of the Companies, Maharashtra, same is appearing as ₹525 lacs. The difference in amount needs to be determined and corrected.

#### A) Reconciliation of the number of Equity shares outstanding

Particulars		As at March 31, 2015	As at March 31, 2014
Number of shares at the beginning		5,223,697	5,223,697
Add: Shares issued during the year		-	-
<b>Number of shares at the end</b>		<b>5,223,697</b>	<b>5,223,697</b>

#### B) Terms / Rights attached to Equity Shares

The company has only one class of equity share having a par value of ₹10 per share. Each equity shareholder is entitled for one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholder.

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### C) Detail of Shareholders holding more than 5% shares in the Company

31-Mar-15			
		No. of Shares	% Holding in class
Saurabh Rateria	Promoter	1,283,553.00	24.59
Sneha Rateria	Promoter	800,000.00	15.33
S.K. Infosolutions Pvt Ltd.	Corporate body	700,000.00	13.41

**4. RESERVES AND SURPLUS**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Capital reserve - Opening balance		398.00	398.00
Add: Transferred from Profit and Loss account		398.00	<b>398.00</b>
Securities premium reserve - Opening balance		294.15	294.15
		<b>294.15</b>	<b>294.15</b>
General reserve - Opening balance		358.82	358.82
Add: Transferred from Profit and Loss account		-	-
		<b>358.82</b>	<b>358.82</b>
Surplus/(Deficit)in the Statement of Profit & Loss- Opening Balance		624.47	616.61
Add: Net profit/(loss) after tax transferred from Statement of Profit and Loss		1.56	7.86
Less: Depreciation on Transitional Period as per Schedule II of Companies Act 2013		(30.66)	-
<b>Amount available for appropriation</b>		<b>595.37</b>	<b>624.47</b>
Appropriations:		-	-
<b>Balance in profit and loss account</b>		<b>595.37</b>	<b>624.47</b>
<b>TOTAL</b>		<b>1,646.34</b>	<b>1,675.44</b>

**5. LONG TERM BORROWINGS**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Vehicle Loan (secured)</b>		<b>3.76</b>	<b>6.78</b>
Less : Amount disclosed under "Other Current Liabilities" (Refer Note 10)		<b>2.06</b>	<b>3.16</b>
<b>TOTAL</b>		<b>1.70</b>	<b>3.62</b>

i. Vehicle loan from Scheduled Bank is Secured by way of Hypothecation of the respective vehicles.

**6. DEFERRED TAXES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Deferred liabilities</b>			
Timing difference on account of depreciation (Difference as per books & as per Income Tax Act)		(23.67)	22.76
<b>Total</b>		<b>(23.67)</b>	<b>22.76</b>
<b>Deferred Assets</b>			
On account of Disallowance u/s 43B		-	25.05
Provisions		10.78	13.18
<b>Total</b>		<b>10.78</b>	<b>38.23</b>
Net deferred Liabilities/(Assets)		(34.45)	(15.47)
Net deferred Tax Liabilities/(Assets)		(10.65)	(4.78)
Adjustment during Transitional period on Depreciation as per Schedule II of Companies Act 2013		(9.47)	-
Net deferred Tax Liabilities/(Assets) for the year		<b>3.60</b>	<b>(2.16)</b>

**Note:-** In the absence of any evidence w.r.t virtual certainty the deferred tax asset, on account of carried forward unabsorbed losses and depreciation, has not been recognised during the year.

**7. LONG TERM PROVISIONS**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Provision for Gratuity		-	19.30
		-	<b>19.30</b>

**8. SHORT TERM BORROWINGS**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Unsecured</b>			
Loans from Body Corporate*		901.99	901.99
<b>TOTAL</b>		<b>901.99</b>	<b>901.99</b>

\*In the absence of any agreement, unsecured loans from body corporates is considered as payable on demand and thus shown as short term borrowings. No provision for interest is made in the books of accounts, as the management claims no interest is payable thereon. The company is in default in repayment of principal amount of ₹ 901.99 lacs (previous year ₹ 901.99 lacs) and interest thereon, if any. The balances outstanding are subject to confirmation.

