

DIRECTORS' REPORT

The Members,
SHALIMAR PRODUCTIONS LIMITED

Your Directors are pleased to present their **34thAnnual Report** together with the Audited Financial Statements for the financial year ended 31stMarch, 2019 and the Auditors Report thereon.

BUSINESS PERFORMANCE:

The Company's financial performance, for the year ended 31stMarch, 2019 is summarised below:

(Rs. In Lacs)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2019
Revenue from operations	813.00	1015.00
Other income	0.78	-
Gross Income	813.78	1015.00
Total Expenses	812.17	1007.87
Net Profit Before Tax	1.60	7.13
Provision for Tax	0.3	2.20
Net Profit After Tax	1.30	4.93

OPERATIONS AND FUTURE PLANS:

The total revenue of the Company has decreased from Rs. 1015.00 Lakhs in the FY 2017-18 to Rs. 813.00 Lakhs in the FY 2018-19 and significantly the net profit of the Company has also decreased to Rs.1.30 Lakhs in FY 2018-19 from Rs. 4.93 Lakhs in FY 2017-18. This can attributed towards low cost incurred by the Company.However, your Company is optimistic about the coming year. Since the Company is trying to reduce cost and expand its business, your Directors are hopeful that the results will be more encouraging.

DIVIDEND:

In order to plough back the profit, your Directors have not recommended any dividend for the year ended 31stMarch, 2019.

SHARE CAPITAL:

The Issued, Subscribed & Paid up Capital of the Company as on 31st March 2019 stands at Rs. 98,43,28,313/- divided into 98,43,28,313 Equity Shares of Re. 1/- each. During the period under review, the Company has not issued shares with differential voting rights nor granted any stocks options or sweat equity.

TRANSFER TO RESERVE:

The Board does not propose to make transfer to reserves for the year 2018-19 and instead intends to retain the net profit of Rs. 130,655/- in the Profit & Loss Account for the year ended 31st March 2019.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i) Retire by Rotation:

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Mr. Tilokchand Kothari (DIN: 00413627) Director of the Company retires by rotation at this Annual General Meeting of the Company and being eligible, offers himself for reappointment.

ii) Change in Directors and Key Managerial Personnels:

Pursuant to the provisions of Companies Act, 2013, following are the changes in the Board of Directors and Key Managerial Personnels of the Company till the date of this Report;

Appointments:

Mrs. Jignasha Khut were appointed on the Board as an Additional Non-Executive Independent Director w.e.f 2nd November, 2018.

Also, Mr. Kuldeep Kumar and Ms. Madhubala Vaishnav appointed on the Board as an Additional Non- Executive Independent Director w.e.f. 8th March, 2019 subject to approval of shareholders at the ensuing Annual General Meeting.

Mr. Sanjay Rajak appointed on the Board as an Additional Non-Executive Independent Director w.e.f. 24th April, 2019.

Ms. Kiran Kaur appointed as Chief Executive Officer of the Company w.e.f. 24th April, 2019.

Resignations:

During the financial year 2018-19 under review, Mr. Sainath Mhatre and Mr. Suraj Kadam were resigned from the Board w.e.f. 8th March, 2019. The Board places on record its sincere appreciation for the valuable contribution made by them during their tenure as director of the Company.

Mrs. Jignasha Khut and Ms. Renu Sharma resigned from the Board w.e.f. 24th April, 2019. Mr. Pankaj Dave resigned from the position of Managing Director w.e.f. 24th April, 2019.

which the performance of the Board, its committees and individual committee was also discussed. Performance evaluation of independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

iv) Meetings of the Board:

During the year ended 31st March 2019, Six(6) Board Meetings were held by the Company on 29th May 2018, 10th August 2018, 2nd November, 2018, 13th February 2019, 8th March 2019 and 30th March 2019. Details of the meetings and the attendance record of the Directors are mentioned in the Corporate Governance section which forms part of this Report.

v) Committees of the Board:

At present, there are three (3) Committees of Board, i.e. Audit Committee, Stakeholders' Relationship Committee & Nomination & Remuneration Committee. The Composition and other details related to the Committees have been stated in the Corporate Governance Report which forms part of this report.

DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:

Your Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013 from all the Independent Directors confirming that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place an adequate budgetary control system and internal financial controls with reference to financial statements. No reportable material weaknesses were observed in the system during the previous fiscal. Further, the Company has laid down internal financial control policies and procedures which ensure accuracy and completeness of the accounting records and the same are adequate for safeguarding of its assets and for prevention and detection of frauds and errors, commensurate with the size and nature of operations of the Company. The policies and procedures are also adequate for orderly and efficient conduct of business of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;
- b) the directors had 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 had 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 had prepared the annual accounts on a going concern basis;
- e) the directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2018-19.

CHANGE IN THE NATURE OF BUSINESS:

During the period under review, there is no change in the nature of business of the Company. The Company continues to operate in the Media Sector.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 (herein after referred to as "the Act") forms an integral part of this Report as "**Annexure A**".

