



OK PLAY INDIA LTD

# ANNUAL REPORT

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# Letter by Chairman

3<sup>rd</sup> September 2015

It gives me great pleasure in communicating with you for the Annual General Meeting and forwarding the Annual Report of your company for the year ended 31<sup>st</sup> March 2015.

The year under review has been one in which your company has completed several development activities.

Realising the huge potential of the recently approved E Rickshaw, your company has successfully designed and developed a plastic bodied E Rickshaw, leveraging its expertise in rotomoulding. This product has been manufactured to the specifications laid down by the Government of India and has successfully cleared the tests prescribed by ICAT. The company plans to commercialise the E rickshaw in the last quarter of this year.

Your company has also embarked on an ambitious hybrid distribution model to distribute not only its own products but also International ranges of some of the best brands in the world with whom it has entered into exclusive relationships. You may see the offering on [www.okplay.in](http://www.okplay.in).

Another positive development has been the announcement of the implementation of the Bharat IV emission norms from October of this year in a phased manner. This would give a big boost to the plastic fuel tanks being manufactured by your company.

Thus with the above your company is now poised for quantum growth and I am sure that all the efforts and hard work put in by all the employees will now bear fruit.

Unfortunately a huge fire engulfed the manufacturing facility of your company during the night of the 9<sup>th</sup> and 10<sup>th</sup> of January this year. With the support of the local administration and the fire authorities the fire was brought under control without any loss to life. However, the company lost some of its buildings, machinery and stock. I would like to place on record my deep appreciation to all those who stood and formidably faced the extreme challenge and were instrumental in helping your company overcome this tragedy and nurse it back to active operations.

I acknowledge and appreciate the efforts of all employees in realising the goals of the company.

I would like to express my gratitude to the Board, Customers, Suppliers, Bankers, Employees and our Shareholders for their confidence and support.

With best wishes,  
Sincerely



Justice (Retd.) T.R. Handa  
Chairman & Whole time Director



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

|                           |                                 |
|---------------------------|---------------------------------|
| JUSTICE (RETD.) T.R.HANDA | Chairman & Whole -Time Director |
| SH. RAJAN HANDA           | Managing Director               |
| MRS. MAMTA HANDA          | Whole -Time Director            |
| DR. RAJAN WADHERA         | Whole -Time Director            |
| SH. SHALABH JASORIA       | Director                        |
| SH. RAKESH KR. BHATNAGAR  | Director                        |
| SH. VIJAYENDRA KUMAR JAIN | Director                        |

### COMPANY SECRETARY

SH. TRILOKI NATH VERMA

### AUDITORS

M/S S.P. MARWAHA & CO.  
22/44, WEST PATEL NAGAR,  
NEW DELHI-100008

### SECRETARIAL AUDITOR

M/S MUKESH AGARWAL & CO.  
3029, SANT NAGAR, RANI BAGH  
OPP. M2K PITAM PURA,  
DELHI-110034.

### BANKERS

- INDIAN OVERSEAS BANK, VASANT VIHAR
- CITI BANK N.A., GURGAON
- CANARA BANK, S.D. AREA, NEW DELHI
- STATE BANK OF INDIA, SOHNA

### REGISTERED OFFICE

PLOT NO. 17-18, ROZ-KA-MEO INDL. ESTATE,  
TEHSIL NUH, DISTRICT MEWAT  
HARYANA – 122103  
PHONES: 0124 – 2362335-36  
Websites: [www.okplay.in](http://www.okplay.in)

### CORPORATE OFFICE

124, NEW MANGLAPURI, MEHRAULI,  
NEW DELHI – 110030, INDIA  
PH. : +91 11 46190000  
FAX: +91 11 46190090  
[Investor.relations@okplay.in](mailto:Investor.relations@okplay.in)

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the members of OK PLAY INDIA LIMITED will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 10.00 A.M. at Hakim Ji ki Choupal, Opposite Batra Hospital, Vill-Ujina, P.S. - Nuh, Dist. Mewat (Haryana) to transact the following:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) the standalone financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2015, including audited Balance Sheet, audited statement of Profit & Loss and Cash Flow Statement as on that date along with Directors' Report and Auditors' report thereon.
  - (b) the consolidated financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2015, including audited Balance Sheet, audited statement of Profit & Loss and Cash Flow Statement as on that date along with Directors' Report and Auditors' report thereon.
2. To appoint a Director in place of Mrs. Mamta Handa (DIN 00238019), Whole-time Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration

To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of shareholders be and is hereby accorded for appointment of M/s D. S. Chadha & Associates, Chartered Accountants (FRN-026723-N) as Statutory Auditors upto the conclusion of 27<sup>th</sup> (Twenty Seventh) annual general meeting and that the Board of Directors be and is hereby authorized to fix remuneration, as may be determined by the Audit Committee in consultation with the Statutory Auditors."

### SPECIAL BUSINESS:

#### 4. APPOINTMENT OF Mr. AJAY VOHRA (DIN-03332920) AS INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mr. Ajay Vohra (DIN - 03332920), 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 the appointment and in respect of whom Company has received a notice in writing from the 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 of the Company to hold office for five consecutive years for a term commencing from 1<sup>st</sup> October, 2015."

#### 5. APPOINTMENT OF MR. NARESH KUMAR (DIN-00756806) AS INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the Listing Agreement, MR. Naresh Kumar (DIN-00756806), 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 the appointment and in respect of whom Company has received a notice in writing from the 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 of the Company to hold office for five consecutive years for a term commencing from 1<sup>st</sup> October, 2015.”

## **6. APPOINTMENT & PAYMENT OF REMUNERATION TO MR. RISHAB HANDA IN THE OFFICE / PLACE OF PROFIT**

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions contained in Section 188 of the Companies Act, 2013, the consent of the members be and is hereby accorded for the appointment of Mr. Rishab Handa [relative of Justice (Retd.) T.R. Handa (Chairman & Whole time Director), Mr. Rajan Handa (Managing Director) and Mrs. Mamta Handa (Whole Time Director)], as Manager - Marketing in the Company at Annual Remuneration not exceeding Rs. 24,00,000/-(Rupees Twenty Four Lakhs Only) on the terms as set out under Explanatory Statement annexed to this Notice.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration, perquisites in such manner as may be agreed between the Board and Mr. Rishab Handa in accordance with the provisions of Companies Act, 2013 or any statutory modification thereof.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things (including delegate such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

## **7. APPOINTMENT & PAYMENT OF REMUNERATION TO MR. RAGHAV HANDA IN THE OFFICE / PLACE OF PROFIT**

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions contained in Section 188 of the Companies Act, 2013, the consent of the members be and is hereby accorded for the appointment of Mr. Raghav Handa [relative of Justice (Retd.) T.R. Handa (Chairman & Whole time Director), Mr. Rajan Handa (Managing Director) and Mrs. Mamta Handa (Whole Time Director)], as Manager - Operations in the Company at Annual Remuneration not exceeding Rs. 24,00,000/-(Rupees Twenty Four Lakhs Only) on the terms as set out under Explanatory Statement annexed to this Notice.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to vary, increase, modify or alter the remuneration, perquisites in such manner as may be agreed between the Board and Mr. Raghav Handa in accordance with the provisions of Companies Act, 2013 or any statutory modification thereof.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to perform and execute all such acts, deeds, matters and things (including delegate such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”

## **8. INCREASE IN THE REMUNERATION OF MR. RAJAN WADHERA (DIN- 01412577) WHOLE TIME DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, and subject to approval of the Central government, if necessary, the consent of the company be and is hereby accorded for the appointment and payment of remuneration to Dr. Rajan Wadhera ( DIN 01412577) as Whole Time Director of the Company for a period of three years from 1st October, 2014, to 30th September, 2017 with liberty to

Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said remuneration be paid including perquisites subject to the same not exceeding the limits specified under schedule V of the Companies Act 2013; as set out hereunder:

## I. Salary

Basic Salary: Rs. 100,000/- (Rupees One Lakh only) per month with effect from 1st October, 2015.

## II. Allowances & Perquisites

Allowances & Perquisites shall be allowed in addition to Salary. However, it shall be restricted to an amount equal to Rs. 50,000/- per month. Allowances and Perquisites are broadly classified as follows, viz., House Rent Allowance, Gas, Electricity, Water & Furnishing, Medical Reimbursement and Leave Travel concession as per rules of the Company, Personal Accident Insurance, Meal vouchers, Books & Periodicals, Use of Company's car with driver, Residential Telephones, Special Allowances etc.

For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. However, ceilings under each of the above heads shall be fixed/re- fixed as may be mutually agreed to between the Company and the Appointee so as not to exceed the limit of Rs. 50,000/- or to allow any other perquisite.

**"RESOLVED FURTHER THAT** consent be and is hereby also accorded for payment of salaries, allowances etc as detailed above to Dr. Rajan Wadhera as minimum remuneration in the absence or inadequacy of profits in any year."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration and perquisites, in such manner as may be agreed to between the Board of Directors and Dr. Rajan Wadhera subject to the maximum annual remuneration not exceeding the limits prescribed under Part II of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

## 9. RE-APPOINTMENT OF WHOLE TIME DIRECTOR

To consider and if thought fit, to pass with or without modification the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies ( Appointment and Remuneration of Managerial Personnel) Rule 2014, and subject to approval of the Central government, if necessary, the consent of the company be and is hereby accorded for the appointment and payment of remuneration to Mrs. Mamta Handa (DIN- 00238019) as Whole Time Director of the Company for a period of three years from 20th June, 2016-19th June, 2019 with liberty to Board of Directors ( hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said remuneration be paid including perquisites subject to the same not exceeding the limits specified under schedule V of the Companies Act 2013; as set out hereunder:

### I Salary

Basic Salary: Rs. 1,50,000/- (Rupees One Lac Fifty Thousand only) per month with effect from 20th June, 2016.

### II. Allowances & Perquisites

Allowances & Perquisites shall be allowed in addition to Salary. However, it shall be restricted to an amount equal to Rs.1,50,000/- per month. Allowances and Perquisites are broadly classified as follows, viz., House Rent Allowance, Gas, Electricity, Water & Furnishing, Medical Reimbursement and Leave Travel concession as per rules of the Company, Personal Accident Insurance, Meal vouchers, Books & Periodicals, Use of Company's car with driver, Residential Telephones, Special Allowances etc.

For the purpose of calculating the above ceiling, perquisites will be evaluated as per Income Tax rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. However, ceilings under each of the above heads shall be fixed/re-fixed as may be mutually agreed to between the Company and the Appointee so as not to exceed the limit of Rs.1,50,000/- or to allow any other perquisite.

# OK PLAY INDIA LIMITED

**“RESOLVED FURTHER THAT** consent be and is hereby also accorded for payment of salaries, allowances etc as detailed above to Mrs. Mamta Handa (DIN- 00238019) as minimum remuneration in the absence or inadequacy of profits in any year.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary, increase, modify or alter the remuneration and perquisites, in such manner as may be agreed to between the Board of Directors and Mrs. Mamta Handa (DIN- 00238019) subject to the maximum annual remuneration not exceeding the limits prescribed under Part II of Schedule V of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution.”

## **10. Creation of Charges on the movable and immovable properties of the Company, both present and future.**

To consider and, if thought fit, to pass the following resolutions as **Special Resolution**:

**“RESOLVED THAT** in supersession of the earlier resolutions passed for creation of charges, mortgage and hypothecation for the borrowings, the consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) in terms of Section 180(1)(a) of the Companies Act, 2013 as amended from time to time to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit to secure the borrowings of the Company together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment or on redemption, remuneration of Agent(s)/ Trustee(s) and all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreements/debenture trust deeds or any other document entered into/to be between the Company and the Lender(s) Agent(s) Trustee(s) in respect of the said loans/borrowings/debentures either by way of mortgage (including equitable mortgage), hypothecation, pledge, and/or lien in addition to the mortgages/ charges created/ to be created by Company on such terms and conditions, in such form and manner and with such ranking for priority and at such times as the Board of Directors may determine, on all or any of the properties of the Company including land, building, plant, machinery, other fixed assets, stock in trade, book debts, bank deposits, shares, securities and any other assets as held presently and/or to be acquired in future and by giving guarantees, indemnities, undertakings for and on behalf of the Company”. Provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs 200 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the resolution, the Board of Directors of the Company be and is hereby authorized to finalise, settle and execute all documents/deeds/agreements as may be required, and generally to take all other necessary steps and to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable.”

Dated: 14<sup>th</sup> August, 2015

Regd. Office: -  
17, Roz-Ka-Meo Industrial Estate  
Tehsil Nuh, Distt. Mewat,  
Haryana

**By order of the Board of Directors**  
for **OK PLAY INDIA LTD.**  
-Sd-  
**(TRILOKI NATH VERMA)**  
Company Secretary



## NOTES FOR MEMBERS ATTENTION

### **1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A Person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The proxy in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. The proxy form is enclosed herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority, as applicable, authorizing their representative to attend and vote on their behalf at the meeting.
3. Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at this Annual General Meeting is attached.
4. The Register of members and share transfer books of the Company shall remain closed from 24.09.2015 to 30.09.2015 (both days inclusive).
5. Relevant details, in terms of Clause 49 of the Listing Agreement, in respect of the Directors proposed to be appointed/ re-appointed are given in the Report on Corporate Governance.
6. Members attending the meeting are requested to bring their copy of the Annual Report as extra copies will not be supplied.
7. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. All members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and forward all other correspondence including physical share certificates for transfer to Company's Share Transfer Agents i.e. MAS SERVICES LIMITED, T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi- 110 020.
10. Members seeking further information on the Accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.
11. To avail the facility of nomination, members may write to the Registrar and Share transfer agent for obtaining the Nomination Form.
- 12. Entry to the venue of the meeting will be strictly on Entry Slip available at the counters at the entrance and to be exchanged with Attendance Slip.**
13. No Brief case or Bag will be allowed to be taken inside the venue of the meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company/ MAS Services Limited.
- 15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars etc. from the Company electronically.**
16. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 23<sup>rd</sup> September, 2015, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 9:00

# OK PLAY INDIA LIMITED

A.M. on Thursday, 24<sup>th</sup> September, 2015 and will end at 5.00 P.M. on Saturday, 26<sup>th</sup> September, 2015. The Company has appointed Mr. Puneet Kumar Pandey, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the back side of attendance slip attached with Annual report for detailed procedure on e-voting.

## **PROCEDURE FOR E-VOTING**

Procedure and instruction for e-voting is given on the back side of Attendance Slip attached with this Annual Report.

## **ANNEXURE TO THE NOTICE**

### **Statement pursuant to the Section 102(1) of the Companies Act, 2013**

**The Following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:**

#### **Item No 4 & 5:**

As per Section 149 (4) of the Companies Act, 2013, every listed public company shall have at least one-third of the total number of directors as independent.

Moreover, as per Clause 49 of the Listing agreement, Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the company does not have a regular non-executive Chairman, at least half of the Board should comprise independent directors. Executive Director means Whole-time Director & Managing Director.

Presently Justice (Retd.) Tilak Raj Handa is Chairman & Whole-time Director in the Board of the Company. Further, Mr. Rakesh Kumar Bhatnagar (DIN-01303863), erstwhile independent Director, has tendered his resignation due to his personal reasons. The Board of Director has accepted the resignation in the meeting held on 14th August, 2015. In view of changed circumstances, more independent directors need to be appointed in the Board.

Notices have been received from Members proposing candidature of the above Directors for the office of the independent Director of the Company. Nomination and Remuneration Committee has recommended appointment of Mr. Ajay Vohra and Mr. Naresh Kumar. In the opinion of the Board, Mr. Ajay Vohra and Mr. Naresh Kumar fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. Both appointees have submitted to the Company declaration of Independence. A brief profile of proposed independent Directors including nature of their expertise is provided in the Corporate Governance report.

A copy of the draft Letter of Appointment as Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during the business hours on any working day and is also available on the website of the Company [www.okplay.in](http://www.okplay.in).

Approval of Shareholders is sought by way of resolution no 4 & 5 for appointment of Mr. Ajay Vohra and Mr. Naresh Kumar as Independent Director of the Company for a term of 5 (Five) Years commencing from 1<sup>st</sup> October, 2015.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

#### **Item No 6 & 7**

Mr. Rishab Handa & Mr. Raghav Handa have been devoting full time in the business Operations & Marketing activities of Company since May, 2015.

Mr. Rishab Handa & Mr. Raghav Handa are graduates from State University, Pennsylvania in the Automobile Engineering and Business Management.

Mr. Raghav Handa is involved in identification, standardization and improvement in the business and manufacturing process. He is also associated in development of new and innovative product range and idea generation to become a pioneer in the toy & auto segment. He is conducting market research to launch new and outperforming products.

Mr. Rishab Handa is re-defining marketing strategy of a growing engineering firm like OK PLAY and is actively involved in implementing marketing plan, Identifying and seek out PR opportunities.

Company is not paying any remuneration and emoluments for their services rendered to Company.

Section 188 stipulates that no company shall enter into any contract or arrangement with a related party with respect to such related party's appointment to any office or place of profit in the company. Rule 15 of Companies (Meeting of Board and its powers) Rules, 2014, requires the Companies having paid up capital of Rs. 10 (Ten) Crores or more to get the approval of shareholders by way of Special Resolution.

