

REPORT ON CORPORATE GOVERNANCE

The Company's philosophy on Code of Corporate Governance strives to follow the good corporate governance practices, transparency, accountability and better communication in order to have a culture of compliance and obligation at every level of the organization. The Company is in compliance with the provisions of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange Limited. The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen.

• BOARD OF DIRECTORS

Composition of the Board of Directors

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board of the Company is composed of individuals from diverse fields. The Board of the Company is composed of Executive and Non-Executive Directors. As on March 31, 2016, the strength of the Board was four Directors comprising of two Executive and Two Non-Executive Directors of the Company. Fifty per cent of the Board comprised of Independent Directors. The details of the Board of Directors as on March 31, 2016 are given below:

Name of the Director	Designation	Date of Joining	No. of Directorships/Committee Memberships/Chairmanships			
			Public Limited Companies	Private Limited and Section 8 Companies	Committee Memberships	Committee Chairmanships
Mr. Latif Umed Ali Khan	Independent Director	27/08/14	01	05	02	01
Mr. Vinodkumar Chotamal Jain	Director	14/05/11	01	01	03	02
Mr. Pikesh Sitaram Sharma	Managing Director	14/05/11	01	Nil	02	Nil
Mrs. Babita Pikesh Sharma	Executive Director	27/08/14	01	Nil	Nil	Nil

As on March 31, 2016 Mr. Latif Khan and Mr. Pikesh Sharma holding 519,745 and 9,020 equity shares of the Company respectively. Except above, no other Director or their relative hold shares of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligation and Disclosure requirement) regulations 2015.

• Board Meetings

The Board/Committee meetings are pre-scheduled and proper notices of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the meetings.

During the financial year under review, 04 (Four) Board meetings were held on 30/05/2015, 14/08/2015, 14/11/2015 and 13/02/2016. The gap between two Board meetings was in compliance with the provisions contained in the Act and the Listing Agreement. Details of Directors as on March 31, 2016 and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2016 are given below:

Attendance of Directors at Board meetings and Annual General Meeting

Name of the Director	Attendance at the Board Meeting and AGM				
	30/05/15	14/08/15	14/11/15	13/12/16	30/09/2015 (AGM)
Mr. Latif Umed Ali Khan	✓	✓	✓	✓	✓
Mr. Vinodkumar Chotamal Jain	✓	✓	✓	✓	✓
Mr. Pikesh Sitaram Sharma	✓	✓	✓	✓	✓
Mrs. Babita Pikesh Sharma	✓	✓	✓	✓	✓

- Audit Committee**

The role of the Audit Committee is in accordance with the provisions of Section 177 of the Companies Act, 2013 and of SEBI (LODR), Regulations, 2015.

During the period under review, the Audit Committee met four (4) times on 30/05/2015, 14/08/2015, 14/11/2015 and 13/02/2016. Constitution of the Audit Committee and their attendance at the meetings during the financial year ended March 31, 2016 are given below:

Name of the Member Director	Category	No. of the Meeting Held	No. of the Meeting Attendance
Mr. Vinodkumar Chotamal Jain	Chairman of the Committee & Independent Director	04	04
Mr. Latif Umed Ali Khan	Member & Independent Director	04	04
Mr. Pikesh Sitaram Sharma	Member & Executive Director	04	04

- Nomination and Remuneration Committee**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and of SEBI (LODR), Regulations, 2015, the Board has constituted Committee as Nomination and Remuneration Committee and adopted terms of reference.

Constitution of the Nomination and Remuneration Committee and their attendance at the meetings during the financial year ended March 31, 2016 are given below:

Name of the Member Director	Category	No. of the Meeting Held	No. of the Meeting Attendance
Mr. Vinodkumar Chotamal Jain	Chairman of the Committee & Independent Director	01	01
Mr. Latif Umed Ali Khan	Member & Independent Director	01	01

Details of the remuneration paid/payable to the Directors for the financial year ended on 31st March 2016 are as under:

Name of the Director	Salary	Perquisites	Commission	Total
Mr. Latif Umed Ali Khan	Nil	Nil	Nil	Nil
Mr. Vinodkumar Chotamal Jain	Nil	Nil	Nil	Nil
Mr. Pikesh Sitaram Sharma	Nil	Nil	Nil	Nil
Mrs. Babita Pikesh Sharma	Nil	Nil	Nil	Nil

- **Stakeholders Relationship Committee**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and of SEBI (LODR), Regulations, 2015, the Board has constituted Committee a Stakeholders Relationship Committee and adopted terms of reference.