**9. TRADE PAYABLES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Total outstanding dues of other than Micro & Small Enterprises		25.32	48.62
<b>TOTAL</b>		<b>25.32</b>	<b>48.62</b>

**10. OTHER CURRENT LIABILITIES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Unpaid Dividend *</b>		-	<b>1.41</b>
Employee Benefit Payable		0.01	0.97
Expenses Payable		-	0.02
Govt. Dues i.e. TDS, PF, ESIC		2.08	0.59
Service Tax Payable (net of Receivable)		9.99	-
Other Payables		7.41	14.21
Advance from Customers		0.50	13.13
Current Maturities of Vehicle Loan (Secured)		2.06	3.16
<b>TOTAL</b>		<b>22.05</b>	<b>33.49</b>

(1) to be transferred to Investor Protection fund as and when due

**11. SHORT TERM PROVISIONS**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Provision for Leave Encashment		-	2.16
Provision for Gratuity		-	3.58
Provision for Wealth Tax(net of paid)		0.86	0.86
<b>TOTAL</b>		<b>0.86</b>	<b>6.60</b>

**NOTE 12  
FIXED ASSETS**

PARTICULARS	Gross Block			Depreciation			Net Block	
	AS AT 01.04.2014	ADDITION DURING THE PERIOD	SALES/ ADJUSTMENT DURING THE PERIOD	AS AT 31.03.2014	ADJUSTMENTS THROUGH RESERVES*	FOR THE PERIOD	AS AT 31.03.2015	AS AT 31.03.2014
<b>A. TANGIBLE ASSETS</b>								
Buildings	132.34	0.00	95.47	110.87	0.00	8.04	13.43	21.47
Computer Equipments	279.81	0.16	257.41	277.44	0.00	1.32	1.21	2.37
Furniture & Fixtures	44.39	0.00	0.00	32.56	0.00	9.28	2.55	11.84
Office Equipments	13.77	0.16	0.00	9.22	3.45	0.26	1.00	4.55
Air Conditioner	24.06	0.23	4.78	11.85	10.11	1.15	1.17	12.21
Vehicles	122.65	0.00	13.75	82.10	16.51	2.87	19.44	40.54
Electrical Equipments	24.93	0.00	9.93	15.47	0.58	4.78	4.10	9.46
<b>Total (A)</b>	<b>641.95</b>	<b>0.55</b>	<b>381.34</b>	<b>539.51</b>	<b>30.66</b>	<b>27.70</b>	<b>42.90</b>	<b>102.44</b>
<b>B. INTANGIBLE ASSETS</b>								
SOFTWARES	432.16	0.00	359.60	432.16	0.00	0.00	0.00	0.00
Total (B)	432.16	0.00	359.60	432.16	0.00	0.00	0.00	0.00
<b>Total (A+B)</b>	<b>1074.11</b>	<b>0.55</b>	<b>740.93</b>	<b>971.67</b>	<b>30.66</b>	<b>27.70</b>	<b>42.90</b>	<b>102.44</b>

\* Cost of Building amounting to Rs 92.18 lacs on the land not belonging to the company has been written off since it is in possession of Bank under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Company is not able to use the Building

\*\* Electrical Equipments amounting to Rs 9.92 lacs installed in the building not owned by Company Which is takeover by bank has been written off since it is in possession of Bank under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

Tangible Assets amounting to Rs 272.04 has been written off on the basis of Physical Verification of Assets Conducted by Management during the year.

# Transitional Depreciation on account of Schedule II of Companies Act, 2013

**13. INVESTMENTS**

(₹ in Lakh)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Short Term Investment (At Cost) *</b>		
<b>A. Other than Trade - Quoted</b>		
<b>Equity Shares</b>		
1193 (Previous year 1074 ) shares of ₹10 each fully paid up in Allahabad Bank	-	1.17
150 (Previous year 150) shares of ₹10 each fully paid up in GAIL India Limited	-	0.55
150 (Previous year 150) shares of ₹10 each fully paid up in Maruti Suzuki India Limited	-	1.75
2376 (Previous year 2376) shares of ₹10 each fully paid up in ONGC Limited	-	6.63
100 (Previous year 100) shares of ₹10 each fully paid up in PTC India Limited	-	0.06
1400 (Previous year 1400) shares of ₹10 each fully paid up in Oreintal Bank of Commerce	3.53	3.53
100 (Previous year Nil) shares of ₹10 each fully paid up in Bank of Maharashtra	-	0.04
43 (Previous year 155) shares of ₹10 each fully paid up in Punjab National Bank	-	0.29
<b>TOTAL (A)</b>	<b>3.53</b>	<b>14.03</b>
<b>Non - Current Investment (At Cost)</b>		
<b>B. Other than Trade - Unquoted</b>		
Units of Mutual Fund		
23 (Previous year 27) units of ICICI Prudential Mutual Fund of ₹ 5000 each fully paid up	1.30	1.30
In Foreign Company*		
41,00,000 (previous share 41,00,000) share of ₹ 12.63 each fully paid up in Ferro Alloys CJSC	2589.44	2589.44
<b>TOTAL (B)</b>	<b>2,590.74</b>	<b>2,590.74</b>
<b>GRAND TOTAL (A+B)</b>	<b>2,594.28</b>	<b>2,604.78</b>



\* Investment in quoted equity shares is held towards settlement of investors claims , hence treated as Short Term Investment.

