

**MODERN CONVERTERS
LIMITED**

**ANNUAL REPORT
2015-16**

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Corporate Information

Board Of Directors

Ganga Dhar Sail	Executive Director
Soumitra Trivedi	Managing Director
Renu Sharma	Independent Director
Binit Agarwal	Independent Director

Chief Financial Officer:	Ganga Dhar Sail
Compliance Officer :	Mr. Soumitra Trivedi
Statutory Auditor :	M/s Gupta Saharia & Co., Chartered Accountant, (FRN 103446W)
Registrar & Share Transfer Agent :	Maheshwari Datamatics Pvt. Ltd. Adress: 6 Mangoe Lane, 2nd Floor, Kolkata 700 001 Tel: 033 22482248 Email: mdpldc@yahoo.com
Registered Office :	56E, Hemanta Basu Sarani, Old 4 B.B.D Bagh East, Room No 14A, Kolkata – 700001
Stock Exchange :	The Calcutta Stock Exchange Limited BSE Limited
Email- Id :	info@modernconvertors.com
Website :	www.modernconvertors.com
Contact No. :	033- 6503 5876

MODERN CONVERTERS LIMITED

Regd Office: 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East,
Room No. 14A, Kolkata - 700001, West Bengal

Tel No: 033-6503 5876, email: info@modernconvertors.com Website: www.modernconvertors.com
CIN : L01132WB1946PLC013314

NOTICE

NOTICE is hereby given that the 70th Annual General Meeting of the Members of Modern Converters Limited will be held on Thursday, 29th September, 2016 at 11.00 am at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2016 together with the Report of the Board of Directors and Auditors thereon.
2. The Board decided not to declare any dividend for the financial year 2015-16.
3. To appoint a director in place of Mr. Ganga Dhar Sail (holding Din 00402199) who retires by rotation and being eligible offer himself for re –appointment.
4. To ratify the appointment of M/s Gupta Saharia & Co., Chartered Accountants (Firm Registration No.: 103446W) as Statutory auditors.

“**RESOLVED THAT** pursuant to the provisions of Section 139, and all other provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of audit committee of the Board, the Company hereby ratifies the appointment of M/s Gupta Saharia & Co., Chartered Accountants (Firm Registration No.: 103446W) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2019 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Binit Agarwal (holding Din 03330360) who was appointed as an additional director by the board of directors of the Company w-e-f 10.02.2016 pursuant to the

provisions of sections 149 & 152 and all other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, and who holds office upto the date of this AGM in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of director be and is hereby appointed as an Independent director on the Board of Directors of the Company to hold office upto 5 consecutive years not liable to retire by rotation.

Place: Kolkata

Date: 12th August, 2016

**By Order of the Board
For Modern Converters Limited**

**Sd/-
(Soumitra Trivedi)
Managing Director**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. As per section 105 of the Companies Act, 2013 and Rules thereunder, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent of total share capital of the company carrying voting right may appoint a single person as proxy and such proxy shall not act as a proxy for any other person or shareholder.**
3. The instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified true copy of the board resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Book of the Company shall remain closed from Friday, September 23, 2016 to Thursday, September 29, 2016 (both days inclusive)
5. Members are requested to send all communications relating to shares, change of address, etc. to the Registrar and transfer agents at the following address:
M/S. Maheswari Datamatics Pvt Ltd, Address: 6, MANGO LANE, KOLKATA- 700 001.

6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/Registrar and Transfer Agent.
7. Electronic copies of the Annual Report are being sent to all the members whose e-mail Ids are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
8. Electronic copy of the Notice of this Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 70th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of this Meeting and the Annual Report will also be available on the Company's website www.modernconvertors.com for their download.
9. Copies of the Annual Report will not be distributed at the Annual General Meeting; members are requested to bring their copies at the meeting.
10. Members/proxies should bring their attendance slips sent herewith, duly filled in, for attending the Meeting. Members/ proxies attending the AGM are requested to carry their identity proof.
11. A statement containing details of the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting as required under Regulation 36 of the SEBI (LODR) Regulations, 2015 is annexed.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days except Saturdays, till the date of meeting.
13. SEBI and Ministry of Corporate Affairs encourages paperless communication as a contribution to Green environment. Members holding shares in physical mode are requested to register their e-mail address to the RTA for receiving all communications including annual reports, notices, circulars etc. from the company electronically.

14. Voting Option:

(I) VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2, the Company has provided e-voting facility to all the members holding shares in physical/electronic form using Central Depository Securities (India) Limited (CDSL) platform. All the business to be transacted at the annual general meeting can be transacted through electronic voting system. The instruction for members for voting electronically is given in a separate sheet.

(II) VOTING AT AGM

The members who have not casted their votes electronically, can exercise their rights at the AGM through ballot form. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

Other Instructions

1. A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a member casts votes by both the modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.
 2. The Company has appointed Ms. Rinku Jain (Practicing Chartered Accountant) (Membership No.ACS - 303262) to act as the Scrutinizer. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in presence of atleast two witnesses (not in the employment of the Company) and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director.
 3. The Results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL www.evotingindia.com within three (3) days of passing of the resolution at the Annual General Meeting of the Company and the same shall also be communicated to BSE Limited and Calcutta Stock Exchange Limited where the shares of the Company are listed.
15. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2016.
16. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 12th August, 2016.
17. The shareholders shall have one vote per equity share held by them as on the cut-off date of 22nd September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
18. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 22nd September, 2016 are requested to send the written / email communication to the Company Registrar and Transfer Agents viz., **Maheshwari Datamatics Pvt. Ltd., Mr. S. Rajagopal** (Vice President) 6, Mangoe Lane, 2nd Floor, Kolkata- 700 001 Contact No.: 033-2248 2248, Fax- 033-2248 4787, E-Mail: mdpldc@yahoo.com. Company by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory statement pursuant to provisions of section 102 of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force), sets out all material facts relating to the business item of the accompanying Notice.

ITEM NO. 5:

Mr. Binit Agarwal (holding Din: 03330360) who was appointed as an additional director by the board of directors of the Company w-e-f 10.02.2016. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mr. Binit Agarwal will hold office upto the date of ensuing AGM.

The Company has received from Mr. Binit Agarwal (i) consent in writing to act as a director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Binit Agarwal as an Independent Director of the Company upto 5 consecutive years, pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

The Directors recommend the approval of the ordinary resolution.

None of the Directors and the Key Managerial Personnel of the Company and their relatives except Mr. Binit Agarwal is concerned or interested, financial or otherwise, in the resolution set out above.

Place: Kolkata

Date: 12th August, 2016

**By Order of the Board
For Modern Converters Limited**

**Sd/-
(Soumitra Trivedi)
Managing Director**

ANNEXURE TO THE NOTICE

Details of Directors seeking Appointment / Re-appointment at the forthcoming Annual General Meeting

(In pursuance of Regulation 36 of SEBI (LODR) Regulations, 2015)

Name of Director	Mr. Ganga Dhar Sail
Age	61 years
Date of Appointment on the Board	26/03/2015
Expertise in specific field	He is a graduate and have experience of over 8 years in the business of Finance Sector
Chairman/ Member of the committee(s) of the Board of Directors of the Company	<ul style="list-style-type: none"> • Stakeholders Relationship Committee- Member • Nomination & Remuneration Committee- Member
Chairman/ Member of the committee(s) of the Board of Directors of other Companies in which he/she is a Director	Nil
Shareholding in the Company	Nil

Name of Director	Mr. Binit Agarwal
Age	30 years
Date of Appointment on the Board	10/02/2016
Expertise in specific field	He has experience in the business of Finance Sector
Chairman/ Member of the committee(s) of the Board of Directors of the Company	Audit Committee- Chairman Nomination and Remuneration Committee - Member Stakeholders Relationship Committee - Member

Chairman/ Member of the committee(s) of the Board of Directors of other Companies in which he/she is a Director	Nil
Shareholding in the Company	Nil

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

- i) The voting period begins on 26.09.2016 from 9.00 A.M and ends on 28.09.2016 till 5.00P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The facility for voting through ballot paper / polling paper shall be made available at the AGM and the members as on the "cut-off date" i.e. Record date, attending the meetings who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper / polling paper.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).