Information required under aforesaid rules is as under:

| Particulars   | Item No 6  | Item No 7  |
|---|--|--|
| Name of Related Party   | Mr. Rishab Handa   | Mr. Raghav Handa   |
| Name of the Director or key managerial personnel who is related                       | Justice (Retd.) Tilak Raj Handa, Mr. Rajan Handa & Mrs. Mamta Handa  | Justice (Retd.) Tilak Raj Handa, Mr. Rajan Handa & Mrs. Mamta Handa  |
| Nature of Relationship  | Grandson of Justice (Retd.) Tilak Raj Handa, Son of Mr. Rajan Handa & Mrs. Mamta Handa   | Grandson of Justice (Retd.) Tilak Raj Handa, Son of Mr. Rajan Handa & Mrs. Mamta Handa   |
| Nature, material terms, monetary value and particulars of the contract or arrangement | Approval for appointment and payment of remuneration not exceeding Rs. 24,00,000/- (Rupees Twenty Four Lakhs) Per Annum inclusive of all allowance and perquisites | Approval for appointment and payment of remuneration not exceeding Rs. 24,00,000/- (Rupees Twenty Four Lakhs) Per Annum inclusive of all allowance and perquisites |

Particulars of persons interested in the aforesaid resolution are mentioned on the table herein above.

Approval of shareholders is sought by way of Special Resolution for the appointment.

#### Item No 8 & 9

The Nomination and Remuneration Committee at their meeting held on 14th August 2015, having regard to the various requirements stipulated in Schedule V, have fixed the remuneration payable to Dr. Rajan Wadhwa as detailed in the Resolution subject to approval of the shareholders .

Mrs. Mamta Handa was appointed as Whole time Director in the general meeting held on 29th September, 2012. Her current term of appointment will expire on 19th June, 2016. The Nomination and Remuneration Committee at their meeting held on 14th August 2015, having regard to the various requirements stipulated in Schedule V, have recommended reappointment of Mrs. Mamta Handa for a term of 3 years commencing from 20th June, 2016.

The Notice read with the Explanatory Statement and contents therein may be treated as an abstract of the terms of remuneration payable to Dr. Rajan Wadhwa & Mrs. Mamta Handa under Section 190 of the Companies Act, 2013.

Hence, the proposed special resolutions seeking approval of shareholders.

In this regard, as required under Part II, Section II (iv), of Schedule V to the Companies Act, 2013 the following information is furnished:

#### I. GENERAL INFORMATION

##### 1) Nature of Industry:

The Company is in the business of plastic moulded products such as POP products, Industrial products, Automobile products and Children products.

##### 2) Date of commencement of commercial Production:

The Company commenced its commercial production in the year 1990.

##### 3) Financial Performance based on given indicators:

(Rs. In Lacs)

|                   | 2012-13 | 2013-14  | 2014-15 |
|-------------------|---------|----------|---------|
| Sales             | 6127.31 | 10605.96 | 5664.71 |
| Profit Before tax | -229.99 | -101.72  | -231.17 |
| Profit after tax  | -212.85 | -417.36  | -163.85 |

##### 4) Export performance, net foreign exchange earnings

|                           | 2012-13 | 2013-14 | 2014-15 |
|---------------------------|---------|---------|---------|
| Foreign Exchange Earnings | 33.47   | 24.01   | Nil     |

## 5) Collaborations:

The Company has ongoing Marketing, Technical & Manufacturing collaboration with Hofit Kibbutz Kinneret Ltd of Israel engaged in manufacturing of inspection chamber for sewage, water and communication system for domestic, public and industrial infrastructure.

## II. INFORMATION ABOUT THE APPOINTEES

### 1) Background details, recognition/awards

Dr. Rajan Wadhwa is 56 years old. He is PHD (Human Resources) and has good experience in human resources and other management related functions.

Mrs. Mamta Handa is 47 years old. She is Commerce Graduate and has good experience in administration and other management related functions.

### 2) Past remuneration

#### Mr. Rajan Wadhwa

| Period              | Salary<br>(In Rs.) | Perquisites<br>(In Rs.) | Retirement<br>Benefits<br>(In Rs.) | Total<br>(In Rs.) |
|---------------------|--------------------|-------------------------|------------------------------------|-------------------|
| 1.4.2013-31.03.2014 | 6,00,000           | 6,00,000                | 72,000                             | 12,72,000         |
| 1.4.2014-31.03.2015 | 6,00,000           | 6,00,000                | 72,000                             | 12,72,000         |

#### Mrs. Mamta Handa

| Period              | Salary<br>(In Rs.) | Perquisites<br>(In Rs.) | Retirement<br>Benefits<br>(In Rs.) | Total<br>(In Rs.) |
|---------------------|--------------------|-------------------------|------------------------------------|-------------------|
| 1.4.2013-31.03.2014 | 18,00,000          | 18,00,000               | 3,02,538                           | 39,02,538         |
| 1.4.2014-31.03.2015 | 18,00,000          | 18,00,000               | 3,02,538                           | 39,02,538         |

### 3) Job profile and suitability

Dr. Rajan Wadhwa as Whole Time Director is responsible for overall management related to human resources and other related areas. With the requisite knowledge and experience as detailed in the background and considering the talents and skills acquired in the course of his career development, it is considered that the appointee is suitable for the assignment.

Mrs. Mamta Handa as Whole Time Director is responsible for overall management related to Marketing, Administration and other related areas. With the requisite knowledge and experience as detailed in the background and considering the talents and skills acquired in the course of his career development, it is considered that the appointee is suitable for the assignment.

### 4) Remuneration proposed

Details of remuneration payable to Dr. Rajan Wadhwa, Whole- Time Director are furnished in the resolutions under Item No 8 of the Notice.

Details of remuneration payable to Mrs. Mamta Handa, Whole- Time Director are furnished in the resolutions under Item No 9 of the Notice.

The Remuneration in the form of salaries, allowances, etc. has been fixed by the Nomination and Remuneration Committee of the Board, subject to maximum annual remuneration not exceeding the limits prescribed under Schedule V of the Companies Act, 2013.

### 5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

Taking into consideration (a) the size of the organization (b) The level of operation of the unit (c) the invaluable experience by the incumbents (d) adverse business scenario faced by the Company in view of ever increasing oil prices and tight market situation (e) efforts required to be put in by the incumbents to bring back the Company to be profit making from loss making Company and (f) industrial norms on remuneration package to Whole-time Directors in Plastic Molding Industries, it is considered that the remuneration package is very reasonable.

**6) Pecuniary relationship, directly or indirectly with the Company / relationship with Managerial personnel, if any**

Dr. Rajan Wadhera have no pecuniary relationship with the Company directly or indirectly (except to the extent of the remuneration received / receivable by them from the Company and their respective holding in the Company's equity share capital)

Mrs. Mamta Handa has no pecuniary relationship with the Company, directly or indirectly (except to the extent of the remuneration received / receivable by her from the Company, and her respective holding in the Company's equity share capital).

**III. OTHER INFORMATION**

**Reason of loss or inadequate profits:**

There was a fire at the plant on the intervening night between 9th & 10th January, 2015 in which the company lost its stocks and part of the Building and Plant & Machinery. The company has incurred a loss of Rs 22.25 crores due to the fire which have been reflected in other expenses. The company has filed a claim with the insurance company for the loss incurred which has been reflected in the other income and other current assets. The insurance company has yet to give a copy of the final loss assessment report.

**Steps taken or proposed to be taken for improvement:**

After the fire incident Company is in the process of procurement and installation of new Machines for improvement in the production process. The Company continues to have a strong brand image in the market and the ongoing quality improvement efforts including improvement in process capabilities, reduction of scrap will enable the Company to meet new challenges in cost, quality and productivity.

The Company is also emphasizing on development of new business in plastic molding including development of new products especially the toys, outdoor play ground equipment and delivery boxes which are almost complete now. The Company continues to devote increasing efforts to build export markets and expect to achieve significant improvement in the current year.

**Expected increase in productivity and profits in measurable terms :**

The Company is continuously taking efforts to maintain the plant efficiency at the highest level, reduce expenditures, carry out market development activities to improve the sales, to disinvest non-core assets/investments and utilize the funds to reduce the interest burden. Action as proposed is expected to fetch good results in the years to come.

**DISCLOSURES**

The Shareholders of the Company have been informed about the remuneration of Dr. Rajan Wadhera & Mrs. Mamta Handa through the disclosures made in the Corporate Governance Report attached to the Directors report.

**ITEM NO. 10 OF THE NOTICE**

Section 180(1)(a) of the Companies Act, 2013, inter alia, provides that the Board of Directors of a Company shall not without the consent of members sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where a company owns more than one undertaking, the whole or substantially the whole of any such undertaking.

Member of the Company has given approval for the borrowing of total limit of Rs. 200 crores in the Annual General Meeting held on 30th September, 2014.

Since the creation of a mortgage and/or charge by the company on its movable and/or immovable assets in favour of the lender(s) may be regarded as disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013, it is desirable to pass Special resolution under Section 180(1)(a) of the Companies Act, 2013. Accordingly, the Directors recommend the resolution set out in this item of the accompanying notice for the approval of the Members of the Company by way of Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

Dated: 14<sup>th</sup> August, 2015

Regd. Office: -  
17, Roz-Ka-Meo Industrial Estate  
Tehsil Nuh, Distt. Mewat,  
Haryana

**By order of the Board of Directors  
for OK PLAY INDIA LTD.**  
-Sd-  
**(TRILOKI NATH VERMA)**  
**Company Secretary**

## DIRECTORS' REPORT

To

The Members,

The Directors have great pleasure in presenting the 26<sup>th</sup> Annual Report on the operations of the Company together with the Audited Financial Results of the Company for the financial year ended 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS OF COMPANY

Rs. In Lacs

|   | Current Year ended on<br>31st March, 2015 | Previous Year ended on<br>31st March, 2014 |
|---|---|--|
| Sales (Gross)   | 5,953.39                                  | 11,705.80                                  |
| Other Receipt   | 22.50                                     | 27.99                                      |
| Profit/(Loss) before exceptional and extraordinary items and Tax          | (89.42)                                   | 462.69                                     |
| Exceptional item:<br>(Net gain/(Loss) on Exchange Fluctuation on FCCB/ECB | (141.75)                                  | (347.65)                                   |
| Profit/(Loss) before extraordinary items and Tax                          | (231.17)                                  | 115.04                                     |
| Provision for tax for earlier years                                       | -   | 13.32                                      |
| Profit/(Loss) before Tax  | (231.17)                                  | 101.72                                     |
| Current Tax   | -   | (54.00)                                    |
| Provision for Tax for earlier years written back                          | (67.32)                                   | (465.09)                                   |
| Profit/(Loss) for the year  | (163.85)                                  | (417.36)                                   |

### FINANCIAL RESULTS OF SUBSIDIARY COMPANY

Rs. In Lacs

|  | Current Year Ended on<br>31st March, 2015 | Previous Year Ended on<br>31st March, 2014 |
|--|---|--|
| Sales (Gross)  | 1,397.21                                  | 796.20                                     |
| Other Receipt  | 6.16                                      | 1.17                                       |
| Profit/(Loss) before exceptional and extraordinary items and Tax | (276.19)                                  | (581.66)                                   |
| Profit/(Loss) before extraordinary items and Tax                 | (276.19)                                  | (581.66)                                   |
| Provision for tax for earlier years                              | -   | -  |
| Profit/(Loss) before Tax   | (276.19)                                  | (581.66)                                   |
| Current Tax  | -   | -  |
| Provision for Tax for earlier years written back                 | 97.92                                     | 18.08                                      |
| Profit/(Loss) for the year                                       | 178.27                                    | 400.85                                     |

## OPERATIONS

The sales in the year under review have decreased by Rs. 5751.81 Lacs from Rs. 11705.80 Lacs to Rs. 5953.39 Lacs. This is an decrease of 49.14% (Approx) in current year compared to the last year. During the year, the Rupee weakened against the dollar and consequently there was an Exchanges Fluctuation Loss of Rs. 141.75 Lacs in the current year.

There was a fire at the plant on the intervening night between 9th & 10th January, 2015 in which the company lost its stocks and part of the Building and Plant & Machinery. The company has incurred a loss of Rs 22.25 crores due to the fire which have been reflected in other expenses. Due to this mish happening, a major chunk of finished goods was destroyed which resulted in the dip in the sales.

After the fire incident, Company is in the process of procurement and installation of new Machines for improvement in the production process. The Company continues to have a strong brand image in the market and the ongoing quality improvement efforts including improvement in process capabilities, reduction of scrap will enable the Company to meet new challenges in cost, quality and productivity.

The Company, as in the previous years and with a long term view, put lot of its efforts on Research and Development for introducing new products to its existing range to cater to its customers in the automobile sectors, children products sector where new products are being added to the existing diversified product range.

A detailed review of the company's performance and future prospects is included in the Management Discussion and analysis section of this Annual Report.

There is no change in the nature of the Business of Company during the financial year.

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and on the date of report.

## DIVIDEND

In absence of net profit during the year and to conserve the surplus reserves for the business and expansion plan of the Company, your Directors regret their inability to recommend any dividend.

## RESERVES

In absence of Net Profit during the year, the Board has decided not to transfer any amount in the reserves of Company.

## FIXED DEPOSITS

During the financial year under review, your Company had neither accepted nor renewed any deposit from the public within the meaning of Chapter V of the Act. There were no outstanding deposits at the beginning and closing of the financial year. Hence, disclosure of information regarding unpaid and unclaimed deposits, defaults in the repayment of deposits, maximum deposits during the year etc. is not applicable on the Company.

## NUMBER OF THE MEETING OF THE BOARD OF DIRECTORS

The Board met 9 (Nine) times during the financial year the details of which are given in the Corporate Governance Report. The Intervening period between the two meetings was within the period prescribed by the Companies Act, 2013.

## CHANGE IN DIRECTORS / KEY MANAGERIAL PERSON:

During the financial year Mr. Krishan Murthy Vijayan has resigned from the directorship of the Company w.e.f. 30<sup>th</sup> June, 2014.

After the date of Balance sheet, Mr. Rakesh Kumar Bhatnagar has also resigned in the meeting of Board of Directors held on 14<sup>th</sup> August, 2015 stating his personal reasons.

Notice of the meeting contains business item for the appointment of Mr. Ajay Vohra and Mr. Naresh Kumar as Independent Director of the Company for approval of the shareholders.

Mr. Dhir Singh Bhati, Company Secretary, has resigned with effect from 13<sup>th</sup> February, 2015. Board of Directors has appointed Mr. Triloki Nath Verma as Company Secretary and Compliance officer with effect from 2<sup>nd</sup> March, 2015.

In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Mrs. Mamta Handa (DIN- 00238019) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer



themselves for re-appointment as Directors. The Notice convening the Annual General Meeting includes the proposals for re-appointment of Directors.

## **DECLARATION FROM INDEPENDENT DIRECTORS**

The Company has received declaration from all the Independent directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub section(6) of section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchange.

The Policy for selection of Independent Directors as approved by the Board may be accessed on the Company's website at the link <http://www.okplay.in/corporate-governance1.html>

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Your 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 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 Companies 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; and
- 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.
- 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.

## **EXTRACT OF ANNUAL RETURN**

An extract of the annual return in Form MGT-9 is annexed as **Annexure -1** of this report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Your Directors draw attention of the members to Note 27(6) to the financial statement which sets out related party disclosures.

Company is implementing its automotive projects through its 100% wholly owned subsidiary namely OK Play Auto Private Limited. To ensure successful development of automotive component production in OK Play Auto Private Limited, it is proposed to render all inputs, components and services as may be required on cost to cost basis.

Board of Directors, in its Meeting held on 14<sup>th</sup> August, 2014, after approval in the Audit Committee held on same date, approved the transactions pertaining to Related Party OK Play Auto Private Limited (100% wholly owned subsidiary of OK Play India Limited) and also sought approval of shareholders by way of special resolution pursuant to Section 188 of the of the Companies Act, 2013 read with applicable provisions of the Companies (Meeting of Board and its Powers) rules 2014.

The members of the Company have approved the transaction in the last Annual General Meeting held on 30<sup>th</sup> September, 2014. None of the Directors was concerned or interested in the resolution except, to the extent common directors such as Mr. Rajan Handa and Mrs. Mamta Handa, as they are the Director of the Subsidiary Company.

Transaction with other related parties are carried out in the ordinary course of business and at arm's length price. These transactions are exempted under Section 188 of the Companies Act, 2013.

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://okplay.in/Related-Party-Transaction-Policy.pdf>



## **HUMAN RELATIONS**

Your Company continues to enjoy cordial relations amongst all its employees. In this pursuit of creating its own management cadre, your company has recruited executives and staff at various levels, including senior management positions during the year.

## **INDUSTRIAL RELATIONS**

During the year, your Company maintained harmonious and cordial industrial relations.

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

Statutory disclosures as required by under Section 134, particulars relating to Conservation of Energy, technology absorption, foreign exchange earnings and outgo are given in the enclosed “**Annexure-2**” which forms part of the report.

## **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provision of section 205A (5) and 205C of the Companies Act, 1956 there is no/ nil amount which remain unpaid or unclaimed for a period of 7 years.

## **CORPORATE GOVERNANCE**

It has been the endeavor of your company to follow and put into practice the code of Corporate Governance, in letter and spirit. A detailed Corporate Governance Report is attached and forms part of this report.

A certificate from the Company Secretary in practice regarding compliance of conditions of Corporate Governance report, as stipulated under clause 49 of the Listing Agreement, forms part of this report.

## **SUBSIDIARY AND ASSOCIATES COMPANY**

There is no change in the subsidiary Company during the year. Details of subsidiary i.e. OK Play Auto Private Limited and their business operation during the year under review are covered in the annual report. Report on the performance and financial position of subsidiary and associate company as per the Companies Act, 2013 is included in this report and hence not repeated here for the sake of brevity.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: [http://okplay.in/policy\\_for\\_determining\\_material\\_subsidaries.pdf](http://okplay.in/policy_for_determining_material_subsidaries.pdf)

The Company will make available the Annual Accounts of the subsidiary company and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary Company will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary Company. The Consolidated Financial statements presented by the Company include the financial results of its subsidiary Company.