Aggregated Market value of Company's quoted Investments ( Market Value ₹ 2.87 lacs (P.Y. - ₹ 15.73 ).

\* Ferro Alloys CJSC incorporated in Kyrgyz Republic. Face value of each share is converted in equivalent rupees. Shares are allotted @ 50 soms each including premium of 40 som

- i) The company has taken the approval of its members in Extra Ordinary General Meeting held on 14/03/2008, for investments up to ₹ 100 Cr. (Rupees hundred crores only) in one or more tranches , by way of Equity Capital / making loans to / providing security by way of loans to be granted to, new company( ies) to be incorporated as subsidiary (ies) of this company in a foreign country. The said approval was modified in the AGM held on 30/09/2009 by authorizing the company to invest in the company (ies) other than subsidiary also. The members also ratified the action of Board of Directors for sums advanced to M/s Ferro Alloys LLC, Kyrgyzstan, a foreign company, which is not a subsidiary of this company and also authorized to give further sums by way of loans, provide security for the loans to M/s Ferro Alloys CJSC Kyrgyzstan, within the aggregate limit of ₹ 100 crores.
- ii) The company has so far invested sums aggregating to ₹ 2825.58 lacs (Previous year ₹ 2823.25 lac). Out of which, shares for ₹ 2589.44 lacs (previous year ₹ 2589.44 lacs), equivalent to USD 5613363 has been allotted to company. The balance amount of ₹ 236.14 lacs (Previous year ₹ 233.81 lacs) is shown as advance to M/s Ferro Alloys C JSC, Kyrgyzstan.
- iii) That M/s Ferro Alloys CJSC Kyrgyzstan on 26/11/2009 allotted 4100000 equity shares of 10 Soms each at a premium of 40 Soms amounting to 205000000 Soms equivalent to 5613363 USD (Conversion rate 1 USD = 36.52 Soms as on date of allotment) to the company.

#### 14. LONG TERM LOANS & ADVANCES

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Advance for Kygstan Project (Refer Note 13)		233.81	233.81
Advance income taxes/Tax deducted at source (Net of provision of Income tax)		167.57	142.60
<b>TOTAL</b>		<b>401.68</b>	<b>376.41</b>

#### 15. OTHER NON CURRENT ASSETS

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Deposit with Banks		9.83	7.44
Advances to body corporate		-	20.32
Accrued Interest		0.68	0.65
Security Deposits		9.06	11.96
<b>TOTAL</b>		<b>19.57</b>	<b>40.37</b>

**16. TRADE RECEIVABLES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Receivables outstanding for a period exceeding six months from the date they are due from payment			
<b>Unsecured</b>			
Considered good		244	3.53
Considered doubtful		10.78	13.18
Provision for Doubtful debts		10.78	13.18
<b>TOTAL (A)</b>		<b>2.44</b>	<b>3.53</b>
Other Receivables			
<b>Unsecured</b>			
Considered good		38.62	57.64
<b>TOTAL (B)</b>		<b>38.62</b>	<b>57.64</b>
<b>TOTAL</b>		<b>41.06</b>	<b>61.17</b>

**17. CASH & BANK BALANCES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Cash on Hand		0.90	0.59
Balance with bank :			
In Current A/c		11.43	10.44
In Unpaid Dividend A/c *		-	1.41
<b>TOTAL (A)</b>		<b>12.33</b>	<b>12.43</b>
Deposit with Maturity more than 3 month but less than 12 months		-	2.00
Deposit with Maturity more than 12 months**		10.89	7.44
		10.89	9.44
Less : Amount Disclosed under Non Current Assets		9.83	7.44
<b>TOTAL (B)</b>		<b>1.06</b>	<b>2.00</b>
<b>TOTAL</b>		<b>13.39</b>	<b>18.85</b>

\* Transferred to Investor Education &amp; Protection fund during the Year.