- viii) After entering these details appropriately, click on “SUBMIT” tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant **Modern Converters Limited** on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Institutional Shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Place: Kolkata

Date: 12th August, 2016

**By Order of the Board
For Modern Converters Limited**

Sd/-

**(Soumitra Trivedi)
Managing Director**

DIRECTORS' REPORT

For The Financial Year 2015-16

Dear Members,

The Board of Directors hereby submits the report of the business and operations of the Company, along with the audited financial statements, for the financial year ended March 31, 2016.

1. Results of our operations

(Amount in Rs.)

Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
Profit Before Tax	(1,973,183)	130,011
Less: Current Tax	-	112,394
Profit After Tax	(1,973,183)	17,617
Add: Profit/ (Loss) Brought Forward From Previous Year	(1,255,344)	(1,272,961)
Loss carried forward to balance sheet	(3,228,527)	(1,255,344)
Basic/ Diluted Earnings Per Share	(0.64)	0.01

Dividend

The Directors have not recommended any dividend for the financial year 2015-16 due to losses incurred.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The provisions of Section 125(5) of the Companies Act, 2013 do not apply on the company as no dividend has been declared during the year.

Reserves

The Directors have not proposed to transfer any amount to Reserves during the year.

Particulars of Loans, Guarantees or Investments

There are no Loans, guarantees or Investments as per section 186 of the Companies Act, 2013.

2. Business

Brief description of the Company's working during the year/State of Company's affair

The Company being a trading company is currently engaged in trading and investment in shares & securities.

Change in the nature of business, if any

There has been no change in the nature of the business of the Company during the year.

Details of Subsidiary/Joint Ventures/Associate Companies

The company does not have any subsidiary company, joint venture and associate companies.

Share Capital

- **Issue of equity shares with differential rights**

The Company has not issued any of its securities with differential rights during the year under review.

- **Buy Back of Securities**

The company has not bought back any of its securities during the year under review.

- **Sweat Equity, Bonus Shares & Employee Stock Option Plan**

The company has neither issued sweat equity or bonus shares nor has provided any stock option scheme to the employees.

- **Preferential Issue of Capital**

The company has not issued any equity shares of on preferential basis during the year.

Deposits

The company has neither accepted nor renewed any deposits during the year, covered under Chapter V of the Act.

Particulars of Contracts or Arrangements with Related Parties

The company has no material individual transactions with its related parties which are covered under section 188 of the Companies Act, 2013, which are not in the ordinary course of business and not undertaken on an arm's length basis during the financial year 2015-16.

Material changes and commitments affecting financial position between the end of the financial year and date of the report

The Company is in the process of Voluntary Delisting of its equity shares from the Calcutta Stock Exchange Limited.

Further, equity shares of Company (Scrip Code: 539762) are listed and admitted to dealings on the BSE Ltd with effect from April 21, 2016

3. Corporate Governance

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. The goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the

best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Our Corporate governance report for fiscal 2016 forms part of this Annual Report.

Changes in Directors and Key Managerial Personnel

During the period under review following changes were made in the composition of the Board of Directors and Key Managerial Personnel:

1. Mr. Ganga Dhar Sail, director of the company was also appointed as the Chief Financial Officer w.e.f 28th May, 2015.
2. Ms. Jaishree Kumari resigned from the post of Company Secretary of the Company w.e.f. 1st August, 2015.
3. Ms. Renu Sharma, Mr. Ganga Dhar Sail & Mr. Aem Shamar Prakash were regularized at the Annual General Meeting held on 30th September, 2015.
4. Appointment of Mr. Govind Gupta as Company Secretary of the Company w.e.f. 15th October, 2015.
5. Mr. Aem Shamar Prakash resigned from the post of director w.e.f 9th November, 2015 due to his death.
6. Mr. Binit Agarwal was appointed as an Additional Independent Director of the Company w.e.f 10th February, 2016.

Declaration by an Independent Director(s) and re- appointment

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Formal Annual Evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

Number of meetings of the Board of Directors

The Board met five times during the financial year i.e. 28/05/2015, 01/08/2015, 15/10/2015, 09/11/2015 and 10/02/2016. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Managerial Remuneration:

The Company incurred losses during the year so the Company has not provided any Managerial Remuneration to the Directors.

Familiarization program for independent directors

In terms of Reg. 25(7) of the SEBI (LODR) Regulations, 2015 the Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them

about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives. The details of such familiarization programmes are available on the Company's website.

Details of establishment of vigil mechanism for directors and employees

The Company has adopted the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. There has been no change to the Whistleblower Policy adopted by the Company during fiscal 2016.

Corporate Social Responsibility (CSR)

As the company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable.

Risk management policy

The company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

Sexual Harassment of Women at Work Place

The company does have women employees; therefore the clause is applicable and hereby complied with.

Committees of the Board

Currently, the Board has three committees: the audit committee, the nomination and remuneration committee, and the stakeholder's relationship committee. A detailed note on the composition of the Board and its committees is provided in the corporate governance report section of this Annual Report.

Internal financial control and its adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Extract of annual return

In accordance with Section 134 of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure to the Board's report.

Corporate Governance Report and Management Discussion & Analysis Reports

The Corporate Governance Report and Management Discussion & Analysis Report have been annexed with the report.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4. Auditors

Statutory Auditors

M/s Gupta Saharia & Co., Chartered Accountants, have been appointed as Statutory Auditors of the company till the conclusion of the Annual General Meeting of the company to be held in the year 2019 (subject to ratification of their re- appointment at every AGM) with remuneration shall be decided as per the Audit Committee. The Auditors' Report for fiscal 2016 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed there under, Mr. Anand Kumar Khandelia was appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2016. There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in the secretarial audit report.

Auditors' certificate on corporate governance

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors' certificate on corporate governance is enclosed as *Annexure* to the *Board's report*. The auditors' certificate for fiscal year 2016 does not contain any qualification, reservation or adverse remark.

Internal Auditor

M/S Jain Sonu & Associates, Chartered Accountants, Internal Auditor has submitted a report based on the internal audit conducted during the year under review.

5. Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

The provisions of section 134(m) of the Companies Act 2013 regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable to our company. The company does not have any Foreign Exchange transactions during the financial year.

6. Order of Court

The company is not subject to any legal proceedings and claims which will have a material or adverse effect on the going concern status or company's operations or financial conditions.