## **CONSOLIDATED FINANCIAL STATEMENTS**

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A Management Discussion and Analysis Report highlighting the performance and prospects of the Company's plastic manufacture businesses (as stipulated under Clause 49 of the listing agreement) is attached in a separate section and forms part of this report.

## **PARTICULARS OF EMPLOYEES**

The Table containing the names and other particulars of employees in accordance with the provisions of Section 197(12), of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, is appended as **Annexure-3** to this Report.

There was no employee employed throughout the financial year and in receipt of the Rs. 60 Lakh or more or employed for part of the year and in receipt of the Rs. 5 Lakh per month or more during the year. Disclosures under Rule 5 (2) of the Companies Appointment and Remuneration of Managerial Personal) Rules, 2014, are not applicable on the Company.

# OK PLAY INDIA LIMITED

## DEMATERIALIZATION OF SHARES

As on 31<sup>st</sup> March, 2015, 95.11 % (approx) of equity shares out of the total subscribed capital have been dematerialized.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE870B01016.

## AUDITORS

M/s S. P. Marwaha & Co., Chartered Accountants, the present auditors of the Company have resigned in the Board Meeting held on 14<sup>th</sup> August, 2015. Audit Committee has obtained a certificate and letter of consent from M/s D. S. Chadha & Associates, Chartered Accountants (FRN-026723-N) that appointment, if made, will be in accordance with the requirement of Companies Act, 2013, and they are not disqualified for re-appointment within the meaning of the said Act. Board of Director also recommends the appointment of M/s D. S. Chadha & Associates, Chartered Accountants (FRN-026723-N) as Auditor of the Company till the conclusion of 27<sup>th</sup> Annual General Meeting.

## NOTES ON ACCOUNTS

The notes to the accounts referred to by the Auditors in their report are self-explanatory and may be treated as information/explanation submitted by the Board.

The auditor's report presented by M/s. S. P. Marwaha & Co., Chartered Accountants, Statutory Auditors on the accounts of the Company for the financial year ended 31<sup>st</sup> March, 2015 is self explanatory and requires no comments.

## INTERNAL AUDITOR

The Board of Directors has appointed, M/s. Jain Sanjeev Kumar & Associates, Chartered Accountants (FRN- 08231C) for conducting Internal Audit for the financial year 2015-16. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## COST AUDITORS

The Board of Directors has appointed, M/s. Goyal & Goyal Associates, Cost Accountants for conducting Cost Audit for the financial year 2015-16.

## SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

The Board of Directors has appointed M/s. Mukesh Agarwal & Co., Company Secretaries (COP- 3851), for conducting Secretarial Audit for the financial year 2014-15. Copy of Secretarial Audit Report is annexed as **Annexure-4** of this report.

Your director submits that the changes in the Companies law have brought significant changes in the Compliance Reporting. Compliance Reporting has been increased manifold without giving any transition period. These changes are still continuing and thus lead to ambiguity, confusion on the interpretation of provisions under the Companies Act, 2013. These changes, ambiguity and confusion on the interpretation resulted in the non compliance of new provisions. Parawise reply on the qualifications made under Secretarial Auditors Report is as under:

1. Company is in the process of inviting application and interviewing the candidate for the appointment of CFO. This compliance will be done in the next Board Meeting.
2. Board of Directors in its meeting held on 14<sup>th</sup> August, 2015 have appointed M/s. Jain Sanjeev Kumar & Associates, as internal auditor of the Company. This compliance has been done by the Company.
3. Regarding remarks made at 3, 4 & 5 point, It is clarified that in the 25<sup>th</sup> Annual General Meeting, shareholders have authorized the Board to Borrow the money upto Rs. 200 Crores. Copy of this resolution has been filed with ROC in due course. Subsequent filing of each and every resolution was done when Board became aware of the new compliance regime. This is an inadvertent error without any prejudice to the stakeholders. However, Company will seek condonation of delay from Central Government for filing of same.
4. Related Party Transaction with subsidiary company are approved by the Shareholders in the 25<sup>th</sup> Annual General Meeting. Transaction with other entities has been done in the regular course of business at arm's length price which is exempt under Section 188 itself and requires no approval.
5. Notice for the ensuing Annual General Meetings contains the proposal for the appointment of Independent Directors.

## **LISTING OF SECURITIES**

Presently, the Securities of the Company are listed at the Bombay Stock Exchange Ltd., The Ahmedabad Stock Exchange Ltd., and the Jaipur Stock Exchange Ltd. Hon'ble BIFR has directed Ahmedabad Stock Exchange Ltd. and Jaipur Stock Exchange Limited to waive off the arrears and allow the delisting of the company's shares from these stock exchanges.

## **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has formulated a Whistle Blower Policy. The Policy comprehensively provides an opportunity for any employee/ Director of the Company to rise any issue concerning breaches of law, accounting policies or any act resulting in financial loss and misuse of Company's funds/ property or suspected or actual fraud. The Policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The Policy has been communicated to the employees and also posted on the Company's Website. The Whistle Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013. The details of establishment of the Whistle Blower Policy/Vigil mechanism has been disclosed on the website of the Company at the link: <http://okplay.in/Whistle-Blower-Policy.pdf>

## **CORPORATE SOCIAL RESPONSIBILITY**

Provisions of Section 135 were not applicable on the Company during the period.

## **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

## **BOARD EVALUATION**

Pursuant to provision of the Companies Act, 2013 and Clause-49 of the Listing Agreement, the Board has carried out an Annual Performance Evaluation of its own performance and the Directors individually.

The manner of evaluation of Non-independent Directors, Chairman and the Board as a whole was done at a separate meeting held by Independent Directors.

The performance evaluation of Independent Directors was done by the entire Board, excluding Directors being evaluated.

## **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were no complaint received from any employee during the Financial Year 2014-2015 and hence no complaint is outstanding as on 31.03.2015 for redressal.

## **REMUNERATION POLICY**

The Board has framed a policy for selection and appointment of Directors, Senior Manager and their remuneration.

## **ACKNOWLEDGEMENT**

The Board of Directors wishes to place their appreciation of the company's clients, vendors, bankers, and investors for their continued support during the year.

Your Directors also wish to place on record their deep appreciation of the dedication and contribution made by employees at all levels, who through their competence, hard work and support have enabled the company to work efficiently and look forward to their continued support in future as well.

**By order of the Board of Directors  
for OK PLAY INDIA LTD.**

**Place: New Delhi  
Dated: 14<sup>th</sup> August, 2015**

**-Sd-  
Justice T. R. Handa (Retd.)  
Chairman-cum-Whole-time Director**

**-Sd-  
Rajan Handa  
Managing Director**

# OK PLAY INDIA LIMITED

## Annexure-1: EXTRACT OF ANNUAL RETURN

FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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  | L28219HR1988PLC030347  |
| 2 | Registration Date  | 19th August, 1988  |
| 3 | Name of the Company  | OK PLAY INDIA LIMITED  |
| 4 | Category/Sub-category of the Company                                       | Public Limited Company - Limited by Shares<br>Non government Indian Company  |
| 5 | Address of the Registered office & contact details                         | Plot No.17-18, Roz-Ka-Meo Industrial Estate  |
| 6 | Whether listed company   | Yes, Bombay Stock Exchange Limited   |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020.<br>Ph# 011-41320335/36 |

#### 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)

| Sl. No. | Name and Description of main products / services# *   | NIC Code of the Product/ service                 | % to total turnover of the company |
|---------|---|--|------------------------------------|
| 1       | Manufacture of Plastic Moulded Toys, School Furniture, Playground Equipment, Infrastructuer and Automotive Products and Point of Purchase | 31004, 32402, 30921, 30922, 22207, 22208, 222209 | 100                                |

# All the operations of the company are considered as a single business segment for the purpose of Accounting Standard 17, 'Segment Reporting'(AS17)), issued by the Institute of Chartered Accountants of India.

\* Based on NIC Code 2008 issued by [dipp.nic.in/English/acts\\_rules/Press\\_Notes/NIC-2008.pdf](http://dipp.nic.in/English/acts_rules/Press_Notes/NIC-2008.pdf)

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No. | Name and address of the Company | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|---------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1       | OK PLAY AUTO PVT LIMITED        | U35990DL2009PTC195046 | Subsidiary Company             | 100              | 2(87)(2)           |

#### 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<br>[As on 31-March-2014] |                |                   |                   | No. of Shares held at the end of the year<br>[As on 31-March-2015] |          |                   |                   | % Change during the year |
|--------------------------|--|----------------|-------------------|-------------------|--|----------|-------------------|-------------------|--------------------------|
|                          | Demat  | Physical       | Total             | % of Total Shares | Demat  | Physical | Total             | % of Total Shares |                          |
| <b>A. Promoters</b>      |  |                |                   |                   |  |          |                   |                   |                          |
| <b>(1) Indian</b>        |  |                |                   |                   |  |          |                   |                   |                          |
| a) Individual/ HUF       | 9,869,002  | 101,000        | 9,970,002         | 58.36%            | 10,869,002   | -        | 10,869,002        | 60.44%            | 9.02%                    |
| b) Central Govt          | -  | -              | -                 | 0.00%             | -  | -        | -                 | 0.00%             | 0.00%                    |
| c) State Govt(s)         | -  | -              | -                 | 0.00%             | -  | -        | -                 | 0.00%             | 0.00%                    |
| d) Bodies Corp.          | 750,000  | -              | 750,000           | 4.39%             | -  | -        | -                 | 0.00%             | -100.00%                 |
| e) Banks / FI            | -  | -              | -                 | 0.00%             | -  | -        | -                 | 0.00%             | 0.00%                    |
| f) Any other             | -  | -              | -                 | 0.00%             | -  | -        | -                 | 0.00%             | 0.00%                    |
| <b>Sub Total (A) (1)</b> | <b>10,619,002</b>  | <b>101,000</b> | <b>10,720,002</b> | <b>62.75%</b>     | <b>10,869,002</b>  | <b>-</b> | <b>10,869,002</b> | <b>60.44%</b>     | <b>1.39%</b>             |

|  |                   |                |                   |               |                   |              |                   |               |              |
|--|-------------------|----------------|-------------------|---------------|-------------------|--------------|-------------------|---------------|--------------|
| <b>(2) Foreign</b>   |                   |                |                   |               |                   |              |                   |               |              |
| a) NRI Individuals   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| b) Other Individuals   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| c) Bodies Corp.  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| d) Any other   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| <b>Sub Total (A) (2)</b>   | -                 | -              | -                 | <b>0.00%</b>  | -                 | -            | -                 | <b>0.00%</b>  | <b>0.00%</b> |
| <b>TOTAL (A)</b>   | <b>10,619,002</b> | <b>101,000</b> | <b>10,720,002</b> | <b>62.75%</b> | <b>10,869,002</b> | <b>-</b>     | <b>10,869,002</b> | <b>60.44%</b> | <b>1.39%</b> |
| <b>B. Public Shareholding</b>  |                   |                |                   |               |                   |              |                   |               |              |
| <b>1. Institutions</b>   |                   |                |                   |               |                   |              |                   |               |              |
| a) Mutual Funds  | -                 | 5,600          | 5,600             | 0.03%         | -                 | 5,600        | 5,600             | 0.03%         | 0.00%        |
| b) Banks / FI  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| c) Central Govt  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| d) State Govt(s)   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| e) Venture Capital Funds   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| f) Insurance Companies   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| g) FIs   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| h) Foreign Venture Capital Funds   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| i) Others (specify)  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| <b>Sub-total (B)(1)</b>  | -                 | <b>5,600</b>   | <b>5,600</b>      | <b>0.03%</b>  | -                 | <b>5,600</b> | <b>5,600</b>      | <b>0.03%</b>  | <b>0.00%</b> |
| <b>2. Non-Institutions</b>   |                   |                |                   |               |                   |              |                   |               |              |
| a) Bodies Corp.  |                   |                |                   |               |                   |              |                   |               |              |
| i) Indian  | 1,773,059         | 16,800         | 1,789,859         | 10.48%        | 1689213           | 16800        | 1,706,013         | 9.49%         | -4.68%       |
| ii) Overseas   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| b) Individuals   | -                 | -              | -                 | -             | -                 | -            | -                 | -             | -            |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 1,404,703         | 799,691        | 2,204,394         | 12.90%        | 1006891           | 771069       | 1,777,960         | 9.89%         | -19.34%      |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1,999,873         | 1,000          | 2,000,873         | 11.71%        | 2472062           | -            | 2,472,062         | 13.75%        | 23.55%       |
| c) Others (specify)  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | -             | -            |
| Non Resident Indians   | 255,242           | 89,200         | 344,442           | 2.02%         | 425606            | 86800        | 512,406           | 2.85%         | 48.76%       |
| Overseas Corporate Bodies  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| Foreign Nationals  | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |
| Clearing Members   | 17,930            | -              | 17,930            | 0.10%         | 638757            | -            | 638,757           | 3.55%         | 3462.50%     |
| Trusts   | -                 | -              | -                 | 0.00%         | 300               | -            | 300               | 0.00%         | 0.00%        |
| Foreign Bodies -DR   | -                 | -              | -                 | 0.00%         | -                 | -            | -                 | 0.00%         | 0.00%        |

# OK PLAY INDIA LIMITED

|   |            |           |            |         |            |         |            |         |        |
|---|------------|-----------|------------|---------|------------|---------|------------|---------|--------|
| Sub-total (B)(2):                           | 5,450,807  | 906,691   | 6,357,498  | 37.22%  | 6,232,829  | 874,669 | 7,107,498  | 39.53%  | 11.80% |
| Total Public (B)                            | 5,450,807  | 912,291   | 6,363,098  | 37.25%  | 6,232,829  | 880,269 | 7,113,098  | 39.56%  | 11.79% |
| C. Shares held by Custodian for GDRs & ADRs | -          | -         | -          | 0.00%   | -          | -       | -          | 0.00%   | 0.00%  |
| Grand Total (A+B+C)                         | 16,069,809 | 1,013,291 | 17,083,100 | 100.00% | 17,101,831 | 880,269 | 17,982,100 | 100.00% | 13.18% |

## (ii) Shareholding of Promoter

| S.N | 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   | Rajan Handa                     | 9,017,600                                 | 52.79%                           | 4794000   | 9,686,852                           | 53.87%                           | 7419000  | 7.42%                                    |
| 2   | Mamta Handa                     | 312,102                                   | 1.83%                            | -   | 1,000,000                           | 5.56%                            | -  | 220.41%                                  |
| 3   | Anandana Handa                  | 500                                       | 0.00%                            | -   | 500                                 | 0.00%                            | -  | 0.00%                                    |
| 4   | Raghav Handa                    | 2,500                                     | 0.01%                            | -   | 2,500                               | 0.01%                            | -  | 0.00%                                    |
| 5   | Rishab Handa                    | 2,500                                     | 0.01%                            | -   | 2,500                               | 0.01%                            | -  | 0.00%                                    |
| 6   | Rajesh Chopra                   | 12,150                                    | 0.07%                            | -   | 12,150                              | 0.07%                            | -  | 0.00%                                    |
| 7   | Sangeeta Chopra                 | 74,400                                    | 0.44%                            | -   | 74,400                              | 0.41%                            | -  | 0.00%                                    |
| 8   | Geetanjali Chopra               | 26,050                                    | 0.15%                            | -   | 26,050                              | 0.14%                            | -  | 0.00%                                    |
| 9   | Gaurav Chopra                   | 56,350                                    | 0.33%                            | -   | 56,350                              | 0.31%                            | -  | 0.00%                                    |
| 10  | Rajesh Chopra (HUF)             | 7,700                                     | 0.05%                            | -   | 7,700                               | 0.04%                            | -  | 0.00%                                    |
| 11  | T R Handa                       | 317,150                                   | 1.86%                            | -   | -                                   | 0.00%                            | -  | -100.00%                                 |
| 12  | Usha Handa                      | 141,000                                   | 0.83%                            | -   | -                                   | 0.00%                            | -  | -100.00%                                 |
| 13  | Scholar Trading Private Limited | 750,000                                   | 4.39%                            | -   | -                                   | 0.00%                            | -  | -100.00%                                 |

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

| SN | Particulars                  | 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 |
|    | At the beginning of the year | 01-04-14 |           | 10,720,002                                | 62.75%            | 10,720,002                              | 59.61%            |
|    | Changes during the year      | 07-04-14 | Transfer  | 200,000                                   | 1.17%             | 10,520,002                              | 58.50%            |
|    |                              | 09-04-14 | Transfer  | 300,000                                   | 1.76%             | 10,220,002                              | 56.83%            |
|    |                              | 06-05-14 | Transfer  | 250,000                                   | 1.46%             | 9,970,002                               | 55.44%            |
|    |                              | 03-06-14 | Transfer  | 317150<br>(within Promoter Group)         | 1.86%             | 9,970,002                               | 55.44%            |
|    |                              | 03-06-14 | Transfer  | 141,000                                   | 0.83%             | 9,970,002                               | 55.44%            |
|    |                              | 06-06-14 | Transfer  | 312,102                                   | 1.83%             | 9,970,002                               | 55.44%            |
|    |                              | 21-08-14 | Allotment | 899,000                                   | 5.26%             | 10,869,002                              | 60.44%            |
|    | At the end of the year       | 31-03-15 |           | 10,869,002                                | 63.62%            | 10,869,002                              | 60.44%            |