\*\* Subject to Confirmation

**18. SHORT-TERM LOANS AND ADVANCES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Unsecured, considered good</b>			
Advance to Suppliers		0.77	0.57
Loans and advances to employees		0.15	4.15
Service Tax Receivable (net of Payable)		-	(1.32)
<b>TOTAL</b>		<b>0.92</b>	<b>3.40</b>

**19. OTHER CURRENT ASSETS**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Balance with Post Office		0.50	0.50
Interest accrued but not received		0.10	0.13
Prepaid Expenses		1.12	0.70
<b>TOTAL</b>		<b>1.72</b>	<b>1.33</b>

**20. OTHER INCOME**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Interest from banks		2.62	2.21
Dividend		0.17	0.85
Profit on Sale of Investment/ Assets		5.46	-
Miscellaneous Income		0.46	1.08
<b>TOTAL</b>		<b>8.78</b>	<b>4.14</b>

**21. OPERATING EXPENSES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Claim paid</b>		<b>25.24</b>	<b>67.35</b>
Processing & Data Entry Charges		3.89	4.00
Courier and Forwarding		46.04	3.93
Postage & Stamp Duty		15.74	17.48
Emailing Charges		31.43	39.25
Stationery & Printing		13.97	13.92
Computer Consumables & Maintenance		1.42	1.04
Electricity, water & fuel		11.86	12.12
Others		14.43	8.21
<b>TOTAL</b>		<b>164.02</b>	<b>167.29</b>

**22. EMPLOYEE BENEFIT EXPENSES**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
<b>Salary &amp; Allowances</b>		<b>144.53</b>	<b>133.81</b>
Contribution to Provident and other funds		6.46	7.67
Staff Welfare		2.83	2.58
Provision for Gratuity provided / (written back)		-	5.13
Provision for Leave provided / ( written back)		0.64	0.90
<b>TOTAL</b>		<b>154.46</b>	<b>150.08</b>

**23. FINANCE COST**

(₹ in Lakh)

Particulars		As at March 31, 2015	As at March 31, 2014
Interest Other		0.01	-
Interest on Excise Duty		-	5.95
Interest on Vehicle loan		0.51	0.58
<b>TOTAL</b>		<b>0.52</b>	<b>6.54</b>

**24. OTHER EXPENSES**

(₹ in Lakh)

Particulars	As at March 31, 2015	As at March 31, 2014
Office Rent	19.40	20.65
Rates & Taxes	2.11	3.53
Travelling Expenses	7.06	12.73
Legal & Professional Charges	54.49	17.32
Penalty on Excise Duty	-	6.81
Telephone, Internet, Telex & Fax	8.34	8.36
Repairs & Maintenance	4.60	5.30
<b>Auditor's Remuneration(Net of Service Tax)</b>		
As Statutory Audit	2.00	2.50
As Tax Audit *	1.25	1.90
In Other Capacity- Tax Matter	-	-
Advertisement	0.79	0.43
E-voting Charges	0.10	-
NSDL & CDSL Charges	2.99	-
Hire Charges	0.67	-
Insurance Expenses	0.90	1.22
Vehicle Running Expenses	12.36	13.30
Balance Written off (Net of Dr/Cr) (refer note 31)	(21.41)	19.69
Business Promotion	-	4.05
Fees & Renewals	3.60	6.06
General Office Expenses	12.99	12.53
Conveyance Expenses	3.93	4.54
Loss on sale of Investment / Asset	-	5.19
Bank Charges	0.19	0.54
<b>TOTAL</b>	<b>117.35</b>	<b>146.68</b>

\* includes for earlier years Rs 1.25 lacs (Previous year Rs. 1.40 lacs)

## **NOTES TO ACCOUNTS**

### **1 Nature of Operation**

The MCS Limited, hereafter referred to as a Company, is engaged in Registrar and Share Transfer agent activities.

### **2 Significant Accounting Policies**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual and prudent basis.

The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) rules, 2014.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in Accounting Policy as explained below.

#### **i) Change in Accounting Policy**

Till the year ended March 31, 2014, schedule XIV to the Companies Act 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

#### **ii) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amount of assets or liabilities in the future period.

#### **iii) Depreciation**

Depreciation, on assets other than leased assets is provided on straight line method, on prorata basis, in accordance with the Schedule II of the Companies Act, 2013. Improvement on Leased assets and the assets created on leasehold land are written off over the primary period of lease. Intangible assets (Goodwill and software) are accounted at their cost of acquisition and amortized over their estimated economic life not exceeding 10 years.

#### **iv) Tangible fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use. All costs relating to up-gradations/ enhancements are generally charged off as revenue expenditure unless they bring significant benefits of lasting nature.

#### **v) Impairment of Fixed Assets**

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of assets is the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the

impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

**vi) Borrowing Costs**

The borrowing cost in respect of loans taken by the Company for augmenting its resources for carrying out its regular business activity and capital expenditure, is charged to the revenue as expense in the period in which they are incurred as the assets acquired does not take a substantial period of time to get ready for its intended use.