7. Acknowledgements

The Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

For and on behalf of the Board of Directors

Sd/-

**Soumitra Trivedi
Managing Director
(DIN: 00402241)
Place: Kolkata
Date: 27/05/2016**

Sd/-

**Ganga Dhar Sail
Director & CFO
(DIN: 00402199)**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	LD1132WB1946PLC013314
2	Registration Date	26/02/1946
3	Name of the Company	MODERN CONVERTERS LTD
4	Category/ Sub-category of the Company	Company Limited by shares/ Indian Non Government Company
5	Address of the Registered office & contact details	56E HEIMANTA BASU SARANI OLD 4 BBD BAGH EAST, ROOM NO 14A, KOLKATA-700001 Phone No: 033-65035876
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAHESHWARI DATAMATICS PRIVATE LIMITED 6, Mangoe Lane, Kolkata- 700001 Tel: 033-2243-5029/033-2248-2248, Fax: 2248-4787 Email ID: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10% or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Other financial service activities, except insurance and pension funding	649	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
N.A					

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	47,711	47,711	1.54%	-	47,711	47,711	1.54%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
d) Bodies Corp.	-	19,300	19,300	0.62%	-	19,300	19,300	0.62%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	0.00%
f) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (1)	-	67,011	67,011	2.17%	-	67,011	67,011	2.17%	0.00%

(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	0.00%
b) Other Individuals	-	-	-	-	-	-	-	-	0.00%
c) Bodies Corp.	-	-	-	-	-	-	-	-	0.00%
d) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (2)	-	-	-	-	-	-	-	-	0.00%
TOTAL (A)	-	67,011	67,011	2.17%	-	67,011	67,011	2.17%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	0.00%
b) Banks / FI	-	-	-	-	-	-	-	-	0.00%
c) Central Govt	-	-	-	-	-	-	-	-	0.00%
d) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
e) Venture Capital Funds	-	-	-	-	-	-	-	-	0.00%
f) Insurance	-	-	-	-	-	-	-	-	0.00%
g) FIs	-	-	-	-	-	-	-	-	0.00%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0.00%
i) Others (specify)	-	-	-	-	-	-	-	-	0.00%
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,000,000	-	3,000,000	97.09%	3,000,000	-	3,000,000	97.09%	0.00%
ii) Overseas	-	-	-	-	-	-	-	-	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	22,989	22,989	0.74%	300	22,689	22,989	0.74%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	0.00%
c) Others (specify)	-	-	-	-	-	-	-	-	0.00%
Non Resident Indians	-	-	-	-	-	-	-	-	0.00%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	0.00%
Foreign Nationals	-	-	-	-	-	-	-	-	0.00%
Clearing Members	-	-	-	-	-	-	-	-	0.00%
Trusts	-	-	-	-	-	-	-	-	0.00%
Hindu Undivided Family	-	-	-	-	-	-	-	-	0.00%
Sub-total (B)(2):-	3,000,000	22,989	3,022,989	97.83%	3,000,300	22,689	3,022,989	97.83%	0.00%
Total Public (B)	3,000,000	22,989	3,022,989	97.83%	3,000,300	22,689	3,022,989	97.83%	0.00%
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3,000,000	90,000	3,090,000	100.00%	3,000,300	89,700	3,090,000	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Rajeev Chirimar	15060	0.49%	0.00%	15260	0.49%	0.00%	0.01%
2	Manju Devi Chirimar	20201	0.65%	0.00%	20201	0.65%	0.00%	0.00%
3	Kerni Fibre Industries Pvt Ltd.	11000	0.36%	0.00%	11000	0.36%	0.00%	0.00%
4	Rajeev Chirimar HUF	4450	0.14%	0.00%	4450	0.14%	0.00%	0.00%
5	Darjeeling Ropeway Co Ltd	4300	0.14%	0.00%	4300	0.14%	0.00%	0.00%
6	Radio Supply Stores P Ltd.	4000	0.13%	0.00%	4000	0.13%	0.00%	0.00%
7	Sangita Chirimar	3300	0.11%	0.00%	3300	0.11%	0.00%	0.00%
8	Keshav Chirimar	2800	0.09%	0.00%	2800	0.09%	0.00%	0.00%
9	Raghav Chirimar	1700	0.06%	0.00%	1700	0.06%	0.00%	0.00%
10	Binod Kumar Chirimar	100	0.00%	0.00%	0	0.00%	0.00%	0.00%
11	Chandra Kala Chirimar	100	0.00%	0.00%	0	0.00%	0.00%	0.00%
TOTAL		67011	2.17%	0.00%	67011	2.17%	0.00%	0.00%

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

SN	Name of the Promoter	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	CHANDRA KALA CHIRIMAR					-	
	At the beginning of the year	01/04/2015		100	0.00%	-	
	Changes during the year	03/07/2015	Transfer	(100)	0.00%	-	
	At the end of the year	31/03/2016		0	0.00%	0	0.00%
2	BINOD KUMAR CHIRIMAR					-	
	At the beginning of the year	01/04/2015		100	0.00%	-	
	Changes during the year	03/07/2015	Transfer	(100)	0.00%	-	
	At the end of the year	31/03/2016		0	0.00%	0	0.00%
3	RAJEEV CHIRIMAR					-	
	At the beginning of the year	01/04/2015		15060	0.49%	-	-
	Changes during the year	03/07/2015	Transfer	200	0.01%	-	-
	At the end of the year	31/03/2016		-	-	15260	0.49%

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	S.L.Confin Pvt Ltd						
	At the beginning of the year	01/04/2015		-	0.00%	-	0.00%
	Changes during the year	30/09/2015	Transfer	150,000	4.85%	-	0.00%
	At the end of the year	31/03/2016		150,000	4.85%	150,000	4.85%
2	Vachan Dealers and Suppliers Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
3	Vedik Vintrade (P) Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
4	Brindavan Marketing Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
5	Bhagwat Marcom (P) Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
6	Dream Infraproperties (P) Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
7	Durgapur Construction Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
8	Grant Suppliers Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
9	Goldenleap Dealers Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year	30/09/2015	Transfer	(150,000)	-4.85%	-	0.00%
	At the end of the year	31/03/2016		-	0.00%	-	0.00%
10	Kaangdaji Fabrics Traders Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%
11	Kamalraj Housing (P) Ltd						
	At the beginning of the year	01/04/2015		150,000	4.85%		
	Changes during the year			No Changes during the Year			
	At the end of the year	31/03/2016				150,000	4.85%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Rajeev Chirimar						
	At the beginning of the year	01/04/2015		15060	0.49%	-	-
	Changes during the year	03/07/2015	Transfer	200	0.01%	-	-
	At the end of the year	31/03/2016		-	-	15260	0.49%

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Name	(Rs/Lac)
		Designation	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	There was no remuneration paid to the Managing Director, Whole-time Director and/or Manager.	
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

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

SN	Particulars of Remuneration	Name of Key Managerial Personnel				Total Amount (Rs)
		Name		Jaishree Kumari	Govind Gupta	
	Designation	CEO	CFO	CS	CS	
1	Gross salary	NIL	NIL	60,789	21,780	82,569
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act,			-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-	-	-
2	Stock Option			-	-	-
3	Sweat Equity			-	-	-
4	Commission - as % of profit - others, specify			-	-	-
5	Others, please specify			-	-	-
	Total			60,789	21,780	82,569

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
There was no penalty, punishment and compounding of offences with respect to the company, its Directors and other officers.					
For and on behalf of the Board of Directors					
		Sd/-		Sd/-	
		Soumitra Trivedi		Ganga Dhar Sail	
		Managing Director		Director & CFO	
		(DIN: 00402241)		(DIN: 00402199)	
Place: Kolkata					
Dated: 27/05/2016					

Form No. MR-3
Secretarial Audit Report
(For The Financial Year Ended 31st March, 2016)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MODERN CONVERTERS LIMITED
56E HEMANTA BASU SARANI OLD, 4 BBD BAGH EAST,
ROOM NO 14A, KOLKATA 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MODERN CONVERTERS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by The Company for the period ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following: (i) Secretarial Standards issued by The Institute of Company Secretaries of India, (ii) The Listing Agreements entered into by the Company with Stock Exchanges in India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

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

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

As per the minutes of the meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that:

The equity shares of the Company are listed and admitted to dealings on BSE Ltd w.e.f April 21, 2016.