The Stakeholders Relationship Committee considers and resolves the grievances of security holders. During the period under review, the Stakeholders Relationship Committee met Two(2) times on 14/08/2015 and 13/02/2016. Details of constitution and attendance details of the Stakeholders Relationship Committee as on March 31, 2016 are given below:

Name of the Member Director	Category	No. of the Meeting Held	No. of the Meeting Attendance
Mr. Latif Umed Ali Khan	Chairman of the Committee & Independent Director	02	02
Mr. Pikesh Sitaram Sharma	Member & Executive Director	02	02
Mr. Vinod Jain	Member & Independent Director	02	02

During the financial year, the Company/Company's Registrar and Transfer Agents have attended all the complaints received during the financial year. There was no complaint from shareholders pending as on March 31, 2016.

- **Policy on material subsidiary**

The details of the policy have been disclosed on company's website at www.koffeebreak.in

- **Policy on Related party transactions**

The details of the policy have been disclosed on company's website at www.koffeebreak.in

- **Policy for selection and appointment of Directors and their remuneration**

The details of the policy have been disclosed on company's website at www.koffeebreak.in

- **Familiarization programme for Directors**

The details of the familiarization programme have been disclosed on company's website at www.svarajtrading.com

- **Vigil Mechanism/Whistle Blower Policy**

The Company has adopted a Vigil Mechanism policy (Whistle Blower Policy) which enables Directors and employees to report their genuine concerns. The mechanism provides for adequate safeguards against the victimization of persons who use this mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases.

- **Code of Conduct**

In Compliance with Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, The Company has laid down the Code of Conduct for all Board members and senior management of the Company, which is available on the Company's Website at www.koffeebreak.in. The details of the policy have been disclosed on company's website at www.koffeebreak.in.

All the Board members and senior management of the Company have affirmed compliance with their Code of Conduct for the financial year ended March 31, 2016. The Managing Director has also confirmed and certified the same. The certification is annexed at the end of this report.

- **Disclosures:**

- **Internal Audit Functions and Statutory Compliance:**

Internal Audit functions of the company have been carried out by a firm of Chartered Accountants. The Reports of the Internal Auditors on the operations and financial transactions and the action taken thereon by the management in the form of report are duly submitted to the Audit Committee of the Board of Directors. The Statutory Auditors are provided with the reports of the internal auditors for consideration and report as also the action taken report made by the Company. The Internal auditor also makes presentation to the Audit Committee whenever required.

For every quarter of the financial year, the Company Secretary/Department Head makes report of statutory compliances which are placed before the Audit Committee and the Board Meeting.

- Directors with materially significant related party transactions, pecuniary or business relationship with the company:
- There were no material significant transactions with the Directors or the management or their subsidiaries or relatives that have any potential conflict with the interest of the Company.
- Details of Non-compliance:

There were no case of non-compliance by the company nor any cases of penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

● **General Body Meetings:**

- **The details of the Annual General Meetings held during the last three financial years;**

Financial Year	Date and Time	Venue	No. of Special Resolution Passed
2012-13	September 30, 2013 at 11.00 a.m.	374, 3rd Floor, Powai Plaza, Hiranandani Garden, Powai, Mumbai-400076	Nil
2013-14	September 30, 2014 at 11.00 a.m.	374, 3rd Floor, Powai Plaza, Hiranandani Garden, Powai, Mumbai-400076	Nil
2014-15	September 30, 2015 at 3.00 p.m.	374, 3rd Floor, Powai Plaza, Hiranandani Garden, Powai, Mumbai-400076	03

- **Details of special resolutions passed at the Annual General Meeting with the requisite majority of the members;**

Date	Brief subject matter of the resolutions
September 30, 2015	<ul style="list-style-type: none"> ● Authority to the Board of Directors to borrow monies in excess of the limit specified under section 180 of the Act. ● Authority to Board of Directors to create mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future). ● Authority to the Board of Directors to invest in excess of the limit specified under section 186 of the Act.

- **During the last three financial years, no Extra ordinary General Meeting was held and no resolution was passed through postal ballot.**

● **Means of Communication**

- Quarterly, Half-Yearly and Annual results of the Company are published in newspapers such as Financial Express and AaplaMahanagar. These results are promptly submitted to the Bombay Stock Exchange Limited.

- The Company's results and press releases are available on the Company's website (www.koffeebreak.in)

- **CEO/CFO Certification**

Appropriate certification as required under Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been made to the Board of Directors by the CEO/CFO which has been taken note of by the Board.

- **Affirmation**

The provisions of regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR), Regulations, 2015 are fully complied with, to the extent applicable to the Company. All the mandatory disclosure as required in term of the provisions of SEBI (LODR), Regulations, 2015 are disclosed in this report.