**vii) Income Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has unabsorbed depreciation and carry forward of tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

**viii) Income Recognition:**

The Income from operational activities (net of rebate and discounts) are accounted for on accrual basis.

Income in respect of other heads of Income such as dividend, interest etc. is accounted for on accrual basis. In cases where there is uncertainty of collections, the income is accounted on receipt basis.

**ix) Investments**

Investments are stated at lower of cost or realizable value in accordance with applicable accounting standards.

**x) Foreign Currency Transactions**

Foreign Currency Transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**xi) Retirement and Other Employee Benefits**

Gratuity liability is defined benefit obligation and is so provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of each financial year.

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit & Loss Account of the year when the contributions to the fund are due. There are no other obligations other than the contribution payable to the respective authorities.

Short term/ Long term compensated absences are provided for, based on actuarial valuation carried by an actuary as at the end of the year.

Actuarial gains/ losses are immediately taken to Statement of Profit and Loss account and are not deferred.

**xii) Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable of equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**xiii) Impairment of Assets**

As stipulated in accounting standard –28 on Impairment of Assets issued by the Institute of Chartered Accountants of India, the Company assessed potential generation of economic benefits from its business units and is of the view that assets employed in continuing business are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the contrary and accordingly the management is of the view that no impairment provision is called for in these accounts.

**25 Contingent Liabilities not provided for:**

- a In respect of losses on account of fraud, no provision has been made as the matter is under investigation. In the absence of adequate information and pending completion of investigations likely liability of loss could not be ascertained. However, the investors' claims to the extent admitted by the Company are accounted for in the year of settlement.
- b In respect of Civil Suits filed against the Company, no provision has been made as the case is pending in the courts of law. The liability of the Company could not be ascertained.
- c Due to certain discrepancies in some public issues handled by the company rectification of the errors is in process and consequent liability, if any, and its effect on profitability is not ascertainable. The same is accounted for in the year of settlement.
- d In respect of Bank Guarantees executed Rs 7.83 lacs (Previous year Rs.9.44 lacs).

26 Segment reporting, as defined in Accounting Standard 17, is not applicable as the Company is engaged in one business of Register & Share Transfer Agents only. Also Geographical segments is not applicable as the company operates only within India where risk & returns are not considered to be different area wise/locatiowise.

**27 Employee Benefit**

The following table sets out the status of the gratuity scheme plan as at 31st March, 2015.

**i Changes in Present Value of Obligations during the period 01.04.2014 to 31.03.2015**

	<b>31.03.2015</b>	<b>31.03.2014</b>
Present value of obligation as at the beginning of the period	-	17.75
Interest Cost	-	1.60
Current Service Cost	-	1.82
Benefit Paid	-	-
Actuarial (gain)/loss on obligations	-	1.71
<b>Present Value of obligation as at the end of the period</b>	<b>-</b>	<b>22.88</b>

## ii. Actuarial Gain/Loss recognized for the period 01.04.2014 to 31.03.2015

	<b>31.03.2015</b>	<b>31.03.2014</b>
Actuarial gain/(Loss) for the period – obligation	-	(1.71)
Actuarial gain/(loss) for the period – Plan Assets	-	-
Total (gain)/loss for the period	-	-
Actuarial (gain)/loss recognized in the period	-	1.71
<b>Unrecognized actuarial(gains)/losses at the end of period on 31.03.2014</b>	-	-

## iii) The amounts to be recognized in Balance Sheet and statements of profit and loss

	<b>31.03.2015</b>	<b>31.03.2014</b>
Present value of Obligation as at the end of the period on 31.03.2013	-	22.88
Fair Value of Plan Assets as at the end of the period on 31.03.2013	-	-
Funded Status	-	(22.88)
Net Liability Recognized in Balance Sheet on 31.03.2014	-	22.88

## iv) Expense recognized in the statement of profit and loss for the period 01.04.2014 to 31.03.2015

<b>Particulars</b>	<b>31.03.2015</b>	<b>31.03.2014</b>
Current Service Cost	-	1.82
Past Service Cost	-	-
Interest Cost	-	1.60
Expected Return on Plan Assets	-	-
Net actuarial(gain)/loss recognized in the period	-	1.61
Expenses Recognized in the statement of Profit & Loss -	-	5.13

<b>Assumptions</b>	<b>As on 31.03.2015</b>	<b>As on 31.03.2014</b>
Discount Rate	-	9.00%
Rate of increase in Compensation	-	5.00%
Rate of Return on Plan Assets	-	-
Average Outstanding Service of Employees upto Retirement	-	15 Years