Place: Kolkata
Date: 27.05.2016

Sd/-
Anand Kumar Khandelia
CP No. 5841

Management Discussion & Analysis Report

OVERALL REVIEW

In Fiscal 2015-16, the global economic condition remained weak and uncertain. The macro economic situation was bleak and witnessed inflationary pressure. The Indian rupee witnessed high volatility depreciating against USD and causing substantial economic losses. The slide was mainly caused on account of slowing down of economic decisions. Further the global environment also remained subdued.

INDUSTRY OUTLOOK

The demand is expected to increase in near future and the company is focusing to start its operations once it finalises the product having better growth prospectus in the market.

CHALLENGES

- (i) Good economic environment
- (ii) Freeing of Government regulatory controls with regard to exports

RISKS AND CONCERNS

The continued policies of Government controlling free exports and volatile economic environment have a bearing on the overall performance of the company.

OPERATIONAL REVIEW

Considering the business environment your directors foresee the start up of business operation in the near future

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has suitable and adequate system of Internal Controls commensurating its size and nature of operations primarily to ensure that the assets are safeguarded against loss from unauthorized use or disposition; the transactions are authorized, recorded and reported correctly and - Code of conduct, Policies and applicable statutes are duly complied with. As a measure of Internal Control System, which has been evolved over the years, the Company has established a methodical system of Annual Budgeting and Management Information System (MIS). In addition, Administrative and HR activities of the Company are also brought within this purview.

The Company is conscious of importance of systems control and so continuously assesses the quality of integrated software package.

Continuous reporting of these systems is made to the Board and Audit Committee for their review to upgrade, revise and to focus on determination of adequacy of the Control Systems. The composition and role of Audit Committee can be found in the Corporate Governance Report in the Annual Report.

RISK MANAGEMENT

Risk is an integral part of the business process. To enhance the risk management process, the company has mapped the risks. Risk arises for achieving business objectives are identified and prioritized. Risk mitigation activity plans are established and executed as and when need arises. Periodical reviews are carried out to assess the risk levels.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

HUMAN RESOURCES

Human resources development, in all its aspect like training in safety and social values is under constant focus of the management. Relations between management and the employees at all levels remained healthy and cordial throughout the year. The management and employees are dedicated to achieve the corporate objective and the targets set before the Company.

CAUTIONARY STATEMENT

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restraint should be applied in their use for any decision making or formation of an opinion.

For and on behalf of the Board of Directors

Sd/-

**Soumitra Trivedi
Managing Director
(DIN: 00402241)**

**Place: Kolkata
Date: 27/05/2016**

Sd/-

**Ganga Dhar Sail
Director & CFO
(DIN: 00402199)**

MD & CFO CERTIFICATION

The Board of Directors

May 27, 2016

MODERN CONVERTERS LTD,
56E HEMANTA BASU SARANI OLD 4 BBD BAGH EAST
ROOM NO 14A, KOLKATA 700001

We, Soumitra Trivedi, Managing Director (MD) and Ganga Dhar Sail, Chief Financial Officer (CFO) of the Company do hereby certify the following:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We hereby indicated to the auditors and the Audit committee,
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting

Sd/-
Soumitra Trivedi
Managing Director (MD)

Sd/-
Ganga Dhar Sail
Chief Financial Officer (CFO)

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
MODERN CONVERTERS LTD

We have examined the compliance of conditions of Corporate Governance by Modern Converters Limited ('the Company'), for the year ended 31 March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with disclosure requirements and corporate governance norms as specified for Listed Companies.

We further state that this certificate 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.

Place: Kolkata

Date: 27/05/2016

**For Gupta Saharia & Co
Chartered Accountants
FRN:-103446W**

Sd/-

**Pawan Gupta
Partner
Membership no-071471**

Corporate Governance Report

Our corporate governance philosophy

Good corporate governance is about maximizing shareholder value on a sustainable basis while ensuring fairness to all stakeholders: customers, vendor, investors, employees, government and society.

We are committed to defining, following and practicing the highest level of corporate governance across all our business functions. Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance and ensure that we retain and gain the trust of our stakeholders at all times.

Compliance with global guidelines and standards

We comply with a broad selection of key governance principles and regulations. The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) on September 2, 2015, replacing the earlier listing agreement (w.e.f. December 1, 2015) and is aimed to consolidate and streamline the provisions of earlier listing agreements for different segments of the capital market viz. equity, debentures, debt instruments, etc.

A. Board composition & Board Meetings

Size and composition of the Board

We believe that our Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management. Our Board comprised of 5 members, of whom 2 were Executive and three were Non-Executive Directors. Presently there are two Independent Directors, who account for one third of the total Board strength as required under section 149 of the Companies Act, 2013. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business and industry, finance, law and public enterprises.

Five Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held:

May 28, 2015; August 1, 2015; October 15, 2015; November 9, 2015 and February 2, 2016.

The necessary quorum was present for all the meetings.

The composition of the Board is as under:

Name	Category	Attendance		No. of other Directors hips**	No. of Board Committees (other than Modern Converters Ltd)
		Board Meeting	Last AGM		
Soumitra Trivedi	Managing Director	5	Yes	1	Nil

Ganga Dhar Sail	Executive Director	5	Yes	Nil	Nil
Rajeev Chirimar	Non Executive Director	5	Yes	1	1
Binit Agarwal*	Independent Director	1	No	2	Nil
Renu Sharma	Independent Director	5	Yes	Nil	Nil
Aem Shamar Prakash*	Independent Director	3	Yes	Nil	Nil

* Mr. Aem Shamar Prakash resigned from the directorship of the Company w.e.f 9th November, 2015 respectively.

* Further, Mr. Binit Agarwal was appointed as an additional non executive, independent director w.e.f. 10th February, 2016.

**Excluding directorship in, private companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013

The Company did not have any pecuniary relationship and transaction with any of the Non-Executive Directors during the year under reference

Mr. Ganga Dhar Sail retires by rotation at the forthcoming Annual General Meeting. He is eligible for re-appointment. Their particulars are enclosed as an Annexure to the Notice convening the ensuing Annual General Meeting.

Definition of independent directors

The Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines an 'independent director' as a person who is not a promoter or employee or one of the key managerial personnel of the Company or its subsidiaries. The laws also state that the person should not have a material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving remuneration as an independent director. We abide by these definitions of independent director.

Selection of new directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process to the nomination and remuneration committee.

Training of Board members

All new non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Current executive directors and senior management provide an overview of our operations, and familiarize the new non-executive directors with them. They are also introduced to our organization structure, our services, group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, and our major risks and risk management strategy.

The Board's policy is to have separate meetings regularly with independent directors to update them on all business-related issues and new initiatives.

Materially significant related party transactions

There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the Management, or relatives.

B. Board Committees

Currently, the Board has three committees: audit committee, nomination and remuneration committee and stakeholder's relationship committee.