**(iv) Shareholding Pattern of top ten Shareholders\***

*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

| S<br>N   | For each of<br>the Top 10<br>shareholders             | Date     | Reason   | Shareholding at the beginning<br>of the year |                   | Cumulative Shareholding<br>during the year |                   |
|----------|---|----------|----------|--|-------------------|--|-------------------|
|          |   |          |          | No. of shares                                | % of total shares | No. of shares                              | % of total shares |
| <b>1</b> | <b>Bennett, Coleman<br/>&amp; Company<br/>Limited</b> |          |          |  |                   |  |                   |
|          | At the beginning of<br>the year                       | 01-04-14 |          | 500,000                                      | 2.93%             | 500,000                                    | 2.78%             |
|          | Changes during the<br>year                            | 23-05-14 | Transfer | 4,750  | 0.03%             | 495,250                                    | 2.75%             |
|          |   | 06-03-15 | Transfer | 247,625                                      | 1.45%             | 247,625                                    | 1.38%             |
|          | At the end of the<br>year                             | 31-03-15 |          | 247,625                                      | 1.45%             | 247,625                                    | 1.38%             |
| <b>2</b> | <b>Honey Parwal</b>                                   |          |          |  |                   |  |                   |
|          | At the beginning of<br>the year                       | 01-04-14 |          | 374,707                                      | 2.19%             | 374,707                                    | 2.08%             |
|          | Changes during<br>the year                            | 28-11-04 | Transfer | 38,186                                       | 0.22%             | 336,521                                    | 1.87%             |
|          |   | 05-12-14 | Transfer | 20,000                                       | 0.12%             | 316,521                                    | 1.76%             |
|          |   | 19-12-14 | Transfer | 509  | 0.00%             | 316,012                                    | 1.76%             |
|          |   | 06-03-15 | Transfer | 48,900                                       | 0.29%             | 267,112                                    | 1.49%             |
|          |   | 13-03-15 | Transfer | 10,000                                       | 0.06%             | 257,112                                    | 1.43%             |
|          |   | 20-03-15 | Transfer | 15,000                                       | 0.09%             | 242,112                                    | 1.35%             |
|          |   | 31-03-15 | Transfer | 4,000  | 0.02%             | 238,112                                    | 1.32%             |
|          | At the end of the year                                | 31-03-15 |          | 238,112                                      |                   | 238,112                                    |                   |
| <b>3</b> | <b>Shankar Somani</b>                                 |          |          |  |                   |  |                   |
|          | At the beginning of<br>the year                       | 01-04-14 |          | 250,000                                      | 1.46%             | 250,000                                    | 1.39%             |
|          | Changes during<br>the year                            | 29-08-14 | Transfer | 76,200                                       | 0.45%             | 173,800                                    | 0.97%             |
|          |   | 14-11-15 | Transfer | 250,000                                      | 1.46%             | 423,800                                    | 2.36%             |
|          |   | 05-12-14 | Transfer | 55,000                                       | 0.32%             | 368,800                                    | 2.05%             |
|          |   | 31-12-14 | Transfer | 127,055                                      | 0.74%             | 241,745                                    | 1.34%             |
|          |   | 02-01-15 | Transfer | 82,041                                       | 0.48%             | 159,704                                    | 0.89%             |
|          |   | 06-03-15 | Transfer | 71,304                                       | 0.42%             | 88,400                                     | 0.49%             |
|          |   | 13-03-15 | Transfer | 60,000                                       | 0.35%             | 148,400                                    | 0.83%             |
|          |   | 20-03-15 | Transfer | 40,000                                       | 0.23%             | 188,400                                    | 1.05%             |
|          | At the end of the<br>year                             | 31-03-15 |          | 188,400                                      | 1.10%             | 188,400                                    | 1.05%             |

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|          |  |          |          |         |       |         |       |
|----------|--|----------|----------|---------|-------|---------|-------|
| <b>4</b> | <b>Dugar Growth Fund Private Limited</b> |          |          |         |       |         |       |
|          | At the beginning of the year             | 01-04-14 |          | 200,000 | 1.17% | 200,000 | 1.11% |
|          | Changes during the year                  | 27-03-15 |          | 166,300 | 0.97% | 33,700  | 0.19% |
|          | At the end of the year                   | 31-03-15 |          | 33,700  | 0.20% | 33,700  | 0.19% |
| <b>5</b> | <b>Dhampur Alco-Chem Limited</b>         |          |          |         |       |         |       |
|          | At the beginning of the year             | 01-04-14 |          | 182,991 | 1.07% | 182,991 | 1.02% |
|          | Changes during the year                  | 25-07-14 | Transfer | 170,000 | 1.00% | 12,991  | 0.07% |
|          |  | 31-07-14 | Transfer | 6,000   | 0.04% | 6,991   | 0.04% |
|          | At the end of the year                   | 31-03-15 |          |         |       |         |       |
| <b>6</b> | <b>Kanav Parwal</b>                      |          |          |         |       |         |       |
|          | At the beginning of the year             | 01-04-14 |          | 171,874 | 1.01% | 171,874 | 0.96% |
|          | Changes during the year                  |          |          | -       | 0.00% | -       | 0.00% |
|          | At the end of the year                   | 31-03-15 |          | 171,874 | 1.01% | 171,874 | 0.96% |
| <b>7</b> | <b>Sandeep Parwal</b>                    |          |          |         |       |         |       |
|          | At the beginning of the year             | 01-04-14 |          | 154,652 | 0.91% | 154,652 | 0.86% |
|          | Changes during the year                  |          |          | -       | 0.00% | -       | 0.00% |
|          | At the end of the year                   | 31-03-15 |          | 154,652 | 0.91% | 154,652 | 0.86% |
| <b>8</b> | <b>Pelf Finstock Limited</b>             |          |          |         |       |         |       |
|          | At the beginning of the year             | 01-04-14 |          | 145,000 | 0.85% | 145,000 | 0.81% |
|          | Changes during the year                  | 22-08-14 | Transfer | 10,000  | 0.06% | 155,000 | 0.86% |
|          |  | 29-08-14 | Transfer | 5,000   | 0.03% | 160,000 | 0.89% |
|          |  | 30-09-14 | Transfer | 1,000   | 0.01% | 159,000 | 0.88% |
|          |  | 10-10-14 | Transfer | 5,000   | 0.03% | 154,000 | 0.86% |
|          |  | 17-10-14 | Transfer | 10,000  | 0.06% | 144,000 | 0.80% |
|          |  | 14-11-14 | Transfer | 15,000  | 0.09% | 129,000 | 0.72% |
|          |  | 21-11-14 | Transfer | 5,899   | 0.03% | 123,101 | 0.68% |
|          |  | 28-11-14 | Transfer | 6,000   | 0.04% | 117,101 | 0.65% |
|          |  | 02-01-15 | Transfer | 99,750  | 0.58% | 17,351  | 0.10% |
|          |  | 23-01-15 | Transfer | 178     | 0.00% | 17,173  | 0.10% |
|          |  | 30-01-15 | Transfer | 6,406   | 0.04% | 10,767  | 0.06% |



|           |                                   |          |  |         |       |         |       |
|-----------|-----------------------------------|----------|--|---------|-------|---------|-------|
|           | At the end of the year            | 31-03-15 |  | 10,767  | 0.06% | 10,767  | 0.06% |
| <b>9</b>  | <b>Ganesh Stockinvest Pvt Ltd</b> |          |  |         |       |         |       |
|           | At the beginning of the year      | 01-04-14 |  | 132,000 | 0.77% | 132,000 | 0.73% |
|           | Changes during the year           |          |  | -       | 0.00% | -       | 0.00% |
|           | At the end of the year            | 31-03-15 |  | 132,000 | 0.77% | 132,000 | 0.73% |
| <b>10</b> | <b>Sandeep Parwal Huf</b>         |          |  |         |       |         |       |
|           | At the beginning of the year      | 01-04-14 |  | 130,103 | 0.76% | 130,103 | 0.72% |
|           | Changes during the year           |          |  | -       | 0.00% | -       | 0.00% |
|           | At the end of the year            | 31-03-15 |  | 130,103 | 0.76% | 130,103 | 0.72% |

\* Based on Weekly data Provide by RTA

**(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 |
| <b>1</b> | <b>Justice T.R. Handa (Retd.)</b>                                |          |          |   |                   |   |                   |
|          | At the beginning of the year                                     | 01-04-14 |          | 317,150                                   | 1.86%             | 317,150                                 | 1.76%             |
|          | Changes during the year  | 03-06-14 | Transfer | 317,150                                   | 1.86%             | -                                       | 0.00%             |
|          | At the end of the year   | 31-03-15 |          | -   | 0.00%             | -                                       | 0.00%             |
| <b>2</b> | <b>Rajan Handa</b>   |          |          |   |                   |   |                   |
|          | At the beginning of the year                                     | 01-04-14 |          | 9,017,600                                 | 52.79%            | 9,017,600                               | 50.15%            |
|          | Changes during the year  | 03-06-14 | Transfer | 458,150                                   | 2.68%             | 9,475,750                               | 52.70%            |
|          |  | 06-06-14 | Transfer | 211,102                                   | 1.24%             | 9,686,852                               | 53.87%            |
|          | At the end of the year   | 31-03-15 |          | 9,686,852                                 | 56.70%            | 9,686,852                               | 53.87%            |
| <b>3</b> | <b>Mamta Handa</b>   |          |          |   |                   |   |                   |
|          | At the beginning of the year                                     | 01-04-14 |          | 312,102                                   | 1.83%             | 312,102                                 | 1.74%             |
|          | Changes during the year  | 06-06-14 | Transfer | 211,102                                   | 1.24%             | 101,000                                 | 0.56%             |
|          |  | 21-08-15 |          | 899,000                                   | 5.26%             | 1,000,000                               | 5.56%             |
|          | At the end of the year   | 31-03-15 |          | 1,000,000                                 | 5.85%             | 1,000,000                               | 5.56%             |
| <b>4</b> | <b>Rajan Wadhwa</b>  |          |          |   |                   |   |                   |
|          | At the beginning of the year                                     | 01-04-14 |          | 36,300                                    | 0.21%             | 36,300                                  | 0.20%             |
|          | Changes during the year  | 03-06-14 |          | -   | 0.00%             | -                                       | 0.00%             |
|          | At the end of the year   | 31-03-15 |          | 36,300                                    | 0.21%             | 36,300                                  | 0.20%             |

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|          |                               |          |  |       |       |       |       |
|----------|-------------------------------|----------|--|-------|-------|-------|-------|
| <b>5</b> | <b>Shalabh Jasoria</b>        |          |  |       |       |       |       |
|          | At the beginning of the year  | 01-04-14 |  | 2,375 | 0.01% | 2,375 | 0.01% |
|          | Changes during the year       | 03-06-14 |  | -     | 0.00% | -     | 0.00% |
|          | At the end of the year        | 31-03-15 |  | 2,375 | 0.01% | 2,375 | 0.01% |
| <b>6</b> | <b>Rakesh Kumar Bhatnagar</b> |          |  |       |       |       |       |
|          | At the beginning of the year  | 01-04-14 |  | -     | 0.00% | -     | 0.00% |
|          | Changes during the year       | 03-06-14 |  | -     | 0.00% | -     | 0.00% |
|          | At the end of the year        | 31-03-15 |  | -     | 0.00% | -     | 0.00% |
| <b>7</b> | <b>Vijendra Kumar Jain</b>    |          |  |       |       |       |       |
|          | At the beginning of the year  | 01-04-14 |  | -     | 0.00% | -     | 0.00% |
|          | Changes during the year       | 03-06-14 |  | -     | 0.00% | -     | 0.00% |
|          | At the end of the year        | 31-03-15 |  | -     | 0.00% | -     | 0.00% |
| <b>8</b> | <b>Triloki Nath Verma</b>     |          |  |       |       |       |       |
|          | At the beginning of the year  | 01-04-14 |  | -     | 0.00% | -     | 0.00% |
|          | Changes during the year       | 03-06-14 |  | -     | 0.00% | -     | 0.00% |
|          | At the end of the year        | 31-03-15 |  | -     | 0.00% | -     | 0.00% |

## V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

| Particulars  | Secured Loans<br>excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                 |          |                    |
| i) Principal Amount  | 6,931.84                            | 118.42          | -        | 7,050.26           |
| ii) Interest due but not paid                              | -                                   | -               | -        | -                  |
| iii) Interest accrued but not due                          | 20.36                               | -               | -        | 20.36              |
| <b>Total (i+ii+iii)</b>                                    | <b>6,952.20</b>                     | <b>118.42</b>   | <b>-</b> | <b>7,070.62</b>    |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                 |          |                    |
| * Addition   | 867.07                              | 503.51          | -        | 1,370.58           |
| * Reduction  | -                                   | -               | -        | -                  |
| Net Change   | 867.07                              | 503.51          | -        | 1,370.58           |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                 |          |                    |
| i) Principal Amount  | 7,798.91                            | 621.93          | -        | 8,420.84           |
| ii) Interest due but not paid                              | -                                   | -               | -        | -                  |
| iii) Interest accrued but not due                          | 14.15                               | -               | -        | 14.15              |
| <b>Total (i+ii+iii)</b>                                    | <b>7,813.06</b>                     | <b>621.93</b>   | <b>-</b> | <b>8,434.99</b>    |

## 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 (Rs/Lac) |
|-----|---|--------------------------------|-------------------|---------------------|---------------------|-----------------------|
|     |   | Justice T.R. Handa (Retd.)     | Mr. Rajan Handa   | Mrs. Mamta Handa    | Dr. Rajan Wadhera   |                       |
|     | Designation   | Chairman & Whole-Time Director | Managing Director | Whole-Time Director | Whole-Time Director |                       |
| 1   | Gross salary  | 36                             | 44.52             | 38.16               | 12.75               | 131.43                |
|     | (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             | -                              | -                 | -                   | -                   | -                     |
| 2   | Stock Option  | -                              | -                 | -                   | -                   | -                     |
| 3   | Sweat Equity  | -                              | -                 | -                   | -                   | -                     |
| 4   | Commission  | -                              | -                 | -                   | -                   | -                     |
|     | - as % of profit  | -                              | -                 | -                   | -                   | -                     |
|     | - others, specify   | -                              | -                 | -                   | -                   | -                     |
| 5   | Others, please specify  | -                              | -                 | -                   | -                   | -                     |
|     | <b>Total (A)</b>  | <b>36.00</b>                   | <b>44.52</b>      | <b>38.16</b>        | <b>12.75</b>        | <b>131.43</b>         |
|     | Ceiling as per the Act  | 84 Lac                         | 84 Lac            | 84 Lac              | 84 Lac              | 336 Lac               |

### B. Remuneration to other Directors

| SN. | Particulars of Remuneration                | Name of Directors          |                          |                     | Total Amount (Rs/Lac) |
|-----|--|----------------------------|--------------------------|---------------------|-----------------------|
|     |  | Mr. Rakesh Kumar Bhatnagar | Mr. Vijyendra Kumar Jain | Mr. Shalabh Jasoria |                       |
| 1   | Independent Directors                      | Nil                        | Nil                      | Nil                 |                       |
|     | Fee for attending board committee meetings | Nil                        | Nil                      | Nil                 | -                     |
|     | Commission                                 | Nil                        | Nil                      | Nil                 | -                     |
|     | Others, please specify                     | Nil                        | Nil                      | Nil                 | -                     |
|     | <b>Total (1)</b>                           | -                          | -                        | -                   | -                     |
| 2   | Other Non-Executive Directors              | Not Applicable             | Not Applicable           | Not Applicable      | -                     |
|     | Fee for attending board committee meetings | -                          | -                        | -                   | -                     |
|     | Commission                                 | -                          | -                        | -                   | -                     |
|     | Others, please specify                     | -                          | -                        | -                   | -                     |
|     | <b>Total (2)</b>                           | -                          | -                        | -                   | -                     |
|     | <b>Total (B)=(1+2)</b>                     | -                          | -                        | -                   | -                     |
|     | Total Managerial Remuneration              | -                          | -                        | -                   | 131.43                |
|     | Overall Ceiling as per the Act             | -                          | -                        | -                   | 336 Lac               |

# OK PLAY INDIA LIMITED

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

| SN. | Particulars of Remuneration   | Name of Key Managerial Personnel |                    |                        | Total Amount (Rs/Lac) |
|-----|---|----------------------------------|--------------------|------------------------|-----------------------|
|     |   | Not Applicable                   | Mr. Dhir Singh     | Mr. Triloki Nath Verma |                       |
|     | Designation   | CEO                              | CS upto 13-02-2014 | CS w.e.f. 02-03-2015   |                       |
| 1   | Gross salary  |                                  |                    |                        |                       |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                                | 10.02              | 0.07                   | 10.09                 |
|     | (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             | -                                | -                  | -                      | -                     |
| 2   | Stock Option  | -                                | -                  | -                      | -                     |
| 3   | Sweat Equity  | -                                | -                  | -                      | -                     |
| 4   | Commission  |                                  |                    |                        |                       |
|     | - as % of profit  | -                                | -                  | -                      | -                     |
|     | - others, specify   | -                                | -                  | -                      | -                     |
| 5   | Others, please specify  | -                                | -                  | -                      | -                     |
|     | <b>Total</b>  | -                                | <b>10.02</b>       | <b>0.07</b>            | <b>10.09</b>          |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |

## Annexure-2: CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under section 134 of the Companies Act, 2013 read with the rules made therein

### A. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of fuel and electricity.

b) Relevant data in respect of energy consumption is as below:

#### POWER CONSUMPTION\*:

|   | Current Year Ending<br>31.03.2015 | Previous Year Ending<br>31.03.2014 |
|---|-----------------------------------|------------------------------------|
| a. Electricity Purchased                      |                                   |                                    |
| 1. Units                                      | 1770513                           | 1864352                            |
| 2. Total Amount (Rs. in Lacs)                 | 144.57                            | 162.53                             |
| 3. Rate / unit                                | 8.17                              | 8.71                               |
| b. HSD Fuel Consumption                       |                                   |                                    |
| 1. Quantity (K.ltrs) (for production purpose) | 342.24                            | 533.95                             |
| 2. Total Amount (Rs. in Lacs)                 | 187.45                            | 270.97                             |

\* Allocated Figures

### B. TECHNOLOGY ABSORPTION

The Company does not depend on foreign technology for manufacturing of its engineering range of products. In fact, the Company is self-reliant in the design as well as in the manufacturing process of moulds. For the new generation range of automotive parts your company having a technology transfer arrangement with M/s Solar Plastic Inc a USA based company.