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The Detail of Fund and Plan Asset position as at March 31,2015 are as follows :

<b>Grauity</b>	<b>31.03.2015</b>	<b>31.03.2014</b>	<b>31.03.2013</b>	<b>31.03.2012</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
Defined benefit obligation	-	22.88	17.75	18.73	17.16	14.80
Plan assets	-	-	-	-	-	-
Defecit	-	22.88	17.75	18.73	17.16	14.80
Experience adjustment on plan liabilities Loss / (Gain)	-	1.71	(4.13)	(1.61)	-	-
Experience adjustment on plan assets	-	-	-	-	-	-



**28 RELATED PARTY DISCLOSURES**
**a) Related parties with whom no transactions have taken place during the period but control exist & Significantly influenced:**

AXC Computers Pvt. Ltd.  
 Compubell Infotech Ltd.  
 Vedanth.com Worldwide  
 Surbhi Development Projects Pvt. Ltd.  
 Shri Saurabh Rateria  
 Ms. Sneha Rateria  
 Computech International Ltd.

**b) Related parties with whom transactions have taken place during the period**

Key management personal	Sri Parshuram V Bhuwad Appointed on 02/04/12 Shri Ajay Dalal (RESIGNED ON 03/05/2014) Shri Madhukar M Parase Shri Priya Darshan waila (Appointedon 03/05/2014)
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**c) Transactions with related parties**
**i) Parties in which substantial interest of person having substantial interest in the Company.**

Particulars	Opening Balance	Transaction during the year	Closing Balance
Corporate Gurantee			
(Computech International Ltd.)	2565.00	Nil	2565.00
	(2565.00)	(Nil)	(2565.00)

**iii) Key Management Personnel  
Managerial Remuneration**

Particulars	Opening Balance	Transaction during the year	Closing Balance
Ajay Dalal	0.25 (0.25)	0.25 (3.02)	Nil (0.25)
Parshuram V Bhuwad	0.12 (0.12)	1.44 (1.44)	0.12 (0.12)
Shri Madhukar M Parase	0.14 (0.14)	1.66 (1.66)	0.14 (0.14)
Shri Priya Darshan waila	Nil (Nil)	1.59 (Nil)	0.14 (Nil)

No Amount has been written off.

-- Previous year figures are given in bracket

**29 RECONCILIATION OF BASIC AND DILUTED SHARES USED IN COMPUTING EARNINGS PER SHARE**

Particulars	Year ended	
	March 31, 2015	March 31, 2014
Number of shares considered as basic weighted average shares outstanding	5,219,282	5,219,282
Add: Effect of dilutive issues of shares/stock options	-	-
Number of shares considered as weighted average shares and potential shares outstanding	5,219,282	5,219,282

**Earning Per Share**
**(Rs. In Lacs)**

Particulars	March 31,2015	March 31,2014
Net Profit as per statement of Profit & Loss attributable to Equity shareholders (Before Extraordinary items)	1.56	7.86
Earning per Share (Rs) (Face value Rs. 10 Per Share)		
Basic	0.03	0.15
Diluted	0.03	0.15
Net Profit as per statement of Profit & Loss attributable to Equity shareholders (After Extraordinary items)	1.56	7.86
Earning per Share (Rs) (Face value Rs. 10 Per Share)		
Basic	0.03	0.15
Diluted	0.03	0.15
Weighted average number of equity Shares (in nos)	5,219,282	5,219,282

**30 The company has entered into various lease agreements for leased premises , which expires at various dates over the next five years. The further lease payments under operating leases are as follows :**
**(Rs. In Lacs)**

Particulars	March 31, 2015	March 31, 2014
Total Lease Payments for the year	19.40	20.65
Minimum Lease Payments :		
Not later than one year	19.40	20.65
Later than one year but not later than five years	61.43	61.43
later than five years	--	--

31 Balance Written off (Net off Dr/ Cr) Comprises Dr Balance of Rs 22.99 lacs and Cr Balance of Rs 44.30 lacs

32 Company has received winding up order dated 28.01.2015 from the Hon'ble High Court of Mumbai and the Hon'ble Court also directed to appoint official liquidator forthwith.

33 Company has filed a reference u/s 15(1) of the sick Industrial Companies (Special Provisions) Act,1985 (BIFR). The registration was declined by the Registrar, BIFR. The company preferred an appeal before the BIFR against the Order of the Registrar declining the Registration which was heard on 6.5.2015 and pending for final decision of BIFR.