1. Audit Committee

Our audit committee comprised four directors as on March 31, 2016:

- Binit Agarwal - Chairman, Non-Executive & Independent Director
- Rajeev Chirimar- Non Executive & Non Independent Director
- Soumitra Trivedi- Executive & Non Independent Director
- Renu Sharma- Non-Executive & Independent Director

Aem Shamar Prakash ceased to be a member of the audit committee w.e.f. 9th November, 2015. Binit Agarwal was appointed as a member of the audit committee w.e.f. 10th February, 2016.

The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors, and notes the processes and safeguards employed by each of them. The audit committee has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors in accordance with the law.

Terms of Reference

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - a Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Audit committee attendance

The audit committee held four meetings during the year ended March 31, 2016. These were held on 28/05/2015, 01/08/2015, 09/11/2015 and 10/02/2016.

The attendance details of the audit committee meetings are as follows:

Name	No. of Meetings during the year 2015-16	
	Held	Attended
Binit Agarwal	4	1
Rajeev Chirimar	4	4

Soumitra Trivedi	4	4
Renu Sharma	4	4
Aem Shamar Prakash	4	2

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct and Ethics.

Nomination and remuneration committee

Our nomination and remuneration committee comprised four directors as on March 31, 2016:

- Renu Sharma- Chairman, Non-Executive & Independent Director
- Rajeev Chirimar- Non Executive & Non Independent Director
- Binit Agarwal- Non-Executive & Independent Director
- Gangadhar Sail- Executive & Non Independent Director

Aem Shamar Prakash ceased to be a member of the nomination and remuneration committee w.e.f. 9th November, 2015.

Binit Agarwal was appointed as a member nomination and remuneration committee of the committee w.e.f. 10th February, 2016.

Terms of Reference

The committee makes recommendations to the Board on candidates for

- Nomination for election or re-election by the shareholders; and
- Any Board vacancies that are to be filled. It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Chairman of the Board.

Nomination and remuneration committee attendance

The Nomination and remuneration committee held twice meetings during the year ended March 31, 2016. These were held on 15/10/2015 and 10/02/2016.

The attendance details of the Nomination and remuneration committee meetings are as follows:

Name	No. of Meetings during the year 2015-16	
	Held	Attended
Renu Sharma	2	2
Rajeev Chirimar	2	2
Binit Agarwal	2	1
Gangadhar Sail	2	2
Aem Shamar Prakash	2	0

Stakeholders Relationship committee

Our Stakeholders Relationship committee comprised four directors as on March 31, 2016:

- Renu Sharma- Chairman, Non-Executive & Independent Director
- Rajeev Chirimar- Non Executive & Non Independent Director
- Binit Agarwal- Non-Executive & Independent Director
- Gangadhar Sail- Executive & Non Independent Director

Aem Shamar Prakash ceased to be a member of the Stakeholders Relationship committee w.e.f. 9th November, 2015.

Binit Agarwal was appointed as a member Stakeholders Relationship committee of the committee w.e.f. 10th February, 2016.

Terms of Reference

The stakeholder's relationship committee has the mandate to review and redress shareholder grievances.

Stakeholders Relationship committee attendance

The Stakeholders Relationship committee held four meetings during the year ended March 31, 2016. These were held on 28/05/2015, 01/08/2015, 09/11/2015 and 10/02/2016.

The attendance details of the Stakeholders Relationship committee meetings are as follows:

Name	No. of Meetings during the year 2015-16	
	Held	Attended
Renu Sharma	4	4
Rajeev Chirimar	4	4
Binit Agarwal	4	1
Gangadhar Sail	4	4
Aem Shamar Prakash	4	2

Status Report of Investor Complaints for the year ended March 31, 2016

No of Complaints Received–Nil

No of Complaints Resolved–Nil

No of Complaints Pending– Nil

Details of establishment of vigil mechanism for directors and employees

The Company has adopted the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code

of conduct and ethics. There has been no change to the Whistleblower Policy adopted by the Company during fiscal 2016.

Disclosures

- i) There was no material individual transaction with related parties such as Promoter, Directors, Key Managerial Personnel, relatives or subsidiary that could have potential conflict of interest with the Company, during the year ended 31st March, 2016. Except from those disclosed in the financial statements for the year ended March 31, 2016.
- ii) The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and to the best of its knowledge there are no deviations in the accounting treatments that require specific disclosure.
- iii) The CEO/CFO certificate for the financial year ended March 31, 2016 is annexed hereto.
- iv) There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Securities and Exchange Board of India or any other statutory authority relating to capital markets during the year.
- v) The Company has a specific Whistle blower policy. A certificate from Auditor certifying the compliance by the Company with the provisions of Corporate Governance of the Listing Agreement is annexed hereto.
- vi) A qualified practicing Company Secretary conducted a Reconciliation of Share Capital Audit on quarterly basis reconciling the total Share Capital; all the shares are held in both physical and demat form.
- vii) Pursuant to 40(9) of the SEBI Listing Regulations, 2015 with the Stock Exchange a Company Secretary-in Practice have issued certificates on half yearly basis, confirming due compliance of share transfer formalities by the Company.

Annual General Meetings

The details of the Annual General Meetings held in the past three years and the special resolutions passed there at are as follows:

Year	Date	Venue	Time	No. of Special Resolution passed
2012-13	28 th September, 2013	56E, Hemanta Basu Sarani, 4 BBD Bagh East, Kolkata- 700001	10.00 AM	-
2013-14	27 th August, 2014	56E, Hemanta Basu Sarani, 4 BBD Bagh East, Kolkata- 700001	10.00 AM	-
2014-15	30 th September, 2015	56E, Hemanta Basu Sarani, 4 BBD Bagh East, Kolkata- 700001	2.00 P.M	-

Distribution of Shareholding as on March 31, 2016				
Notional Value of (Rs.)	Shareholders		Equity Shares	
	Number	% of total	Amount (Rs.)	% of total
Upto 5000	511	93.93	2,19,390	0.71
5001 to 10000	2	0.37	13,500	0.04
10001 to 20000	1	0.18	17,000	0.06
20001 to 30000	3	0.55	85,100	0.28
30001 to 40000	1	0.18	40,000	0.13
40001 to 50000	2	0.37	87,500	0.28
50001 to 100000	1	0.18	87,010	0.28
Above 100000	23	4.23	3,03,50,500	98.22
Grand Total	544	100.00	3,09,00,000	100.00

Categories of Shareholders as at March 31, 2016

Sr. No	Description	No. of Shares	% to Capital
A.	Promoters & Promoters Group		
	- Individuals	47,711	1.54
	- Body Corporate	19,300	0.62
B.	Public Shareholding		
	-Institutions		
	Financial Institutions/Banks	Nil	Nil
	-Non-institutions Body		
	Corporate	3,000,000	97.09
	Individuals	22,989	0.74
	Total	3,090,000	100%

Address of Correspondence

Shareholders may address their correspondence at the address mentioned below, on all matters relating to transfer of shares, etc.

Maheshwari Datamatics Pvt. Ltd.
Address: 6 Mangoe Lane,
2nd Floor, Kolkata 700 001
Tel: 033 22482248
Email: mdpldc@yahoo.com

Means of Communication

- (i) The Management Discussion and Analysis Report, in accordance with the SEBI (LODR) 2015 is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company.

- (ii) The quarterly and half yearly results were published in the newspaper. The results are also display on the website of the company.