#### Research and Development:-

##### a. Specified Areas in which the Company carries out R&D: -

The focus on Research and Development activity during the current year continued on development of new products & variants thereof apart from improving the existing products and value engineering of products.

##### b. Benefit derived as a result of above R&D: -

During the year, various types of Furniture such as Dual Desks besides other items have been developed and production of the same commenced successfully.

##### c. Future plan of Action.

Further development of moulds and products based on market requirement.

##### d. Expenditure on Research and Development:-

The following Expenditure was incurred on conducting R&D.

Rs. in Lakhs

|   |  |        |
|---|--|--------|
| a | Capital (Development & Manufacturing of Moulds)          | 517.99 |
| b | Recurring  | NIL    |
| c | Total  | 517.99 |
| d | Total R&D expenditure as a percentage of total turnovers | 9.14%  |

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

#### a. Earnings

Foreign exchange earnings during the year were Rs.24,01,012.00/-  
(Previous year Rs. 33,47,961.42/-)

#### b. Outgo

Foreign exchange outgo during the year was Rs.119366797.84/-  
(Previous year Rs. 6,76,07,267.81/-)

for OK PLAY INDIA LTD.

-Sd-

Justice T.R.Handa (Retd.)

Chairman-cum-Whole-time Director

Place: New Delhi

Date: 14<sup>th</sup> August, 2015

## **ANNEXURE-3: DISCLOSURES REQUIRED WITH RESPECT TO SECTION 197(12) OF THE COMPANIES ACT, 2013.**

The ratio of the remuneration of each Director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **I. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year**

|  |       |
|--|-------|
| Justice (Retd.) T.R. Handa, Chairman   | 16.67 |
| Mr. Rajan Handa, Managing Director     | 19.44 |
| Mrs. Mamta Handa, Whole time Director  | 16.67 |
| Mr. Rajan Wadhera, Whole time Director | 5.44  |

### **II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

There was no increase in the salary of directors during the year. There is no CFO at present in the Company and salary of Company Secretary has been reduced by 22% during the year due to change in the Company Secretary during the year.

#### **The percentage increase in the median remuneration of employees in the financial year**

The percentage increase in the median remuneration of employees in the financial year is around 7.36%.

### **III. The number of permanent employees on the rolls of company**

The number of permanent employees as on 31<sup>st</sup> March, 2015 is 139.

### **IV. The explanation on the relationship between average increase in remuneration and company performance**

The Company follows prudent remuneration practices under the guidance of the Board and Remuneration & Nomination Committee. The Company's approach to remuneration is intended to drive meritocracy within the framework of prudent risk management. Remuneration is linked to corporate performance, business performance and individual performance.

The Company has a judicious and prudent approach to compensation and does not use compensation as the sole lever to attract and retain employees. Employee compensation takes into account a mix of salary, allowances and perquisites.

The increase in remuneration is a function of factors outlined above.

### **V. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company**

| <b>Particulars</b>   | <b>Rs in Lacs</b> |
|--|-------------------|
| Remuneration of key Managerial Personnel(KMP) during financial year 2014-15 (Aggregated) | 142.18            |
| Revenue from operations  | 5664.71           |
| Remuneration (as % of revenue)   | 2.51              |
| Profit before tax (PBT)  | (231.17)          |

**VI. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies**

| Particulars                     | 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
|---------------------------------|------------------------------|------------------------------|
| Closing Rate of Shares          | 127.60                       | 28.10                        |
| Total Issued Shares             | 17982100                     | 17083100                     |
| Market capitalization (in Lakh) | 2294515960                   | 480035110                    |
| Earnings per share              | (0.91)                       | (2.44)                       |
| Price/Earnings multiple         | 140.21                       | 11.51                        |

Increase in the market quotations of the equity shares in comparison to the rate at which the last public offer made in February, 1994

| Particulars        | March 31, 2015 | 10 <sup>th</sup> February, 1994 | % Change |
|--------------------|----------------|---------------------------------|----------|
| Market Price (BSE) | 127.60         | 10.00                           | 11760%   |

**VII. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for during the period is around 12.35% while the average increase in the remuneration of the Key Managerial Personnel is Nil. This increment is in line with the factors outlined in point (v) above.

**VIII. Comparison of remuneration of each of the Key Managerial Personnel against the performance of the company**

The ratio of the remuneration of each KMP to the PAT of the Bank is given below:

| KMP  | Remuneration | Revenue 2015 In Lacs | Revenue 2014 In Lacs |
|--|--------------|----------------------|----------------------|
| Justice (Retd.) T.R. Handa, Chairman and Whole time Director | 3600000      | 5664.71              | 10605.96             |
| Mr. Rajan Handa, Managing Director                           | 4452000      | 5664.71              | 10605.96             |
| Mrs. Mamta Handa, Whole time Director                        | 3816000      | 5664.71              | 10605.96             |
| Mr. Rajan Wadhera, Whole Time Director                       | 1275850      | 5664.71              | 10605.96             |
| Company Secretary  | 1074305      | 5664.71              | 10605.96             |

**IX. The key parameters for any variable component of remuneration availed by the directors**

Not Applicable

**X. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.**

Not Applicable

**XI. Affirmation that the remuneration is as per the remuneration policy of the company**

Yes

# OK PLAY INDIA LIMITED

## Annexure 4: SECRETARIAL AUDIT REPORT

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**OK PLAY INDIA LIMITED**

17 ROZ KA MEO INDUSTRIAL ESTATE,

Tehsil Nuh, Dist Mewat, HARYANA-122103

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **OK PLAY INDIA 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 **OK PLAY INDIA LIMITED** 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i). Companies Act, 2013 and the rules made thereunder, and The Companies Act, 1956 and rules made there under to the extent applicable.
- (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 (ECB).
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **Not Applicable**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **Not Applicable**
  - f. 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.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **Not Applicable**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **Not Applicable**
- (vi) RBI Act, 1934 **Not Applicable**
- (vii) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. **Not Applicable**
- (viii) Industrial and Labour Laws which inter- alia includes **(based on the confirmation received from the Management)**



The Minimum Wages Act, 1948  
 The Payment of Bonus Act, 1965  
 The Payment of Gratuity Act, 1972  
 The Employee's Provident Fund & Miscellaneous Provisions Act, 1952  
 The Employee's State Insurance Act, 1948 etc.  
 The Factory Act, 1948  
 Equal Remuneration Act, 1976  
 Punjab Fund Welfare Act, 1965  
 Payment of Wages Act, 1936  
 The Workmen's Compensation Act, 1923  
 The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959  
 The Contract Labour (Regulation and Abolition) Act, 1970

We have also examined compliance with the applicable clauses of the following:

(i) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

**a) Observations/ Non Compliances/ Adverse Remarks/ Qualifications in respect of Companies Act 2013 and rules made there under are as follows:**

- The Company has not appointed CFO during the audit period as required under Section 203 of Companies Act, 2013.
- The Company has not appointed Internal Auditor during the audit period as required under Section 138 of Companies Act, 2013.
- The Company has passed Special Resolution under Section 180(1) (c) of the Companies Act, 2013 in Annual General Meeting held on 30<sup>th</sup> September, 2014.
- Resolution required to be register with ROC regarding Cash Credit facility from Indian Overseas Bank was not filed with ROC
- Resolution required to be register with ROC regarding Loan Facility from Genesis finance Company Limited was not filed with ROC.
- Prior approval under Section 188 Companies Act, 2013 is not obtained for Related Party Transactions.

**b) Observations/ Non Compliances/ Adverse Remarks/ Qualifications in respect of Listing Agreement Compliance are as follows:**

- The Board is not duly constituted with proper Balance of Executive Directors, Non –Executives Directors as required under clause 49 of the listing agreement.
- Independent Director of the Company is not appointed as director in the Board of Director of the Material Non Listed Subsidiary Company **OK Play Auto Private Limited**.

**We further report that:**

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and independent Directors. The changes in the composition of the Board of Directors which 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 to the Directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that based on the information received and records maintained by the Company, 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.

Place : Delhi

Date : 14<sup>th</sup> August, 2015

**for Mukesh Agarwal & Co.**  
**Mukesh Kumar Agarwal**  
 M No-F5991  
 C P No.3851

# OK PLAY INDIA LIMITED

Annexure 5: Certificate from Company Secretary in Practice under Clause 49 of listing agreement

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of OK PLAY INDIA LIMITED,

I have reviewed the compliance of conditions of corporate governance by OK PLAY INDIA LIMITED for the year ended 31<sup>st</sup> March, 2015, as stipulated in the Clause 49 of the Listing Agreement of the said Company with Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us.

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

In my opinion and to the best of our information and according to explanations given to us, I certify that the company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement except that the Board is not duly constituted with proper balance of Executive, Non- Executive and Independent Directors and no Independent Director is appointed as a Director in the Board of Directors of Material Non listed Subsidiary Company OK Play Auto Private Limited.

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

I have been explained that no investor grievance are pending as on 31<sup>st</sup> March, 2015 for a period exceeding one month against the Company as per the records maintained by the Company.

Place: New Delhi  
Date: 14<sup>th</sup> August, 2015

Sd/-  
Rakhi Bhattacharya  
Practicing Company Secretary  
M.N. 33989  
COP No 13049

### Form No. AOC-2

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

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

#### 1. Details of contracts or arrangements or transactions not at arms length basis

| Name(s) of the related party and nature of relationship | Nature of contracts/arrangements/ transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | date(s) of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as Date on which the special resolution was passed in general meeting as required under as required under first proviso to section 188 |
|---|--|---|--|--|----------------------------------|---------------------------------|---|
| -   | -  | -   | -  | -  | -                                | -                               | -   |

#### 2. Details of material contracts or arrangement or transactions at arms length basis

| Name(s) of the related party and nature of relationship | Nature of contracts/arrangement s/ transactions                           | Duration of the contracts /arrangements/ transactions | Salient terms of the contracts or arrangement or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|---|---|--|---------------------------------|
| Justice T. R. Handa (Retd.)                             | Payment of Remuneration as per approval of shareholders under section 197 | 28 <sup>th</sup> Feb , 2017                           | As per resolution passed by shareholders  | 14-08-2014                               | NIL                             |
| Mr. Rajan Handa   | Payment of Remuneration as per approval of shareholders under section 197 | 28 <sup>th</sup> Feb , 2017                           | As per resolution passed by shareholders  | 14-08-2014                               | NIL                             |
| Mrs. Mamta Handa  | Payment of Remuneration as per approval of shareholders under section 197 | 19 <sup>th</sup> June, 2016                           | As per resolution passed by shareholders  | 14-08-2014                               | NIL                             |
| Mr. Rajan Wadhwa  | Payment of Remuneration as per approval of shareholders under section 197 | 30 <sup>th</sup> Sep, 2017                            | As per resolution passed by shareholders  | 14-08-2014                               | NIL                             |
| OK Play Auto Private                                    | Sale purchase of Goods  | -   | See Note 27(6) of Annual A/c  | 14-08-2014                               | NIL                             |
| Rave India  | purchase of Goods   | No formal Contract                                    | See Note 27(6) of Annual A/c  | Exempt                                   | NIL                             |
| A&A Labels  | purchase of Goods   | No formal Contract                                    | See Note 27(6) of Annual A/c  | Exempt                                   | NIL                             |
| Anupam Art Printer                                      | purchase of Goods   | No formal Contract                                    | See Note 27(6) of Annual A/c  | Exempt                                   | NIL                             |

## REPORT OF THE DIRECTORS ON THE CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is of the belief that sound Corporate Governance is vital to enhance and retain stakeholders trust. Good Governance underpins the success and integrity of the organization, institution and market. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the higher level of management and your Company believes that good Corporate Governance contemplates that corporate actions balance the interest of all stakeholders and satisfy the tests of accountability, transparency, empowerment and integrity for the efficient and ethical conduct of businesses.

In the Line of above philosophy, your company continuously strives for excellence through adoption of best governance and disclosure practices. OK Play's code of Corporate Governance has been drafted in compliance with the code of corporate governance as promulgated by the SEBI.

### 2. BOARD OF DIRECTORS

The Board of Directors consists of 7 (seven) Directors including one woman director out of which three are Non-executive Directors. Mr. Rakesh Kumar Bhatnagar has resigned in the meeting held on 14<sup>th</sup> August, 2015. Board of Directors has proposed appointment of two more Independent Directors in the notice of ensuing Annual General Meeting. After appointment, composition of Board will be 8 (eight) Directors (excluding outgoing director) out of which four are executive directors & four are non executive & independent directors. All the directors are eminent professionals with experience in Business, Industry, Finance and Law. The company has an executive chairman. The Board is responsible for the management of the business and meets regularly for discharging its role and functions.

The Company has an optimum combination of Executive, Non-Executive and Independent Directors who are eminent person with professional expertise and valuable experience. None of the Director on the Board is a member of more than 10 committees, and Chairman of More than 5 Committees across the companies in which he is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

### BOARD MEETINGS

During the year under review 09 (Nine) Board meetings were held i.e. on 30<sup>th</sup> May, 2014, 27<sup>th</sup> June, 2014, 2<sup>nd</sup> August, 2014, 14<sup>th</sup> August, 2014, 3<sup>rd</sup> September, 2014, 21<sup>st</sup> October, 2014, 14<sup>th</sup> November, 2014, 9<sup>th</sup> January, 2015 & 12<sup>nd</sup> February, 2015. The Company had its last Annual General Meeting of Shareholders on 30<sup>th</sup> September, 2014.

The particulars of composition of the Board of Directors and attendance of Directors at Board Meetings, Annual General Meeting and also number of other directorships and committee membership/chairmanship are as follows:

| Name of Director            | Category of Directorship       | Attendance    |          | No. of other Directorships | No. of Board Committees |           |
|-----------------------------|--------------------------------|---------------|----------|----------------------------|-------------------------|-----------|
|                             |                                | Board Meeting | Last AGM |                            | As Chairman             | As Member |
| Justice T. R. Handa (Retd.) | Chairman & Whole-Time Director | 09            | No       | 0                          | 1                       | 0         |
| Mr. Rajan Handa             | Managing Director              | 08            | Yes      | 3                          | 1                       | 2         |
| Mrs. Mamta Handa            | Whole-Time Director            | 08            | No       | 3                          | 0                       | 2         |
| Dr. Rajan Wadhera           | Whole-Time Director            | 09            | Yes      | 1                          | 0                       | 3         |
| Mr. Shalabh Jasoria         | Non Executive Director         | 09            | Yes      | 9                          | 3                       | 1         |
| Mr. Rakesh Kumar Bhatnagar* | Non Executive Director         | 08            | No       | 1                          | 0                       | 1         |
| Mr. Vijayendra Kumar Jain   | Non Executive Director         | 07            | No       | 1                          | 0                       | 2         |

\* Resigned on 14-08-2015

## 3. COMMITTEE OF BOARD OF DIRECTORS

The Board Committees play a crucial role in the governance structure of the company and are constituted to deal with specific areas/ activities which concern the company and are considered to be performed by members of the Board. The Board of Directors had constituted three Committees of the Board, which are:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholders Relationship Committee.
4. Share Transfer Committee.
5. Risk Management Committee.

### 1. AUDIT COMMITTEE

The Company has a qualified and independent audit Committee comprising of two Independent and one Executive Director of the Company. The Chairman is an independent Director. The terms of reference of the Audit Committee are in consonance with provisions of the Companies Act, 2013 and the guidelines set out in the clause 49 of the Listing Agreements with the Stock exchanges.

Minutes of meetings of the audit committee are circulated to members of the committee and the Board is kept apprised.

### COMPOSITION

The Audit Committee comprises of the following Directors: -

| Sl. No. | Name Of Director          | Designation                 | No. of Meeting Attended |
|---------|---------------------------|-----------------------------|-------------------------|
| 1       | Sh. Shalabh Jasoria       | Independent & Non-executive | 4                       |
| 2       | Dr. Rajan Wadhera         | Whole-Time-Director         | 4                       |
| 3       | Mr. Vijayendra Kumar Jain | Independent & Non-executive | 4                       |

The Chairman of the Audit Committee is always an independent & Non-executive director and is appointed by the members of committee in the meeting.

Members of Audit Committee have requisite financial and management expertise. The Company Secretary acts as the Secretary to the committee.

During the year under review the Committee met on 30<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 & 12<sup>nd</sup> February, 2015

### 2. NOMINATION AND REMUNERATION COMMITTEE

During the year, the nomenclature of the Remuneration Committee of Directors was changed to Nomination and Remuneration Committee and reconstituted on 14<sup>th</sup> August, 2014. The nomination and remuneration committee, a constitution of which is a mandatory requirement, was constituted to meet the requirements of Clause 49 of the Listing Agreement read with the relevant Provision of the Companies Act, 2013 by the Board of Directors to recommend/ review the remuneration package of Whole-Time-Directors. The Remuneration of the Managing Director and the Whole-Time-Directors were approved by the Remuneration Committee, Board of Directors and the shareholders of the Company on his re-appointment in the Annual General Meeting held on 30<sup>th</sup> September, 2015.