- 34 The Company has given a Corporate Guarantee of ` 2565.50 lacs (Rupees twenty five crore sixty five lacs fifty thousand only) jointly in favour of Punjab National Bank and Dena Bank on behalf of Computech International Ltd., a company in which promoters have substantial interest (previous year ` 2565.50 lacs). The banks have taken the possession of the assets in terms of Securitisation & Reconstruction of financial assets and enforcement of security interest act,2002.
- 35 "The Company had received order in Original from Commissioner of Central Excise vide No 41/SA/ST/CCE/2013 date 30-08-2013 where department confirm the demand of recovery of Service Tax amounting to Rs 498.85 lacs, Penalty of Rs 498.85 lacs under section 78 of Finance Act, 1994 and Interest under section 75 of the Finance Act,1994 for the period 10-9-2014 to 31-3-2009. Thereafter the company filed appeal before CESTAT on 10-12-2013 and on 29-12-2014 company had received stay order No. SO/ST/54748/2014-CU(DB) dates 4-12-2014 from CESTAT RK Puram to pre deposit of 25% of adjudicated Service Tax Liability but the Company was unable to deposit the same amount. Thereafter the Company filed an appeal before the High Court of Punjab & Haryana Chandigarh and the Court directed the Company to deposit Rs 50 Lacs within 15 days from 10-02-2015. In the meantime on 28-01-2015 Bombay High Court issued Winding up Order against MCS Limited and the same have already informed in writing to CESTAT RK Puram vide our letter dated 27-02-2015."
- 36 Company working on UNIX software platform the said programme is very old and not in use due to the same we have obsolete the said programme and from 2006-07 onwards the company is working on ORACLE Software Platform and thereafter services of UNIX software is completely stopped and hence was written off during the year.
- 37 The management, believes it is appropriate to prepare financial statements on the going concern basis and accordingly these financial statements do not include any adjustments that might result from the outcome of uncertainties explained in Note 32-35.
- 38 During the year the Company has not made any Loan ,Guarantee or Security provided and Investment. However for disclosure as per Section 186(4) of Companies Act, 2013 -Refer note 13(i to iii),14 and 34.
- 39 Other additional informations have been furnished to the extent applicable.
- i) Foreign currency outgo Nil (Previous year Nil).
- ii) Foreign Currency earnings Nil ( Previous Year Nil.)
- 40 **PREVIOUS YEAR FIGURES**  
The company has reclassified previous year figures to conform to this year's classification, wherever considered necessary.

**AS PER OUR REPORT OF EVEN DATE**  
**For AMOD AGRAWAL & ASSOCIATES**  
**Chartered Accountants**  
**FRN - 005780N**

**FOR : MCS LIMITED**

(Virendra Kumar)  
M.No : 85380  
Partner

(Hiren Vyas)  
Company Secretary

(Priya Darshan Waila)  
Director

(Parshuram V Bhuwad)  
Whole time Director

Place: NEW DELHI  
Dated : 30/05/2015

(Madhukar M Parase)  
Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2015

(Rs. in Lacs)

Particulars	Year ended March 31	
	2015	2014
<b>A. Cash Flows from Operating Activities</b>		
Net Profit before tax	19.11	19.45
<b>Adjustments to reconcile profit before tax to cash provided by Operating Activities</b>		
Depreciation and amortisation Expense	27.70	28.04
Interest paid	0.52	6.54
Interest received	(2.62)	(2.21)
Claims Paid (adjust with Investment already made)	0.65	-
Demat Charges (adjust with Investment already made)	0.03	-
Provision for Leave & Gratuity	-	6.03
Loss on Sale of Fixed Assets	0.24	5.19
Profit on Sale of Investments	(5.70)	0.73
Balance Written off (Net of Dr/Cr)	(21.41)	19.69
Dividend Received	(0.17)	(0.85)
<b>Operating Profit Before Working Capital Changes</b>	<b>18.35</b>	<b>82.61</b>
<b>Movement in Working Capital</b>		
Long-term provisions	(19.30)	(1.67)
Other current liabilities	(10.34)	(69.11)
Short-term provisions	(5.75)	0.81
Other non-current assets	25.22	2.69
Trade receivables	20.11	50.99
Short-term loans and advances	2.48	3.98
Long term loans and advances	(0.00)	(2.62)
Other current assets	(0.40)	1.27
Trade Payables	(1.89)	17.00
<b>Cash Generated from Operations</b>	<b>28.49</b>	<b>85.97</b>
Income Taxes Paid (Net of Refund Received)	(42.48)	(47.09)
<b>Net cash generated from Operating Activities</b>	<b>(14.35)</b>	<b>38.88</b>
<b>B. Cash Flows from Investing Activities</b>		
Purchases of Fixed Assets	(0.63)	(7.17)
Sale of Fixed Assets	1.57	5.95
Purchase of Investments	-	(0.34)
Sale /Claim of Investments	15.52	-
Dividend Received	0.17	0.85
Movement in Fixed Deposit with bank	(1.45)	(2.90)
Interest Received	2.62	1.43
<b>Net Cash Provided by / (Used in) Investing Activities</b>	<b>17.79</b>	<b>2.18</b>
<b>C. Cash Flows from Financing Activities</b>		
Interest Paid	(0.52)	(6.54)
Repayment of Short Term Borrowings	0.00	(37.16)
Repayment of Long Term Borrowings	(3.02)	2.59
<b>Net cash used in Financing Activities</b>	<b>(3.54)</b>	<b>(41.11)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>(0.10)</b>	<b>(4.41)</b>
<b>Cash and cash equivalents at the beginning of the Year</b>	<b>12.44</b>	<b>16.85</b>
<b>Cash and cash equivalents at the end of the Year</b>	<b>12.33</b>	<b>12.44</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.90	0.59
Balance with scheduled banks:		
- on deposit account	22.32	19.88
- unpaid dividend accounts*	-	1.41
Cash and Bank balance	22.23	21.89
Less : Deposit with Maturity more than 3 month but less than 12 months	-	2.00
Less: deposits having maturity period more than 12 months	10.89	7.44
	12.33	12.44
	<b>(0.01)</b>	<b>0.00</b>