General Shareholder Information

Date, time and venue of AGM	Thursday 29 th September, 2016 at 11.00 A.M. at the registered office of the Company situated at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001
Financial Year	1 st April, 2015 to 31 st March, 2016
Dates of Book Closure	23 rd September,2016 to 29 th September,2016 (Both the days inclusive)
Dividend Payment Date	Not Applicable
Financial Calendar Period	Board Meeting to approve quarterly financial results (Tentative Schedule)
Quarter ending 30 th Jun 2015	-Mid August, 2016
Quarter ending 30 th Sep 2015	-Mid November, 2016
Quarter ending 31 st Dec 2015	-Mid February, 2017
Quarter ending 31 st Mar 2016	-End May, 2017

Listing on Stock Exchanges	The Calcutta Stock Exchange Limited and BSE Ltd.
Listing Fees	Listing fees paid to the BSE Ltd. upto 31 st March, 2017 and CSE upto 31 st March 2016
Stock Code	CSE- 23151 and BSE: 539762
Registered Office	56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001
Compliance officer & Contact Address	Govind Gupta 56E Hemanta Basu Sarani Old, 4 BBD Bagh East, Kolkata- 700001 Tel. No: 033- 6503 5876 Email Id: info@modernconvertors.com

Declaration

To,
The Members of **MODERN CONVERTERS LIMITED**

I, **Soumitra Trivedi**, Managing Director & CEO of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of conduct.

MODERN CONVERTERS LIMITED

Sd/-
Soumitra Trivedi
Chief Executive Officer

Date: 27/05/2016
Place: Kolkata

INDEPENDENT AUDITOR'S REPORT

**To the Members of
MODERN CONVERTERS LTD**

Report on the Financial Statements for the F.Y. 2015-16

We have audited the accompanying financial statements of Modern Converters Ltd, ("the Company"), which comprise the Balance Sheet as at March 31, 2016, Profit and Loss Account, and the Cash Flow Statement for the year the ended, and a summary of the 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 and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 a reasonable opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the standalone financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2016, and its statement of profit & loss and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditors Report) Order 2016 ('the order') issued by Central Government of India in terms of subsection (11) of section 143 of the Act, we enclose in the "Annexure 1" a statement on the matters specified in paragraphs 3 & 4 of the said order, to extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss and statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In our opinion there are no observations or comments on the financial, which may have an adverse effect on the functioning of the company.
 - f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure2"
 - h) 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 information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata

Date: 27/05/2016

**For Gupta Saharia & Co
Chartered Accountants
FRN:-103446W**

**Sd/-
Pawan Gupta
Partner
Membership no-071471**

“ANNEXURE 1” TO THE INDEPENDENT AUDITOR’S REPORT

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

- (i) a) Based on our scrutiny of the Company’s Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets and physical verification of fixed assets does not arise since the company had no fixed assets as on 31st March, 2016 nor at any time during the financial year ended on 31st March, 2016.

b) According to the information and explanations received by us, as the company owns no immovable properties, the requirement on reporting whether title deeds is held in the name of the company or not is not applicable.
- (ii) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted loans, secured or unsecured to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the reporting requirement under clause (iii) of the said order does not arise.
- (iv) Based on our scrutiny of the Company’s records and according to the information and explanations received by us from the management, we are of the opinion that in respect of loans and guarantees given, investments made, and securities purchased by the company, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public and hence the reporting requirement under clause (v) of the said order does not arise.
- (vi) According to the information and explanations provided by the management, the company is not engaged in production of any such goods or provision of any such services for which maintenance of cost records has been prescribed by the Central Government under section 148(1). Hence the reporting requirement under clause (iv) of the said order does not arise.
- (vii) a) Based on our scrutiny of the Company’s Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company is regular in depositing with appropriate authorities undisputed statutory dues applicable to it and no undisputed amounts payable in respect of any statutory dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.

b) According to the records of the company and the information and explanations received by us from the management, there are no disputed statutory dues outstanding in the name of the company.

- (viii) According to the records of the company, the Company has neither borrowed any amount from any financial institution, bank or government nor issued any debentures till 31st March, 2016. Hence, in our opinion the reporting requirement under clause (viii) of the said order does not arise.
- (ix) According to the records of the company, the company has neither raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instrument) nor has the company raised any term loans. Hence, in our opinion the reporting requirement under clause (ix) of the said order does not arise.
- (x) Based upon the audit procedures performed and information and explanations given by the management, neither any fraud on the company by its officers or employees nor any fraud by the company has been noticed or reported during the course of our audit. Hence, in our opinion the reporting requirement under clause (x) of the said order does not arise.
- (xi) According to the records of the company, no Managerial remuneration has been paid or provided during the year under audit. Hence, in our opinion the reporting requirement under clause (xi) of the said order does not arise.
- (xii) In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi Company. Hence, in our opinion the reporting requirement under clause (xii) of the said order does not arise.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) Based on our scrutiny of the Company's Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, the reporting requirement under clause (xiv) of the said order does not arise.
- (xv) Based on our scrutiny of the Company's Book of Account and other records and according to the information and explanations received by us from the management, we are of the opinion that the company has not entered into any non-cash transactions with its directors or persons connected with him. Hence, the reporting requirement under clause (xv) of the said order does not arise.
- (xvi) In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, the reporting requirement under clause (xvi) of the said order does not arise.

Place: Kolkata

Date: 27/05/2016

**For Gupta Saharia & Co
Chartered Accountants
FRN:-103446W**

**Sd/-
Pawan Gupta
Partner
Membership no-071471**

“ANNEXURE 2” TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of the Modern Converters Limited, the Company as of 31st March, 2016 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2016, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: Kolkata

Date: 27/05/2016

**For Gupta Saharia & Co
Chartered Accountants
FRN:-103446W**

**Sd/-
Pawan Gupta
Partner
Membership no-071471**

MODERN CONVERTERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in Rs.)

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	30,900,000	30,900,000
(b) Reserves and Surplus	2	4,978,093	6,863,656
(2) Current Liabilities			
(a) Short-term borrowings	3	7,250,000	-
(b) Trade payables	4	2,400,000	10,420,200
(c) Other current liabilities	5	90,588	651,791
(d) Short Term Provisions	6	-	112,394
Total		45,618,681	48,948,041
II. ASSETS			
(1) Non-current assets			
(a) Long Term Loans & Advances	7	-	4,005,000
(b) Deferred Tax Assets	8	2,203	2,203
(2) Current assets			
(a) Inventories	9	372,048	-
(b) Trade Receivables	10	39,298,257	12,300,067
(c) Cash and cash equivalents	11	99,115	2,612,605
(d) Short term loans and advances	12	892,383	-
(e) Other Current Assets	13	4,954,674	30,028,166
Total		45,618,681	48,948,041

Significant Accounting Policies & Notes to Accounts

21

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

For Gupta Saharia & Co.
Chartered Accountants
FRN No. 103446W

Sd/-

Pawan Gupta
Partner
Mem No:- 071471

Place: Kolkata
Dated: 27/05/2016

For and on behalf of the Board of Directors

Sd/-

Soumitra Trivedi
Managing Director
(DIN: 00402241)

Sd/-

Govind Gupta
Company Secretary

Sd/-

Ganga Dhar Sail
Director & CFO
(DIN: 00402199)