### COMPOSITION

The Remuneration Committee comprises of the following Directors: -

1. Mr. Shalabh Jasoria Independent & Non-executive
2. Mr. Vijayendra Kumar Jain Independent & Non-executive
3. Mr. Rakesh Kumar Bhatnagar Independent & Non-Executive

Sh. Shalabh Jasoria is Chairman of the Remuneration Committee. Non Executive Directors were not paid anything during the financial year 2014-2015 The details of amount provided towards Director's remuneration are as follows:

(In Rs.)

| Name                        | Salary     | Sitting Fees | Total      |
|-----------------------------|------------|--------------|------------|
| Justice T. R. Handa (Retd.) | 3600000.00 | NIL          | 3600000.00 |
| Mr. Rajan Handa             | 4452000.00 | NIL          | 4452000.00 |
| Mrs. Mamta Handa            | 3816000.00 | NIL          | 3816000.00 |
| Mr. Rajan Wadhera           | 1275850.00 | NIL          | 1275850.00 |
| Mr. Shalabh Jasoria         | NIL        | NIL          | NIL        |
| Mr. Rakesh Kumar Bhatnagar  | NIL        | NIL          | NIL        |
| Mr. Vijayendra Kumar Jain   | NIL        | NIL          | NIL        |

The Company has not provided for any performance linked incentive or Stock Option or Convertible instruments to the Director of the Company.

The Directors of the Company are appointed by the Shareholders upon recommendation of the Board of The Directors within the framework of the Companies Act, 2013 as well as the Articles of the Association of the Company. The resolution passed by these two governing bodies together with the service rules of the company covers the terms, conditions and remuneration of such appointment. There is no service contract separately entered into by the Company with the Directors. Further, the resolutions appointing these Directors, do not prescribe for the payment of any separate Severance Fees to them. However, the requirement of notice period is as per the service rules of the Company.

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders/Investors Grievances Committee was constituted on 22<sup>nd</sup> March, 2003 in terms of Listing Agreement. The Nomenclature of the Shareholders/Investors Grievances Committee has been changed to Stakeholders Relationship Committee. The Committee looks into resolution and redressal of shareholders/investors complaints related to transfer, transmission of shares, non-receipt of annual reports, dividend and e-voting problems. The Company Secretary attends the Shareholders Grievances Committee.

#### COMPOSITION

The Stakeholders Committee comprises of the following:-

1. Mr. Shalabh Jasoria Independent Director (Chairman of the Committee)
2. Dr. Rajan Wadhera Executive Director
3. Mr. Rajan Handa Executive Director

During the year the Company received 3 (Three) complaints from shareholders. All the complaints were attended promptly and resolved to the satisfaction of the shareholders.

No grievance of any investor was pending as on 31<sup>st</sup> March, 2015.

### 4. SHARE TRANSFER COMMITTEE

The Company's shares are compulsorily required to be traded in dematerialized form. Hence, the committee met at regular intervals considering the volume of transfers received in the physical segment.

The Share Transfer Committee comprises of the following:-

1. Justice T. R. Handa Chairman cum Whole-Time-Director
2. Mr. Rajan Handa Managing Director
3. Mrs. Mamta Handa Whole-Time-Director

During the year the committee met 20 times on 23rd June, 2014, 11th August, 2014, 16th August, 2014, 25th August, 2014, 15th September, 2014, 13th October, 2014, 3rd November, 2014, 17th November, 2014, 1st December, 2014,

# OK PLAY INDIA LIMITED

8th December, 2014, 22nd December, 2014, 5th January, 2015, 12nd January, 2015, 9th February, 2015, 16th February, 2015, 23rd February, 2015, 9th March, 2015, 16th March, 2015, 23rd March, 2015, & 30th March, 2015.

None of the Directors of the Company were members in more than 5 Committees nor acted as a Chairman of more than 5 Committees including all companies in which they were Directors.

## 5. RISK MANAGEMENT COMMITTEE

In terms of Clause 49 of the Listing Agreement, a Risk Management Committee of the Board of Directors was constituted on 2nd August, 2014. Mr. Rajan Handa is the Chairman of the Committee and Mrs. Mamta Handa, Dr. Rajan Wadhera and Mr. Shalabh Jasoria are the member of the Committee. The Company Secretary acts as the Secretary to the Committee. The role and responsibilities of the Risk Management Committee are as prescribed under clause 49 of the Listing Agreement, as amended from time to time, involves review the establishment and adherence of the Company's enterprise risk management framework and also review the efficacy and adequacy of the Risk Management System working in the Company.

During the year, Risk Management Committee meeting was held on 12th February, 2015. All the Member had attended this meeting.

## 4. ANNUAL/ EXTRA-ORDINARY GENERAL MEETINGS

| Year | AGM/ EGM | Location  | Date                             | Time       |
|------|----------|---|----------------------------------|------------|
| 2014 | AGM      | Hakim Ji Ki Choupal, opposite Batra Hospital, Village-Ujina, Police Station – Nuh, District – Mewat Haryana | 30 <sup>th</sup> September, 2014 | 10.00 A.M. |
| 2013 | AGM      | Hakim Ji Ki Choupal, opposite Batra Hospital, Village-Ujina, Police Station – Nuh, District – Mewat Haryana | 30 <sup>th</sup> September, 2013 | 10.00 A.M. |
| 2012 | AGM      | Hakim Ji Ki Choupal, opposite Batra Hospital, Village-Ujina, Police Station – Nuh, District – Mewat Haryana | 29 <sup>th</sup> September, 2012 | 10.00 A.M. |

5 (Five) special resolution was put through e-voting / postal ballot at the 'Annual General Body Meeting' held on 30<sup>th</sup> September, 2014 during the last year.

### (A) Year 2014

1. Increase in borrowing limits up to a sum of Rs. 200 crore (Rupees two hundred crore) over and above the aggregate of the paid up capital of the Company and its free reserves
2. Payment of remuneration to managing director Mr. Rajan Handa ( DIN 00194590)
3. Payment Of Remuneration To Whole Time Director Justice Tilak Raj Handa( DIN 00194284)
4. Appointment and payment of remuneration to Dr. Rajan Wadhera( DIN 01412577) as Whole Time Director
5. To render/sale, purchase all inputs, components and services as may be required to the OK Play Auto Private Limited on cost to cost basis.

### (B) Year 2013

No Special Resolution was passed in the Annual General Meeting held in 2013.

### (C) Year 2012

To approve the re-appointment of Mrs. Mamta Handa as Whole Time Director and remuneration payable to her.

**5. Notes on Directors seeking appointment/reappointment as required under Clause 49VIII (E) of the Listing agreement entered into with the Stock Exchanges.**

| <b>Name of the Director</b>  | <b>Mrs. Mamta Handa</b>   | <b>Mr. Ajay Vohra</b>  | <b>Mr. Naresh Kumar</b>  |
|--|---|--|--|
| Date of Birth  | 03.01.1968  | 11.02.1966   | 02.04.1964   |
| Date of appointment/re-appointment                                 | 20.06.2000  | 30.09.2015   | 30.09.2015   |
| Expertise in specific functional areas                             | She has vide experience in publicity and marketing related functions.                     | Business, Logistics and supply management having more than 20 years. | Business entrepreneur having experience of more than 32 years in Retail, hospitality and Construction.   |
| Qualifications   | B. Com.   | B. Com Hons  | Graduate   |
| Name of the other companies in which person holds the directorship | 1. OK Play Auto Pvt. Ltd.<br>2. OK Play Schooling Pvt. Ltd<br>3. Cautious Exim Pvt. Ltd   | 1. ROSHNARA CLUB LTD.  | 1. MARCHE RETAIL PVT. LTD.<br>2. CRS TOWERS PVT. LTD.<br>3. INTERPRESS PUBLISHERS PVT. LTD.<br>4. OXFORD CUT PVT. LTD.<br>5. BATLI BREWING CO. PVT.LTD.<br>6. PINNACLE BUILDTECH PVT. LTD.<br>7. CRS INVESTMENTS PVT. LTD. |
| Chairman/Member of Board Committees in other companies             | NIL   | NIL  | NIL  |
| Shareholding in the company  | 10,00,000 equity shares   | NIL  | NIL  |
| Relationship between directors                                     | 1. Daughter in law of Justice T. R. Handa, Chairman & Whole<br>2. Wife of Mr. Rajan Handa | No   | No   |

**6. DISCLOSURES**

- Your Directors draw attention of the member to note 27(6) to the financial statement which sets out related party disclosures.
- The Company has fulfilled all statutory compliances except the payment of listing fees to Delhi Stock Exchange, Ahmadabad and Jaipur Stock Exchange Ltd.' Where the securities of the Company are listed. Hon'ble BIFR has directed Ahmadabad Stock Exchange Ltd. and Jaipur Stock Exchange Limited to waive off the arrears and allow the delisting of the company's shares from these stock exchanges.



- The Whistle Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013. The details of establishment of the Whistle Blower Policy/Vigil mechanism has been disclosed on the website of the Company at the link: <http://okplay.in/Whistle-Blower-Policy.pdf>
- Company commits to comply with the requirements of the Clause 49 in its words and spirits.

## **7. SEPARATE MEETINGS OF INDEPENDENT DIRECTORS**

As stipulated the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate Meeting of the Independent Directors of the Company was held 12th February, 2015 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committee which is to effectively and reasonably perform and discharge their duties.

## **8. FAMILIARIZATION PROGRAMME FOR DIRECTORS**

The Independent directors of Company are eminent personalities having wide experience in the field of business, finance, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience.

The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. Board members are also requested to access the necessary documents brochures, Annual Reports and internal policies available at our website to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, at the Board/ Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Directors.

## **9. PROHIBITION OF INSIDER TRADING**

With a view to regulate Trading in Securities by the Directors and Designated Employees, the Company has adopted a "Code of Conduct for Prohibition of Insider Trading".

## **10. MEANS OF COMMUNICATION**

The Company published its Quarterly, Half Yearly Un-audited Financial Results and Audited Financial Results in the prescribed form. The results were forthwith sent to Stock Exchanges where the securities of the Company are listed and also published in the Newspapers namely Pioneer (English) & Veer Arjun (Hindi). The Management discussion and analysis report form part of this annual report.

The Company has posted information regarding policies and listing compliances under the Investor relation page of its web site that is [www.okplay.in](http://www.okplay.in)

## **11. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL**

A qualified practicing Company Secretary carried out quarterly Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirmed that the total issued /paid up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

## **12. CEO/CFO CERTIFICATION**

In terms of requirements of clause 49 (IX) of the Listing Agreement the Managing Director and CFO have submitted necessary certificate to the Board stating the particulars specified under the said clause. This certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings on 30th May, 2015.

## **13. GENERAL SHAREHOLDERS INFORMATION**

General shareholders information has been given under shareholders diary, which is attached to this Annual Report.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As expected, the importance given by the Company to products made of metal and wood, besides plastic molded products, has yielded good results for the company as can be seen from the substantial jump in the sales over the previous year. The Company has achieved its goal of product diversification & reach by segregating the operations into various separate production centers to enhance production numbers and to bring in production efficiency.

The production of plastic molded products is also increasing with the signing of the exclusivity agreement with clients in auto and other sectors. Company is also exploring the opportunities through presence and direct contact with its clients. Company also sees an opportunity in government projects.

Management of the Company is very confident on its (Innovation and Designing capabilities which enables the company to develop products across a wide range of industries. The children products category will see a major expansion with its innovations, designs and new range.

## SEGMENT WISE PERFORMANCE

All the operations of the company are considered as a single business segment.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has an adequate and effective system of internal checks and controls to ensure proper accounting and utilization of all assets.

The Audit Committee of the Board of Directors regularly reviews the effectiveness of the internal control systems to ensure due compliances with various applicable laws, accounting standards and regulatory guidelines.

## HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Human resources in OK play is the name of the function within an organization charged with the overall responsibility for implementing strategies and policies relating to the management of individuals In OK Play, an organization's human resource management strategy maximize return on investment in the organization's human capital and minimize financial risk. HR Department achieve this by aligning the supply of skilled and qualified individuals and the capabilities of the current workforce, with the organization's ongoing and future business plans and requirements to maximize return on investment and secure future survival and success.

### Key functions

Human Resources may set strategies and develop policies, standards, systems, and processes that implement these strategies in a whole range of areas. The following are typical of a wide range of organizations:

Recruitment, selection, and on-boarding (resourcing)

Organizational design and development

Business transformation and change management

Performance, conduct and behavior management

Industrial and employee relations

Safety and health management

Human resources (workforce) analysis and workforce personnel data management

Compensation, rewards, and benefits management

Training and development (learning management) Implementation of such policies, processes or standards may be directly managed by the HR function itself, or the function may indirectly supervise the implementation of such activities by managers, other business functions or via third-party external partner organizations.

### HRM strategy

An HRM strategy pertains to the means as to how to implement the specific functions of HRM. An organization's HR function may possess recruitment and selection policies, disciplinary procedures, reward/recognition policies, an HR plan, or learning and development policies; however all of these functional areas of HRM need to be aligned and correlated,

# OK PLAY INDIA LIMITED

in order to correspond with the overall business strategy. An HRM strategy thus is an overall plan, concerning the implementation of specific HRM functional areas. An HRM strategy typically consists of the following factors:

“Best fit” and “best practice” - meaning that there is correlation between the HRM strategy and the overall corporate strategy. As HRM in OK Play as a field seeks to manage human resources in order to achieve properly organizational goals, an organization's HRM strategy seeks to accomplish such management by applying a firm's personnel needs with the goals/objectives of the organization. As an example, a firm selling toys and plastic components could have a corporate strategy of increasing the sales by 10% over a one year period. Accordingly, the HRM strategy would seek to facilitate how exactly to manage personnel in order to achieve the 10% figure. Specific HRM functions, such as recruitment and selection, reward/recognition, an HR plan, or learning and development policies, would be tailored to achieve the corporate objectives.

Close co-operation is always there between HR and the top/senior management, in the development of the corporate strategy. Theoretically, a senior HR representative always present when an organization's corporate objectives are devised. The personnel's proper management is vital in the firm being successful, or even existing as a going concern. Thus, HR can be seen as one of the critical departments within the functional area of OK play.

Continual monitoring of the strategy, via employee feedback, surveys, etc. The implementation of an HR strategy is not always required, and may depend on a number of factors, namely the size of the firm, the organizational culture within the firm or the industry that the firm operates in and also the people in the firm. An HRM strategy is divided, in general, into two facets - the people strategy and the HR functional strategy. The people strategy pertains to the point listed in the first paragraph, namely the careful correlation of HRM policies/actions to attain the goals laid down in the corporate strategy. The HR functional strategy relates to the policies employed within the HR functional area itself, regarding the management of persons internal to it, to ensure its own departmental goals are met.

Human resource management in OK Play involves in several processes. These processes can be performed in an HR department, but some tasks can also be outsourced or performed by line-managers or other departments. When effectively integrated they provide significant economic benefit to the company.

The Employee Strength of the Company is 139.

## CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis Report containing the Company's objectives, expectations, projections, estimates about the Company's strategy for growth, product development, market share, controls may be “forward looking statement” within the meaning of applicable securities laws and regulations.

Forward Looking Statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied, depending upon economic conditions, demand, supply, change in government policies, price conditions, political conditions, economic scenario and various other incidental factors within or outside the country.

Dated: 14<sup>th</sup> August, 2015

### Regd. Office :-

17, Roz-Ka-Meo Industrial Estate  
Tehsil Nuh, Distt. Mewat,  
Haryana

**By order of the Board of Directors  
for OK PLAY INDIA LTD.**

Sd/-

**Justice T.R.Handa (Retd.)**

Chairman-cum-Whole-time Director

## SHAREHOLDER'S DIARY

### 1. DATE, TIME & VENUE OF THE ANNUAL GENERAL MEETING

30<sup>th</sup> September, 2015 at 10.00 A.M. at Hakim Ji Ki Choupal, Opposite Batra Hospital, Village – Ujina, P.S. Nuh, District – Mewat (Haryana).

### 2. PARTICULARS OF FINANCIAL CALENDAR

|                |  |
|----------------|--|
| Financial Year | 1 <sup>st</sup> April to 31 <sup>st</sup> March      |
| First Quarter  | 1 <sup>st</sup> April to 30 <sup>th</sup> June       |
| Second Quarter | 1 <sup>st</sup> July to 30 <sup>th</sup> September   |
| Third Quarter  | 1 <sup>st</sup> October to 31 <sup>st</sup> December |
| Fourth Quarter | 1 <sup>st</sup> January to 31 <sup>st</sup> March    |

### 3. LISTING INFORMATION

Shares of your Company are listed on following Stock Exchanges:

Bombay Stock Exchange Limited

Ahmedabad Stock exchange Limited

Jaipur Stock Exchange Ltd.

The Hon'ble BIFR vide its order dt. 6/12/2005 has directed the Ahmedabad Stock Exchange and the Jaipur Stock Exchange to waive off arrears of Listing fees payable and allow delisting of shares from these stock exchanges.

### 4. STOCK CODE

|        |        |           |
|--------|--------|-----------|
| BSE    | JAIPUR | AHMEDABAD |
| 526415 | -      | 41770     |

### 5. SHARES OF OK PLAY INDIA LTD. ARE TRADED IN DEMAT FORM :

National Securities Depository Ltd.