\* Transferred to Investor Education & Protection fund during the Year.

**AS PER OUR REPORT OF EVEN DATE**  
**For AMOD AGRAWAL & ASSOCIATES**  
**Chartered Accountants**  
**FRN - 005780N**

**FOR : MCS LIMITED**

(Virendra Kumar)  
M.No : 85380  
Partner  
Place : NEW DELHI  
Dated : 30/05/2015

(Hiren Vyas)  
Company Secretary  
(Madhukar M Parase)  
Director

(Priya Darshan Waila)  
Director

(Parshuram V Bhuwad)  
Whole time Director

**MCS LIMITED**

Regd. Office: 21/22, Kashiram Jamnadas Building, 5 P.D. Mello Road, Ground Floor  
Ghadiyal Godi, Mumbai, Maharashtra, India-400009

**PROXY FORM**

Folio No..... No. of Shares held.....  
 DP ID No. .... Client ID No.....  
 I/We ..... of .....  
 ..... being a Member/Members of MCS Limited, hereby  
 appoint Mr./Ms. .... of ..... or  
 failing him/her Mr./Mrs. .... of ..... as  
 my/our proxy to attend and vote for me/us on my/our behalf at the 30th Annual General Meeting  
 of the Company to be held at 21/22, Kashiram Jamnadas Building, 5 P.D. Mello Road, Ground Floor,  
 Ghadiyal Godi, Mumbai, Maharashtra, India-400009 on 30th Spetmber, 2015 at 11 A.M. and at any  
 adjournment thereof.

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

Affix  
Revenue  
Stamp of  
Rs. 1/-

Signature of  
Shareholder

**NOTE:**

This Proxy form, in order to be effective should be duly stamped, completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the aforesaid Meeting.

**MCS LIMITED**

Regd. Office: 21/22, Kashiram Jamnadas Building, 5 P.D. Mello Road, Ground Floor  
Ghadiyal Godi, Mumbai, Maharashtra, India-400009

**ATTENDANCE SLIP**

**To be handed over at the entrance of the Meeting Hall**

Name and Address of Member

I, hereby record my presence at the 30th Annual General Meeting of the Company held at 21/22, Kashiram Jamnadas Building, 5 P.D. Mello Road, Ground Floor, Ghadiyal Godi, Mumbai, Maharashtra, India-400009 on 30th Spetmber, 2015 at 11 A.M.

Full Name of the Shareholder (in Block Letters) .....

\*Folio No. / DP ID No. and Client ID No .....

No. of Shares held .....

Name of Proxy if the proxy attends, instead of the Shareholer .....

\*Delete whichever is not applicable

**NOTE:**

1. Member/Proxy attending the Meeting must fill the detail in this attendance slip and hand it over at the entrance.
2. Member/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

Signature of the attending  
Member/ Proxy:  
(To be signed at the time of  
handing over this slip)

# BOOK POST

*If undelivered please return to:*

## **MCS LIMITED**

21/22, Kashiram Jamnadas Building  
5 P.D. Mello Road, Ground Floor  
Ghadiyal Godi, Mumbai,  
Maharashtra, India-400009