MODERN CONVERTERS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations	14	607,260	13,236,844
II. Other Income	15	3,521,548	976,176
III. Total Revenue(I+II)		4,128,808	14,213,020
IV. Expenses:			
Direct Expenses- purchases	16	2,802,672	10,519,415
Changes in Inventories	17	(372,048)	816,644
Employee Benefit Expenses	18	164,212	147,118
Depreciation & Ammortisation Expenses	19	-	211,250
Others expenses	20	3,507,155	2,388,582
V. Total Expenses		6,101,991	14,083,009
VI. Profit before tax (III-V)		(1,973,183)	130,011
VII. Tax expense:			
(1) Current tax		-	112,394
VIII. Profit/(Loss) for the period (VI-VII)		(1,973,183)	17,617
IX. Earning per equity share:			
(1) Basic		(0.64)	0.01
(2) Diluted		(0.64)	0.01

Significant Accounting Policies & Notes to Accounts

21

This is the Profit & Loss Account referred to in our report of even date

For Gupta Saharia & Co.
Chartered Accountants
FRN No. 103446W

Sd/-

Pawan Gupta
Partner
Mem No:- 071471

Place: Kolkata
Dated: 27/05/2016

For and on behalf of the Board of Directors

Sd/-

Soumitra Trivedi
Managing Director
(DIN: 00402241)

Sd/-

Ganga Dhar Sail
Director & CFO
(DIN: 00402199)

Sd/-

Govind Gupta
Company Secretary

MODERN CONVERTERS LIMITED

CASH FLOW STATEMENT ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED ON 31.03.2016

(Amount in Rs.)

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/(Loss) before tax	(1,973,183)	130,011
Adjustment for :		
(a) Depreciation	-	-
(b) Interest Received	(2,729,152)	(563,869)
(c) Dividend Received	-	(37,507)
(d) Loss on Fixed Assets	-	22,033
(e) Loss on sale of investment	-	1,839,631
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(4,702,335)	1,390,299
Adjustment for :		
(a) Trade and Other Receivables	(26,998,190)	(12,015,067)
(b) Inventories	(372,048)	816,644
(c) Other Current Assets	25,073,491	(30,028,166)
(d) Trade Payables	(8,020,200)	10,420,008
(e) Short term borrowings	7,250,000	-
(f) Other Current Liabilities	(561,203)	558,844
CASH GENERATED FROM OPERATION BEFORE EXTRAORDINARY ITEMS	(8,330,485)	(28,857,438)
Extraordinary/ Prior Period Items		
(a) Priorperiod Expenses/Income	-	-
(b) Income Tax/Deferred Tax	(24,774)	-
NET CASH FLOW FROM OPERATING ACTIVITIES	(8,355,259)	(28,857,438)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(a) Purchase/ sale of Fixed Assets	-	-
(b) Purchase of Investments	-	-
(c) Sale of Investments	-	4,102,880
(d) Dividend Received	-	37,507
NET CASH FLOW FROM INVESTING ACTIVITIES	-	4,140,387
C. CASH FLOW FROM FINANCING ACTIVITIES		
(a) Share Application Money Received	-	30,000,000
(b) Interest (Paid)/Received	2,729,152	563,869
(c) Increase in Short term Loans and Advances	(892,383)	(3,485,702)
(d) Increase in Long term Loans and Advances	4,005,000	-
(e) Unpaid Dividend Transferred to IEPF Acocunt	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	5,841,769	27,078,167
Net Increase (Decrease) in Cash (A + B + C)	(2,513,490)	2,361,116
Opening Balance of Cash & Cash Equivalents	2,612,605	251,489
Closing Balance of Cash & Cash Equivalents	99,115	2,612,605

AUDITOR'S REPORT

We have checked the attached cash flow statement of MODERN CONVERTERS LTD for the year ended 31st March, 2016 from the books and records maintained by the company in the ordinary course of business and have subject to comparative figures for the year ended 31st March,2015.

For Gupta Saharia & Co.
Chartered Accountants
FRN No. 103446W

Sd/-

Pawan Gupta
Partner
Mem No:- 071471

Place: Kolkata
Dated: 27/05/2016

For and on behalf of the Board of Directors

Sd/-

Soumitra Trivedi
Managing Director
(DIN: 00402241)

Sd/-

Ganga Dhar Sail
Director & CFO
(DIN: 00402199)

Sd/-

Govind Gupta
Company Secretary

MODERN CONVERTERS LIMITED
Notes forming part of the financial statements

NOTE NO-1

SHARE CAPITAL

Particulars	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(a) Authorised				
Equity shares of nominal value of Rs.10/- each	3,120,000	31,200,000	3,120,000	31,200,000
Preference shares of nominal value of Rs.10/- each	30,000	300,000	30,000	300,000
	3,150,000	31,500,000	3,150,000	31,500,000
(b) Issued				
Equity shares of Rs.10/- each fully paid up	3,090,000	30,900,000	3,090,000	30,900,000
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	3,090,000	30,900,000	3,090,000	30,900,000
Total	3,090,000	30,900,000	3,090,000	30,900,000

Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As on 31/03/2016		As on 31/03/2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Nil				

(Amount in Rs.)

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
NOTE NO - 2		
<u>RESERVE & SURPLUS</u>		
Opening Balance	7,819,000	7,819,000
Capital Redemption Reserve Fund	300,000	300,000
<u>Profit & Loss Account</u>		
As Per Last Balance Sheet	(1,255,344)	(1,272,961)
Add: Provision for earlier years	87,620	-
	(1,167,724)	(1,272,961)
Add : Profit/(Loss) of the year	(1,973,183)	17,617
	4,978,093	6,863,656
NOTE NO - 3		
<u>SHORT TERM BORROWINGS</u>		
Short- term borrowings	7,250,000	-
	7,250,000	-
NOTE NO - 4		
<u>TRADE PAYABLES</u>		
Sundry Creditors	2,400,000	10,420,200
	2,400,000	10,420,200
NOTE NO - 5		
<u>OTHER CURRENT LIABILITIES</u>		
Audit Fees Payable	21,000	10,000
Unpaid Dividend	32,918	32,918
Preference Share Redemption	36,670	36,670
Put Money Payable	-	572,202
	90,588	651,791
NOTE NO - 6		
<u>SHORT TERM PROVISION</u>		
Provision for Income Tax	-	112,394
	-	112,394
NOTE NO - 7		
<u>LONG TERM LOANS & ADVANCES</u>		
Security Deposit	-	5,000
Loans & Advances	-	4,000,000
	-	4,005,000
NOTE NO - 8		
<u>OTHER NON CURRENT ASSETS</u>		
Deferred Tax Assets	2,203	2,203
	2,203	2,203
NOTE NO - 9		
<u>INVENTORIES</u>		
Closing Stock	372,048	-
	372,048	-

(Amount in Rs.)