Further the company adopted the following discretionary requirements under Regulation 27 (1) of SEBI (LODR), Regulations, 2015

- **The Board**

No separate office was maintained by the Chairman of the Company

No separate office was maintained by the present Managing Director of the Company.

- **Shareholders Rights**

Quarterly or half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company.

- **Modified opinions in audit report**

Not applicable since there is no qualification in the audit reports

- **Separate posts of Chairman and Chief Executive Officer**

At present no person is holding the post of Chairperson of the Company. Post of the Managing Director and Chief Executive officer is held by the same person.

- **Reporting of Internal Auditors**

The Internal Auditors directly reported to the Audit Committee

- **General Shareholder Information**

AGM date, venue and time	September 30, 2016 at 10.30 a.m. at 374, 3rd Floor, Powai Plaza, Hiranandani Garden, Powai, Mumbai- 400076
Financial Year	April 01 to March 31
First quarter results	2nd week of August 2015
Second quarter results	2nd week of November 2015
Third quarter results	2nd week of February 2016
Fourth quarter and for the financial year ended on March 31, 2016	4th week of May 2016
Date of Book closure	September 24, 2016 to September 30, 2016 (both days inclusive)
Dividend payment date	Not applicable
Listing on Stock Exchange	BSE Limited
Payment of annual listing fees	Listing fees for the year 2016-2017 have been paid to BSE Limited

Stock Code (BSE)	531602
Demat ISIN no. for CDSL and NSDL	INE208D01023
Corporate Identity Number (CIN)	L18109MH1994PLC211249
Share Registrar & Transfer Agent	System Support Services 209, Shivalik Industrial Estate 89, Andheri Kurla Road, Andheri (East), Mumbai - 400 072 Tele Phone Nos.: 022-28500835 Email id:syss72@yahoo.com

• **Market price data: High/Low during each month in the financial year (In Rs.)**

Month	BSE Limited, Mumbai	
	High	Low
April 2015	0.16	0.11
May 2015	0.23	0.16
June 2015	0.21	0.16
July 2015	0.16	0.12
August 2015	0.18	0.13
September 2015	0.16	0.10
October 2015	0.14	0.11
November 2015	0.13	0.11
December 2015	0.15	0.12
January 2016	0.17	0.15
February 2016	0.18	0.17
March 2016	0.18	0.18

(Source: Website of BSE Limited, Mumbai www.bseindia.com)

• **Distribution of shareholding as on March 31, 2016**

Sr. No.	No. of equity shares held		Shareholder(s) as on		Shareholding(s)	
	From	To	Nos.	%	Nos.	%
1	01	500	903	18.67	238,714	0.18
2	501	1000	781	16.14	748,549	0.58
3	1001	10000	2317	47.89	10,996,642	8.46
4	10001	20000	297	6.13	4,688,889	3.60
5	20001	Above	540	11.17	113,338,206	87.18
	Total		4838	100.00	130,011,000	100.00

- **Category wise distribution of shareholding as on March 31, 2016**

Category	No. of Shares held	% of holding
Promoter and Promoter Group	Nil	Nil
Mutual fund	Nil	Nil
Banks and Financial Institutes, Insurance Companies etc.	Nil	Nil
FII's	Nil	Nil
Bodies Corporate	46,100,782	35.46
Indian Public	82,106,846	63.16
NRIs and OCB	1,803,372	1.38
Directors and relatives	Nil	Nil
Others	Nil	Nil
Total	130,011,000	100.00

- **Dematerialization of shares and liquidity**

The Company's shares are traded compulsorily in dematerialized form on the stock exchange. As on March 31, 2016, 96.70 % of the paid-up share capital of the Company was in dematerialized form.

- **Outstanding GDR/ADR/Warrants or any Convertible Instruments, conversion dates and likely impact on equity**

Not Applicable

- **Address for investors correspondence**

Shareholders/Investors should address their correspondence to the Company's Registrar & Transfer Agents at the address mentioned earlier.

Shareholders/Investors may also contact Mr. Pkesh Sharma Managing Director & Compliance Officer at the Registered Office of the Company situated at 374, 3rd Floor, Powai Plaza, Hiranandani Garden, Powai, Mumbai, Maharashtra - 400076. Telephone Nos.: 022-30603365 and Email id: koffeebpl@gmail.com

For KOFFEE BREAK PICTURES LIMITED

Sd/-
PIKESH SITARAM SHARMA
 Managing Director
 DIN: 05143923

Place: Mumbai
 Dated: August 09, 2016