ISIN Code No. of Shares INE 870B01016

Central Depository Services (I) Ltd.

### 6. BOOK CLOSURE

From: 23<sup>rd</sup> September, 2015 To: 30<sup>th</sup> September, 2015 (Both days inclusive)

### 7. INVESTOR SERVICE CELL

The Company's Investor's Service Cell is functioning at

17-18 Roz-Ka-Meo Industrial Estate,

Mewat (Haryana)

E-mail : investor.relations@okplay.in

### 8. COMPLIANCE OFFICER:

Mr. Triloki Nath Verma, Company Secretary

### 9. ADDRESS FOR CORRESPONDENCE

**OK PLAY INDIA LIMITED**

17-18 Roz-Ka-Meo Industrial Estate

Tehsil Nuh, Distt. Mewat

Haryana - 122103

# OK PLAY INDIA LIMITED

## 10. REGISTRAR AND SHARE TRANSFER AGENTS

MAS SERVICES LTD.

T-34, IInd Floor, Okhla Industrial Area,

Phase-II, New Delhi- 110 020

Ph. 011-26387281/82/83/41320335/36.

## 11. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2015

| CATEGORY  | No. of Shares   | % to Total    |
|---|-----------------|---------------|
| <b>A. PROMOTER'S HOLDING</b>  |                 |               |
| (Including Directors, Relatives & associates)   | 10869002        | 60.443        |
| <b>B. NON-PROMOTER'S HOLDING</b>  |                 |               |
| Banks, FIs, Mutual Funds, Insurance Companies, (Central/State Govt. Institutions/ Non-Govt. Institutions) | 5600            | 0.031         |
| a. Private Corporate Bodies   | 1706013         | 9.487         |
| b. Indian Public  | 4250022         | 23.634        |
| c. NRIs / OCBs  | 512406          | 2.850         |
| d. Trust  | 300             | 0.002         |
| e. Others   | 638757          | 3.552         |
| <b>GRAND TOTAL</b>  | <b>17982100</b> | <b>100.00</b> |

## 12. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2015

| Share holding of nominal value | Shareholders  |                   | No. of Shares<br>(4) | Share Amount                    |                   |
|--------------------------------|---------------|-------------------|----------------------|---------------------------------|-------------------|
| Rs. -- Rs.<br>(1)              | Number<br>(2) | % To Total<br>(3) |                      | Nominal<br>Amount in Rs.<br>(5) | % to total<br>(6) |
| <b>Upto -- 5000</b>            | 6959          | 91.674            | 1090145              | 10901450                        | 6.062             |
| <b>5001 to 10000</b>           | 310           | 4.084             | 259313               | 2593130                         | 1.442             |
| <b>10001 to 20000</b>          | 130           | 1.713             | 196604               | 1966040                         | 1.093             |
| <b>20001 to 30000</b>          | 42            | 0.553             | 110720               | 1107200                         | 0.616             |
| <b>30001 to 40000</b>          | 21            | 0.277             | 74098                | 740980                          | 0.412             |
| <b>40001 to 50000</b>          | 22            | 0.290             | 102885               | 1028850                         | 0.572             |
| <b>50001 to 100000</b>         | 33            | 0.435             | 244233               | 2442330                         | 1.358             |
| <b>100001 and above</b>        | 74            | 0.975             | 15904102             | 159041020                       | 88.444            |
| <b>Total</b>                   | <b>7591</b>   | <b>100.00</b>     | <b>17982100</b>      | <b>179821000</b>                | <b>100.00</b>     |

## CEO / CFO CERTIFICATE UNDER CLAUSE 49 (IX)

To,

The Board of Directors

OK Play India Limited

1. We have reviewed financial statements and the cash flow statement of OK Play India Limited for the year ended 31st March, 2015 and to the best of our

Knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
  3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
  4. We have indicated to the Auditors and the Audit Committee:
    - (i) that there are no significant changes in internal control over financial reporting during the year;
    - (ii) that there are no significant changes in accounting policies during the year; and
    - (iii) that there are no instances of significant fraud of which we have become aware.

Dated: 30<sup>th</sup> May, 2015

Place: New Delhi

**By order of the Board of Directors  
for OK PLAY INDIA LIMITED**

-Sd-  
**Justice T. R. Handa**  
**Chairman Cum Whole-Time-  
Director**

-Sd-  
**Rajan Handa**  
**Managing Director**

## INDEPENDENT AUDITORS' REPORT

### To The Members of OK PLAY INDIA LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of OK PLAY INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Director's, as well as evaluating the overall presentation of the 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 aforesaid standalone 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 March 31, 2015, and its loss and its cash flows for the year ended on that date.

#### Emphasis of Matter

We draw attention to Note 27(3) to the financial statements which describes the uncertainty related to the realization of the amount of the insurance claim lodged with the Insurance Company. Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) 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) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 27(1) to the financial statements
    - b. The Company did not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S. P. MARWAHA & CO.**  
**CHARTERED ACCOUNTANTS**  
**(FRN 000229-N)**  
 Sd/-

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May, 2015**

**A. S. BAJAJ**  
**PARTNER**  
**M.N. 086120**

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Auditors' Report of even date to the members of OK Play India Limited for the year ended 31 March 2015

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all items over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted during the year secured or unsecured loans to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) (a) and (b) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) are not applicable to the company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products of the company.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it except Income Tax amounting to Rs 1,16,01,113/-, Service Tax Rs. 85,219/- and Sale Tax Demand Rs. 27,62,126/- which is outstanding for more than six months.
- (b) According to the information and explanations given to us, there are no material dues of income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute, except the following:
  - (i) disputed Sales Tax of Rs. 11,200/- pending before the Sales Tax Officer;
  - (ii) disputed Sales Tax of Rs. 23,624/- pending before the Assistant Commissioner, Sales Tax;
  - (iii) disputed penalty of Rs. 29,37,276/- under the Central Excise Act pending before the Central Excise & Service Tax Appellate Tribunal.
- (c) According to the information and explanations given to us there are no amounts which are required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made there-under.
- (viii) The Company has accumulated losses at the end of the financial year which is less than 50% of the net worth. The Company has not incurred any cash loss during the financial year and in the immediately preceding financial year.



- (ix) According to the information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.
- (x) In our opinion and according to the information and explanations given to us, having regard to the fact that the subsidiary is wholly owned, the terms and conditions of the guarantee given by the Company for loan taken by the subsidiary from a bank are not prima facie prejudicial to the interest of the company.
- (xi) According to the information and explanations given to us, the Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purpose for which the loans were raised.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For S. P. MARWAHA & CO.**  
**CHARTERED ACCOUNTANTS**  
**(FRN 000229-N)**  
Sd/-

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May, 2015**

**A. S. BAJAJ**  
**PARTNER**  
**M.N. 086120**

# OK PLAY INDIA LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2015

| Particulars                            | Note No. | AS AT<br>31.03.2015<br>(Rs.) | AS AT<br>31.03.2014<br>(Rs.) |
|--|----------|------------------------------|------------------------------|
| <b>EQUITY AND LIABILITIES</b>          |          |                              |                              |
| <b>Shareholders' Funds</b>             |          |                              |                              |
| Share Capital                          | 2        | 179,692,000.00               | 170,701,000.00               |
| Reserves and Surplus                   | 3        | 167,256,716.14               | 159,292,751.82               |
| Money received against share warrants  |          | -                            | 5,618,750.00                 |
| <b>Non-Current Liabilities</b>         |          |                              |                              |
| Long-Term Borrowings                   | 4        | 333,036,502.17               | 282,973,588.29               |
| Deferred Tax Liabilities (net)         | 11       | -                            | 710,000.00                   |
| Long Term Provisions                   | 5        | 5,536,006.00                 | 5,697,296.00                 |
| <b>Current Liabilities</b>             |          |                              |                              |
| Short-Term Borrowings                  | 6        | 331,314,266.51               | 272,300,603.61               |
| Trade Payables                         |          | 77,290,430.57                | 103,094,101.56               |
| Other Current Liabilities              | 7        | 239,573,512.36               | 302,442,276.94               |
| Short-Term Provisions                  | 8        | 11,601,113.00                | 11,914,036.00                |
| <b>Total</b>                           |          | <b>1,345,300,546.75</b>      | <b>1,314,744,404.22</b>      |
| <b>ASSETS</b>                          |          |                              |                              |
| <b>Non-Current Assets</b>              |          |                              |                              |
| Fixed Assets                           | 9        |                              |                              |
| Tangible assets                        |          | 308,991,367.75               | 284,571,793.69               |
| Intangible assets                      |          | 6,306,859.99                 | 7,418,923.46                 |
| Intangible assets under development    |          | 44,595,109.12                | 33,459,372.12                |
| Non-current investments                | 10       | 80,000,000.00                | 80,000,000.00                |
| Deferred Tax Assets (net)              | 11       | 6,022,000.00                 | -                            |
| Long term loans and advances           | 12       | 6,074,103.00                 | 2,024,601.00                 |
| <b>Current Assets</b>                  |          |                              |                              |
| Inventories                            | 13       | 114,180,004.72               | 236,704,961.96               |
| Trade receivables                      | 14       | 285,645,776.83               | 271,198,651.72               |
| Cash and cash equivalents              | 15       | 12,297,968.24                | 74,604,242.99                |
| Short-term loans and advances          | 16       | 199,608,470.10               | 272,677,423.92               |
| Other current assets                   | 17       | 281,578,887.00               | 52,084,433.36                |
| <b>Total</b>                           |          | <b>1,345,300,546.75</b>      | <b>1,314,744,404.22</b>      |
| <b>Significant Accounting Policies</b> | 1        | -                            | -                            |
| <b>Notes on Financial Statements</b>   | 2 to 27  |                              |                              |

As per our report of even date attached.

For and on behalf of the Board

For S.P.Marwaha & Co.

Chartered Accountants  
(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

Sd/-

(Justice T.R.Handa) (Retd.)

Chairman Cum Wholetime Director  
DIN-00194284

Sd/-

(Rajan Handa)

Managing Director  
DIN-00194590

Sd/-

(Triloki Nath Verma)

Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars   | Note No. | FOR THE YEAR ENDED<br>31.03.2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03.2014<br>(Rs.) |
|---|----------|---|---|
| Revenue from operations   | 18       | 566,471,656.26                            | 1,060,596,969.14                          |
| Other Income  | 19       | 225,024,844.09                            | 2,799,525.00                              |
| <b>Total Revenue</b>  |          | <b>791,496,500.35</b>                     | <b>1,063,396,494.14</b>                   |
| <b>Expenses:</b>  |          |   |   |
| Cost of materials consumed  | 20       | 253,518,251.26                            | 664,246,162.18                            |
| Purchase of Stock-in-Trade  |          | 122,051,040.28                            | 76,860,405.06                             |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 21       | (44,469,707.10)                           | (89,569,279.00)                           |
| Employee benefits expense   | 22       | 66,763,377.59                             | 78,820,470.40                             |
| Financial costs   | 23       | 87,394,979.52                             | 78,507,505.68                             |
| Depreciation and amortization expense   | 24       | 27,114,599.88                             | 59,148,498.10                             |
| Other expenses  | 25       | 288,066,181.99                            | 149,112,818.23                            |
| <b>Total Expenses</b>   |          | <b>800,438,723.42</b>                     | <b>1,017,126,580.65</b>                   |
| <b>Profit/(Loss) before exceptional and extraordinary items and tax</b>       |          | <b>(8,942,223.07)</b>                     | <b>46,269,913.49</b>                      |
| Exceptional items (Net (gain)/loss on Exchange Fluctuation on FCCB/ECB)       |          | 14,175,169.00                             | 34,765,649.00                             |
| <b>Profit/(Loss) before extraordinary items and tax</b>                       |          | <b>(23,117,392.07)</b>                    | <b>11,504,264.49</b>                      |
| Provision of Tax for earlier years/(excess provision of tax written back)     |          | -   | 1,332,160.00                              |
| <b>Profit/(Loss) before tax</b>   |          | <b>(23,117,392.07)</b>                    | <b>10,172,104.49</b>                      |
| Tax expense:  |          |   |   |
| (1) Current tax   |          | -   | 5,400,000.00                              |
| (2) Deferred tax charge/(credit)  |          | (6,732,000.00)                            | 46,509,000.00                             |
| <b>Profit/(Loss) for the year</b>   |          | <b>(16,385,392.07)</b>                    | <b>(41,736,895.51)</b>                    |
| Earnings per equity share of face value of Rs 10 each:                        | 26       |   |   |
| Basic and Diluted (in Rupees)   |          | (0.91)                                    | (2.44)                                    |
| <b>Significant Accounting Policies</b>  | 1        |   |   |
| <b>Notes on Financial Statements</b>  | 2 to 27  |   |   |

As per our report of even date attached.

For S.P.Marwaha & Co.

Chartered Accountants  
(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

For and on behalf of the Board

Sd/-

(Justice T.R.Handa) (Retd.)

Chairman Cum Wholetime Director

DIN-00194284

Sd/-

(Rajan Handa)

Managing Director

DIN-00194590

Sd/-

(Triloki Nath Verma)

Company Secretary

# OK PLAY INDIA LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars   | YEAR ENDED<br>31ST MARCH, 2015<br>(Rs.) | YEAR ENDED<br>31ST MARCH, 2014<br>(Rs.) |
|---|---|---|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>         |   |   |
| Net Profit/(Loss) before Tax and extraordinary items    | (23,117,392.07)                         | 11,504,264.49                           |
| Adjustments for :                                       |   |   |
| Depreciation  | 27,114,599.88                           | 59,148,498.10                           |
| Loss/( Profit ) on fire/sale of Assets                  | 18,715,579.49                           | 658,154.87                              |
| Interest Received                                       | (2,358,468.00)                          | (2,791,193.00)                          |
| Interest Payments                                       | 87,394,979.52                           | 78,507,505.68                           |
| Deferred Revenue Expenditure written off                | -                                       | 39,213,964.00                           |
| Exchange Fluctuation Loss/(Gain)                        | 14,175,169.00                           | 34,765,649.00                           |
| Operating Profit before Working Capital changes         | 121,924,467.82                          | 221,006,843.14                          |
| Adjustments for :                                       |   |   |
| Trade and Other Receivables                             | (243,941,578.75)                        | 24,358,547.82                           |
| Inventories   | 122,524,957.24                          | (59,219,588.16)                         |
| Trade and Other Payables                                | (89,778,091.57)                         | 55,743,348.59                           |
| Cash generated from operations                          | (89,270,245.26)                         | 241,889,151.39                          |
| Interest paid   | (87,394,979.52)                         | (78,507,505.68)                         |
| Cash flow before extraordinary items                    | (176,665,224.78)                        | 163,381,645.71                          |
| Direct taxes paid                                       | (312,923.00)                            | (1,332,160.00)                          |
| <b>Net Cash from Operating Activities</b>               | <b>(176,978,147.78)</b>                 | <b>162,049,485.71</b>                   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>         |   |   |
| Purchase of Fixed Assets                                | (69,784,070.57)                         | (42,175,287.33)                         |
| Sale of Fixed Assets                                    | 375,000.00                              | 1,365,652.00                            |
| Interest Received                                       | 2,358,468.00                            | 2,791,193.00                            |
| <b>Net Cash used in Investing Activities</b>            | <b>(67,050,602.57)</b>                  | <b>(38,018,442.33)</b>                  |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>         |   |   |
| Proceeds from Issue of Equity Share Capital             | 16,857,250.00                           | 1,893,750.00                            |
| Investments made  | -                                       | (1,100,000.00)                          |
| Loans & Advances paid                                   | 69,019,451.82                           | (140,996,232.59)                        |
| Proceeds from Long Term Borrowings                      | 36,832,110.88                           | (87,808,343.18)                         |
| Proceeds from Short Term Borrowings                     | 59,013,662.90                           | 64,093,813.76                           |
| <b>Net Cash used in Financing Activities</b>            | <b>181,722,475.60</b>                   | <b>(163,917,012.01)</b>                 |
| <b>Net increase in Cash and Cash Equivalents</b>        | <b>(62,306,274.75)</b>                  | <b>(39,885,968.63)</b>                  |
| <b>Cash and Cash Equivalents as at 1st April, 2014</b>  | <b>74,604,242.99</b>                    | <b>114,490,211.62</b>                   |
| <b>Cash and Cash Equivalents as at 31st March, 2015</b> | <b>12,297,968.24</b>                    | <b>74,604,242.99</b>                    |

As per our report of even date attached.

For and on behalf of the Board

For S.P.Marwaha & Co.

Chartered Accountants  
(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

Sd/-

(Justice T.R.Handa) (Retd.)

Chairman Cum Wholetime Director

DIN-00194284

Sd/-

(Rajan Handa)

Managing Director

DIN-00194590

Sd/-

(Triloki Nath Verma)

Company Secretary

## NOTE : 1 SIGNIFICANT ACCOUNTING POLICIES

### i. Corporate Information

The company was incorporated on 19th August, 1988 and is a public limited company listed on the Bombay Stock Exchange (BSE). The Company's registered office is at 17, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana-122103. The company manufactures Plastic Moulded Toys, School Furniture, Playground Equipment, Infrastructure & Automotive Products and Point-Of-Purchase Products.

### ii. General

These financial statements have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention on accrual basis and comply in all material aspects with the accounting standards notified under the Companies Act, 2013.

### iii. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

### iv. Fixed Assets including Intangible assets and Depreciation

Fixed Assets are stated on cost basis including the cost of installation where incurred. Depreciation on fixed assets (other than intangible assets) including computer software has been provided according to Straight Line Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The Intangible Assets under development are depreciated once the development of asset is complete.