NOTE NO - 10		
<u>TRADE RECEIVABLES</u>		
Sundry Debtors	39,298,257	12,300,067
	39,298,257	12,300,067
NOTE NO - 11		
<u>CASH & CASH EQUIVALENTS</u>		
Cash Balance in Hand	3,645	263,836
Cash Balance at Bank		
HDFC Bank	62,652	2,315,950
HDFC Bank Unpaid Dividend	32,818	32,818
	99,115	2,612,605
NOTE NO - 12		
<u>SHORT TERM LOANS AND ADVANCES</u>		
TDS	892,383	-
	892,383	-
NOTE NO - 13		
<u>OTHER CURRENT ASSETS</u>		
Fixed Deposits	4,730,000	29,513,869
Advance from Income Tax	-	514,297
Security Deposits	5,000	-
Interest Receivable	219,674	-
	4,954,674	30,028,166
NOTE NO - 14		
<u>REVENUE FROM OPERATIONS</u>		
Sale of Shares & Debentures	607,260	13,236,844
	607,260	13,236,844
NOTE NO - 15		
<u>OTHER INCOME</u>		
Dividend	-	37,507
NFO Profit	437,616	357,950
Interest	2,729,152	563,869
Option	-	16,850
Profit on dealing in shares	354,780	-
	3,521,548	976,176
NOTE NO - 16		
<u>COST OF MATERIAL CONSUMED</u>		
Purchases	2,802,672	10,519,415
	2,802,672	10,519,415
NOTE NO - 17		
<u>CHANGE IN STOCK</u>		
Opening Stock	-	816,644
Less: Closing Stock	372,048	-
	(372,048)	816,644

(Amount in Rs.)

NOTE NO - 18		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
Salary & Bonus	164,212	147,118
	164,212	147,118
NOTE NO - 19		
<u>DEPRECIATION & AMORTIZATION EXPENSES</u>		
Share Issue Expenses	-	211,250
	-	211,250
NOTE NO - 20		
<u>OTHERS EXPENSES</u>		
Accounting Charges	-	36,000
Advertising Expenses	12,960	4,061
Audit Fees	11,000	10,000
Conveyance	-	12,306
Demat Charges	27	2,681
Bank Charges	115	-
Depository Expenses	30,354	1,686
Filing Fees	-	16,700
General Expenses	-	28,483
Interest on Delayed Payment	-	60,856
Listing Fees	3,137,490	278,910
Loss on Sale of shares	-	1,862,104
Misc. Balance W/off	-	22,033
Postage and Telegram	33,229	-
Printing & Stationery	23,490	7,374
Professional Fees	26,035	32,675
Rates & Taxes	-	5,750
Security Transaction Fees	1,791	5,662
Service Tax	-	1,301
Interest	200,000	-
Share Dealing Expenses	19,164	-
Website Expenses	11,500	-
	3,507,155	2,388,582

MODERN CONVERTERS LIMITED

Note 21: Notes forming part of the financial statements

Corporate Overview

MODERN CONVERTERS LTD, incorporated on 26/02/1946, having its registered office at 56E HEMANTA BASU SARANI, OLD 4 BBD BAGH EAST, ROOM NO 14A, KOLKATA - 700001. The Directors of the company are RAJEEV CHIRIMAR, GANGA DHAR SAIL, SOUMITRA TRIVEDI BINIT AGARWAL and RENU SHARMA.

Significant accounting policies

Basis of Preparation of Financial Statements

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ["GAAP"] in India. GAAP comprises mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 (the Act) read with Rule 7 of Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Revenue Recognitions

Revenue in respect of income is recognized when a reasonable certainty as to its realization exists.

Employee Benefits

All Employees benefits falling due wholly within twelve month of rendering the services are classified as short term employee benefits which include benefits like salary, wages, short term compensated, absences and performance incentives and are recognized as expense in the period in which the employee renders the related services.

Material events after balance sheet date

Events which are of material nature after the balance sheet date are accounted for in the accounts.

Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares

outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Cash and Cash equivalents

Cash and Cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flow Statements

Cash Flow Statement has been prepared in accordance with Accounting Standard 3 issued by Institute of Chartered of India.

For Gupta Saharia & Co.
Chartered Accountants
FRN No. 103446W

Sd/-
Pawan Gupta
Partner
Mem No:- 071471

Place: Kolkata
Dated: 27/05/2016

For and on behalf of the Board of Directors

Sd/-
Soumitra Trivedi
Managing Director
(DIN: 00402241)

Sd/-
Ganga Dhar Sail
Director & CFO
(DIN: 00402199)

Sd/-
Govind Gupta
Company Secretary

MODERN CONVERTERS LIMITED

Notes forming part of the financial statements

Note 22 Disclosures under Accounting Standards

Note	Particulars			
(a)	Related party transactions			
	Details of related parties:			
	Description of relationship	Names of Related Parties		
	Key Management Personnel (KMP)	SOUMITRA TRIVEDI - Managing director GANGA DHAR SAIL - CFO GOVIND GUPTA - Secretary		
	Relatives of KMP	Nil		
	Company in which KMP / Relatives of KMP can exercise significant influence	Nil		
Note: Related parties have been identified by the Management.				
Details of related party transactions during the year ended 31st March 2016 and the balances outstanding as at 31st March 2016				
(b)	Nature of Transaction	KMP & Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
	Salary to Company Secretary	Jaishree Kumari	Nil	60,789
		Govind Gupta	Nil	21,780

MODERN CONVERTERS LIMITED

Regd Office: 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East,
Room No. 14A, Kolkata - 700001, West Bengal

Tel No: 033-6503 5876, email: info@modernconvertors.com Website: www.modernconvertors.com
CIN : L01132WB1946PLC013314

ATTENDANCE SLIP I/We hereby record my/our presence at the 70 th Annual General Meeting of the Company to be held on Thursday, 29th September, 2016 at 11.00 A.M. at its registered office at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001	Folio/DP ID & Client ID No.:
	Name :
	Address :
	Joint holders Name :
	Shares

.....
Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

Notes: Members/Proxy holders who wish to attend the Annual General Meeting (AGM) must bring their Admission Slips to the AGM and hand over the same duly signed at the entrance. Duplicate Admission Slips will not be issued at the venue.

ELECTRONIC VOTING PARTICULARS

EVSN (E-voting Sequence Number)	USER ID	PERMANENT ACCOUNT NUMBER (PAN)
160824057		

Please read instructions given in the Notice of the Annual General Meeting carefully before voting electronically.

The e-Voting facility will be available during the following voting period:

Commencement of e-voting: From <Monday, 26.09.2016 at 9.00 AM >

End of e-Voting: Up to <Wednesday, 28.09.2016 at 5.00 PM >

MODERN CONVERTERS LIMITED

Regd Office: 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East,
Room No. 14A, Kolkata - 700001, West Bengal

Tel No: 033-6503 5876, email: info@modernconvertors.com Website: www.modernconvertors.com

CIN : L01132WB1946PLC013314

PROXY FORM

MGT-11

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the shareholder:

Registered address:

E-mail ID:

Folio No. / Client ID:

DP ID:

I / we, being the shareholder(s) of shares of the above named company, hereby appoint

Name _____ Address _____
 Email Id _____ Signature _____ or failing him
 Name _____ Address _____
 Email Id _____ Signature _____ or failing him
 Name _____ Address _____
 Email Id _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 70th Annual General Meeting of the Company, to be held on Thursday 29th September, 2016 at 11.00 A.M at its registered office at 56E, Hemanta Basu Sarani, Old 4 BBD Bagh East, Room No. 14A, Kolkata - 700001, West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
1.	To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2016, the Statement of Profit & Loss and the Cash Flow Statements for the year ended on that date and the reports of the Board of Directors' and Auditors' thereon.		
2.	The Board decided not to declare any dividend.		
3.	To appoint a Director in place of Mr. Ganga Dhar Sail, who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To ratify the appointment of M/s Gupta Saharia & Co., Chartered Accountants (Firm Registration No.: 103446W) as Statutory auditors.		
5.	To appoint Mr. Binit Agarwal as Independent Director of the Company.		

Signed thisday of2016

Member's Folio /DP ID & Client ID No.....

Signature of Shareholder(s).....

Signature of Proxy holder (s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.