NOMINATION AND REMUNERATION COMMITTEE POLICY:

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is annexed as "**Annexure B**" to this Report.

AUDIT COMMITTEE:

Your Company has an Audit Committee in compliance with the provisions of the Companies Act, 2013 as well as Part C of Schedule II of the Listing Regulations. The composition of the Audit Committee, detail of terms of reference, number and dates of meetings held and attendance of the Members therein have been specified separately in the attached Corporate Governance Report. The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

AUDITORS THEIR REPORT:

a) Statutory Auditor:

M/s. S C Mehra & Associates LLP (Firm Registration No. 106156W), Chartered Accountant were in the 32nd Annual General Meeting (AGM) appointed as the Statutory Auditors of the Company for a period of five years i.e. till the conclusion of 37th AGM to be held in the year 2022, subject to ratification of the Members in every AGM. The Board accepted the recommendation of the Audit Committee whenever made by the Committee during the year.

Pursuant to the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Statutory Auditors was required to be placed for ratification at every Annual General Meeting. The said proviso has been omitted by MCA vide its notification dated 7th May, 2018 with immediate effect.

The Company has received a letter from Auditors to the effect that their appointment if made it would be within the prescribed limits under Section 139 of the Companies Act, 2013 for Financial Year 2018-19.

The Statutory Auditors M/s. S.C. Mehra & Associates LLP have issued their reports on Standalone Financial Statements for the year ended 31st March, 2018. There are no adverse remarks or qualifications in the said report. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

b) Secretarial Auditor:

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, the Board of Directors have appointed Ms. Pooja Jain, Practising Company Secretary as Secretarial Auditors to undertake secretarial audit of the Company for the financial year ended 31st March, 2019. The Secretarial Audit Report is attached herewith marked as “**Annexure C**” and forms an integral part of this report.

There were following remark made by Secretarial Auditor in their Report:

1. As per the list of disqualified Directors u/s 164(2) of the Companies Act, 2013 issued by Ministry of Corporate Affairs, name of Mr. Pankaj Dave Directors of the Company was mentioned. His name was appearing in the above mentioned list due to non filing of necessary Annual Returns with the office of Registrar of Companies by the defaulting Companies.

However, Mr. Pankaj Dave has been resigned from the position of Managing Director of the Company w.e.f 24.04.2019

c) Internal Auditor:

M/s. Sudhir M Desai & Co., Chartered Accountants, Mumbai (Registration No. 041999) was appointed as Internal Auditor of the Company for the FY 2018-2019 and the Internal Audit Report prepared by them was placed before the Audit Committee.

RISK MANAGEMENT:

Risk Management is the process of identification, assessment, and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid a comprehensive Risk Assessment and Minimization Procedure, which is reviewed by the Audit committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The policy has been hosted on Company’s website www.shalimarpro.com.

PUBLIC DEPOSITS:

The Company has not accepted any deposit from the general public within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

PARTICULARS OF CONTRACTS/ ARRANGEMENTS WITH RELATED PARTY:

All related party transactions that were entered into by the Company during the financial year under review were on arms' length basis and in the ordinary course of business. There are no material significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large, hence Form AOC-2 is not applicable to the Company. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.shalimarpro.com/attachments/policyrtp.pdf>.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186:

During the year ended 31st March 2019, the Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the year ended 31st March 2019, there were no material changes and commitments affecting the financial position of the Company have occurred between the period ended 31st March 2019 to which financial results relate and the date of the Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Since the provisions as laid down in the Section 135 of the Companies Act, 2013 are not applicable to the Company, hence no such Committee has been formed. However, Company had always tried in its best possible ways to involve itself in social development activities.

DEMATERIALIZATION OF SHARES:

Your Company has connectivity with the National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No.INE435E01020 has been allotted for the Company Shares. Therefore, the members and/or investors may keep their shareholdings in the electronic mode with their Depository Participant.

LISTING OF SHARES:

The shares of your Company are listed at BSE Limited. The applicable Annual Listing fees have been paid to the Stock Exchange for the financial year 2018-19.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations,

2015, every listed Company is required to have a Vigil Mechanism/ Whistle Blower Policy for the Directors and employees to report their concerns and grievances. The Company has a Whistle Blower Policy in place and the same is also available on the web-site at the web-link <http://www.shalimarpro.com/attachments/VIGILMechanism.pdf>.

The Audit Committee of Directors are entrusted with the responsibility to oversee the Vigil mechanism.

CORPORATE GOVERNANCE:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Company's Auditors on its compliance forms an integral part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is to be regarded as Nil. The Company has not entered into any technology transfer agreement.

SEXUAL HARRASSMENT AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rule made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

By Order of the Board of Directors
For Shalimar Productions Limited

Tilokchand Kothari
Director
DIN: 00413627

Sd/-
Chandrashekhar Sharma
Director
DIN: 02327769

Place: Mumbai
Date: 29.05.2019