Intangible assets comprising of product designs, technical know-how etc. are amortized over a period of ten years, the estimated minimum useful life of the related products.

### v) Impairment

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### vi. Investments

Long Term Investments and current maturities of long term investments are stated at cost. Provision for diminution in the value is made only if such a decline is other than temporary.

### vii. Inventories

The closing stock of Raw Materials, Packing Material & Accessories, Stores & Spares and Work in Process have been valued at cost while the Finished Goods have been taken at lower of cost or net realisable value.

### viii. Provision for Current and Deferred Tax.

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the asset will be realised in future.

### ix. Provisions and Contingent Liabilities/Assets

Provision in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of the obligations. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognised or disclosed in the financial statements.

### x. Employee benefits

Company's contribution to Government Administered Provident Fund and Employees' State Insurance Corporation are charged to Profit & Loss Account.

Defined benefit contributions in respect of gratuity are provided on the basis of actuarial valuation made at the end of the financial year. Actuarial gains or loss arising from such valuation are charged to revenue in the year in which they arise.

### xi. Research & Development

Expenditure on research & development which results in creation of capital assets is treated in the same way as expenditure on fixed assets. Other research & development expenditure is charged to the Profit and Loss statement.

### xii. Revenue Recognition

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods ( net of returns) and include excise duty but exclude sales taxes.

### xiii. Foreign Currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary items (assets and liabilities) denominated in foreign currency are translated into rupee at the exchange rates prevailing on the balance sheet date.

# OK PLAY INDIA LIMITED

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

| Particulars | AS AT<br>31.03.2015<br>(Rs.) | AS AT<br>31.03.2014<br>(Rs.) |
|-------------|------------------------------|------------------------------|
|-------------|------------------------------|------------------------------|

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

### NOTE : 2 SHARE CAPITAL

#### AUTHORIZED CAPITAL

|  |                       |                       |
|--|-----------------------|-----------------------|
| 3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs. 10/- each | 300,000,000.00        | 300,000,000.00        |
|  | <u>300,000,000.00</u> | <u>300,000,000.00</u> |

#### ISSUED CAPITAL

|  |                       |                       |
|--|-----------------------|-----------------------|
| 1,80,38,000 (Previous year 1,71,39,000) Equity Shares of Rs. 10/- each | 180,380,000.00        | 171,390,000.00        |
|  | <u>180,380,000.00</u> | <u>171,390,000.00</u> |

#### SUBSCRIBED AND PAID UP CAPITAL

|  |                              |                              |
|--|------------------------------|------------------------------|
| 1,79,82,100 (Previous year 1,70,83,100) Equity Shares of Rs. 10/- each   | 179,821,000.00               | 170,831,000.00               |
| Less: Allotment Money unpaid 25,800 (Previous year 26,000) Equity Shares | 129,000.00                   | 130,000.00                   |
| <b>Total</b>   | <b><u>179,692,000.00</u></b> | <b><u>170,701,000.00</u></b> |

The reconciliation of the number of shares outstanding is set out below:

|  | <b>No. of Shares</b> | <b>No. of Shares</b> |
|--|----------------------|----------------------|
| Equity Shares at the beginning of the year | 17,083,100           | 16,982,100           |
| Add: Shares issued during the year         | 899,000              | 101,000              |
| Equity Shares at the end of the year       | <u>17,982,100</u>    | <u>17,083,100</u>    |

Details of Shareholders holding more than 5% shares:

|  |           |           |
|--|-----------|-----------|
| Number of Equity Shares held by Mr Rajan Handa | 9,017,600 | 9,017,600 |
| Percentage of Shares held                      | 50.15%    | 52.79%    |
| Number of Equity Shares held by Ms Mamta Handa | 1,000,000 | 312,102   |
| Percentage of Shares held                      | 5.56%     | 1.83%     |

### NOTE : 3 RESERVES & SURPLUS

|  | <b>(Rs.)</b>                 | <b>(Rs.)</b>                 |
|--|------------------------------|------------------------------|
| Capital Reserve                            | 97,815,165.00                | 97,815,165.00                |
| Share Premium Account                      | 83,648,014.00                | 70,163,014.00                |
| General Reserve                            | 1,524,000.00                 | 1,524,000.00                 |
| Surplus (Profit & Loss Account)            | <u>(15,730,462.86)</u>       | <u>(10,209,427.18)</u>       |
| Balance brought forward from previous year | <u>(10,209,427.18)</u>       | 31,527,468.33                |
| Less: Tax on Regular Assessment Paid       | -                            | -                            |
| Add: Depreciation Reserve written back     | 10,864,356.39                | -                            |
| Add/(less): Profit/(Loss) for the year     | <u>(16,385,392.07)</u>       | <u>(41,736,895.51)</u>       |
| <b>Total</b>                               | <b><u>167,256,716.14</u></b> | <b><u>159,292,751.82</u></b> |

|   |                      |                      |
|---|----------------------|----------------------|
| Share Premium Account as on 31.3.2014   | 70,163,014.00        | 68,648,014.00        |
| Add: Share Premium on 8,99,000 Equity Shares issued during the year<br>at Rs 15/- per share | 13,485,000.00        | 1,515,000.00         |
| Share Premium Account as on 31.3.2015   | <u>83,648,014.00</u> | <u>70,163,014.00</u> |

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

| Particulars | AS AT<br>31.03.2015<br>(Rs.) | AS AT<br>31.03.2014<br>(Rs.) |
|-------------|------------------------------|------------------------------|
|-------------|------------------------------|------------------------------|

### NOTE : 4 LONG TERM BORROWINGS

|   |                       |                       |
|---|-----------------------|-----------------------|
| Term Loans, Secured                       |                       |                       |
| - From Bank                               | 73,107,332.00         | 11,453,342.00         |
| - Against Vehicles                        | 7,029,579.17          | 6,240,472.29          |
| - External Commercial Borrowing from Bank | 190,706,517.00        | 254,260,646.00        |
| Term Loans, Unsecured                     |                       |                       |
| - From Other Parties                      | 62,193,074.00         | 11,019,128.00         |
| <b>Total</b>                              | <b>333,036,502.17</b> | <b>282,973,588.29</b> |

#### 4.1 Secured Term Loans are secured as below:

From Banks : Secured against hypothecation of assets created from Term Loan.

Against Vehicles : Secured against hypothecation of respective vehicles.

#### 4.2 Term Loans from banks are collaterally secured by:

- Equitable Mortgage on the Company's property at 124, New Manglapuri, Mehrauli, New Delhi.
- Equitable mortgage of land and building at plot no.17-18, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana.
- Hypothecation of all the Current Assets of the company.
- First charge on other net block assets of the company.
- Personal guarantees of two of the directors of the company.
- Pledge of 47.94 lacs Equity Shares of the company by one of the Directors.
- Second charge on entire fixed assets of the subsidiary company, OK Play Auto Private Limited.
- Residual value of prime security of the subsidiary company, OK Play Auto Private Limited.
- Reinvestment Deposit Plan of the value of Rs. 0.45 crores.

#### 4.3 Term Loans, Unsecured from other parties have been secured by third party property.

#### 4.4 Term Loans are repayable as follows:

From Bank: Payable in monthly instalments upto year 2019-20

Against Vehicles: Payable in monthly instalments extending to year 2020-21

External Commercial Borrowing: Payable in half-yearly instalments upto year 2018-19

Unsecured From Other Parties: Payable in monthly instalments extending to year 2022-23

### NOTE : 5 LONG TERM PROVISIONS

|   |                     |                     |
|---|---------------------|---------------------|
| Provision for Gratuity/Leave Encashment | 5,536,006.00        | 5,697,296.00        |
| <b>Total</b>                            | <b>5,536,006.00</b> | <b>5,697,296.00</b> |

### NOTE : 6 SHORT TERM BORROWINGS

|                                   |                       |                       |
|-----------------------------------|-----------------------|-----------------------|
| Loan Repayable on Demand, Secured |                       |                       |
| - Working Capital Loan from Bank  | 331,314,266.51        | 272,300,603.61        |
| <b>Total</b>                      | <b>331,314,266.51</b> | <b>272,300,603.61</b> |

# OK PLAY INDIA LIMITED

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

### 6.1 Working Capital Loan from Bank is secured by:

Secured against hypothecation of stocks of Raw Material, Work-in-process, Finished Goods & Other Stocks and book debts.

### 6.2 Working Capital Loan from bank is collaterally secured by:

- Equitable Mortgage on the Company's property at 124, New Manglapuri, Mehrauli, New Delhi.
- Equitable mortgage of land and building at plot no.17-18, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana.
- Hypothecation of all the Current Assets of the company.
- First charge on other net block assets of the company.
- Personal guarantees of two of the directors of the company.
- Pledge of 47.94 lacs Equity Shares of the company by one of the Directors.
- Second charge on entire fixed assets of the subsidiary company, OK Play Auto Private Limited.
- Residual value of prime security of the subsidiary company, OK Play Auto Private Limited.
- Reinvestment Deposit Plan of the value of Rs.0.45 crores.

### NOTE : 7 OTHER CURRENT LIABILITIES

|  | AS AT<br>31.03.2015<br>(Rs.) | AS AT<br>31.03.2014<br>(Rs.) |
|--|------------------------------|------------------------------|
| Current maturities of long term debt       |                              |                              |
| - Foreign Currency Convertible Bonds       | 22,000,259.00                | 21,055,893.00                |
| - Others                                   | 155,733,121.09               | 128,361,129.87               |
| Interest accrued but not due on borrowings | 1,414,661.00                 | 2,035,920.00                 |
| Sundry Creditors (Others)                  | 21,131,741.25                | 46,553,129.11                |
| Due to Directors                           | 5,954,028.63                 | 3,552,915.98                 |
| Customer Advances & Deposits               | 14,967,752.41                | 69,282,759.72                |
| Direct/Indirect Taxes payable              | 5,735,047.01                 | 16,070,822.25                |
| Other Liabilities                          | 12,636,901.97                | 15,529,707.01                |
| <b>Total</b>                               | <b>239,573,512.36</b>        | <b>302,442,276.94</b>        |

7.1 The Board of Directors of the Company at its meeting held on 23rd July, 2007 issued zero coupon unsecured Foreign Currency Convertible Bonds ('FCCB') aggregating to USD 10 million, at par. During the financial year 2010-11, the 'FCCB' of the face value of USD 9,760,000 had been bought back by the company at a discount of 24% to the face value of the 'FCCB' and subsequently a notice was given to the Clearing Houses, through the Trustees, requesting communication with the bondholders of the balance 24 bonds of the face value of USD 240,000. However, no response has been received and no claimant has come forth on the redemption date of 24th July, 2012 and till date. The premium payable on the redemption of the FCCB has been provided for.

### NOTE : 8 SHORT TERM PROVISIONS

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Provision for Taxation | 11,601,113.00        | 11,914,036.00        |
| <b>Total</b>           | <b>11,601,113.00</b> | <b>11,914,036.00</b> |



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

## NOTE : 9 FIXED ASSETS

| Particulars                                 | Gross Block (Rs)      |                              |                               |                       | Depreciation (Rs)     |                              |                               |                       | Net Block (Rs)        |                       |
|---|-----------------------|------------------------------|-------------------------------|-----------------------|-----------------------|------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|
|   | As on<br>01.04.2014   | Additions<br>during the year | Deductions<br>during the year | As on<br>31.03.2015   | As on<br>01.04.2014   | Additions<br>during the year | Deductions<br>during the year | As on<br>31.03.2015   | As on<br>31.03.2015   | As on<br>31.03.2015   |
| <b>Tangible Assets</b>                      |                       |                              |                               |                       |                       |                              |                               |                       |                       |                       |
| Land (Freehold)                             | 12,877,328.60         | -                            | -                             | 12,877,328.60         | -                     | -                            | -                             | -                     | 12,877,328.60         | 12,877,328.60         |
| Buildings                                   | 55,111,589.69         | -                            | 14,529,798.00                 | 40,581,791.69         | 18,120,554.55         | 1,397,178.17                 | 7,825,464.12                  | 11,692,268.60         | 28,889,523.09         | 36,991,035.14         |
| Plant and Equipment                         | 618,761,433.63        | 53,231,394.59                | 18,204,794.95                 | 653,788,033.27        | 422,405,185.01        | 15,931,253.85                | 20,487,534.01                 | 417,848,904.85        | 235,939,128.42        | 196,356,248.62        |
| Furnitures & Fixtures                       | 18,223,857.50         | 309,696.00                   | 2,583,182.71                  | 15,950,370.79         | 6,688,511.50          | 2,012,473.70                 | 981,341.79                    | 7,719,643.41          | 8,230,727.38          | 11,535,346.00         |
| Vehicles                                    | 37,479,251.00         | 3,948,081.00                 | 3,073,190.00                  | 38,354,142.00         | 13,584,287.96         | 5,528,043.72                 | 1,734,276.27                  | 17,378,055.41         | 20,976,086.59         | 23,894,963.04         |
| Office Equipment                            | 13,640,121.60         | 773,161.98                   | 229,413.88                    | 14,183,869.70         | 10,723,249.31         | 747,586.97                   | (634,459.75)                  | 12,105,296.03         | 2,078,573.67          | 2,916,872.29          |
| <b>SUB TOTAL (A)</b>                        | <b>756,093,582.02</b> | <b>58,262,333.57</b>         | <b>38,620,379.54</b>          | <b>775,735,536.05</b> | <b>471,521,788.33</b> | <b>25,616,536.41</b>         | <b>30,394,156.44</b>          | <b>466,744,168.30</b> | <b>308,991,367.75</b> | <b>284,571,793.69</b> |
| <b>Intangible Assets</b>                    |                       |                              |                               |                       |                       |                              |                               |                       |                       |                       |
| Other Intangible Assets                     | 13,945,814.93         | -                            | -                             | 13,945,814.93         | 7,113,105.87          | 1,395,393.03                 | -                             | 8,508,498.90          | 5,437,316.03          | 6,832,709.06          |
| Computer software                           | 5,392,527.64          | 386,000.00                   | -                             | 5,778,527.64          | 4,806,313.24          | 102,670.44                   | -                             | 4,908,983.68          | 869,543.96            | 586,214.40            |
| <b>SUB TOTAL (B)</b>                        | <b>19,338,342.57</b>  | <b>386,000.00</b>            | <b>-</b>                      | <b>19,724,342.57</b>  | <b>11,919,419.11</b>  | <b>1,498,063.47</b>          | <b>-</b>                      | <b>13,417,482.58</b>  | <b>6,306,859.99</b>   | <b>7,418,923.46</b>   |
| <b>Capital Work-in-progress</b>             | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>-</b>              | <b>-</b>              |
| <b>SUB TOTAL (C)</b>                        | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>-</b>              | <b>-</b>              |
| <b>Intangible Assets Under Development</b>  | <b>33,459,372.12</b>  | <b>11,135,737.00</b>         | <b>-</b>                      | <b>44,595,109.12</b>  | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>44,595,109.12</b>  | <b>33,459,372.12</b>  |
| <b>SUB TOTAL (D)</b>                        | <b>33,459,372.12</b>  | <b>11,135,737.00</b>         | <b>-</b>                      | <b>44,595,109.12</b>  | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>44,595,109.12</b>  | <b>33,459,372.12</b>  |
| <b>Total [A + B + C + D] (Current Year)</b> | <b>808,891,296.71</b> | <b>69,784,070.57</b>         | <b>38,620,379.54</b>          | <b>840,054,987.74</b> | <b>483,441,207.44</b> | <b>27,114,599.88</b>         | <b>30,394,156.44</b>          | <b>480,161,650.88</b> | <b>359,893,336.86</b> | <b>325,450,089.27</b> |
| (Previous Year)                             | 742,402,779.37        | 70,121,169.35                | 3,632,652.01                  | 808,891,296.71        | 425,901,554.48        | 59,148,498.10                | 1,608,845.14                  | 483,441,207.44        | 325,450,089.27        |                       |

**AS AT  
31.03.2015  
(Rs.)**

**AS AT  
31.03.2014  
(Rs.)**

## NOTE : 10 NON CURRENT INVESTMENTS

Trade -Unquoted, at cost

Investment in Equity of Subsidiary

80,000,000.00 80,000,000.00

80,00,000 (Previous year 80,00,000) Equity Shares of Rs 10/- each

fully paid of subsidiary company OK Play Auto Private Limited

**Total** **80,000,000.00** **80,000,000.00**

## NOTE : 11 DEFERRED TAX (ASSETS) / LIABILITY (NET)

Deferred Tax Liabilities

(i) Related to Fixed Assets 39,088,000.00 32,266,000.00

(ii) Deferred Revenue Expenditure allowed under the Income Tax Act, 1961 - -

39,088,000.00 32,266,000.00

Deferred Tax Assets

(i) Disallowance under the Income Tax Act, 1961 29,463,000.00 31,556,000.00

(ii) Unabsorbed depreciation/carried forward of losses under the Income Tax Act, 1961 15,647,000.00 -

45,110,000.00 31,556,000.00

**Deferred Tax (Assets) / Liability** **(6,022,000.00)** **710,000.00**

## NOTE : 12 LONG TERM LOANS AND ADVANCES

Unsecured, Considered Good :

Earnest Money Deposit 714,740.00 714,740.00

Other Deposit 5,359,363.00 1,309,861.00

**Total** **6,074,103.00** **2,024,601.00**

# OK PLAY INDIA LIMITED

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

| Particulars  | AS AT<br>31.03.2015<br>(Rs.) | AS AT<br>31.03.2014<br>(Rs.) |
|--|------------------------------|------------------------------|
| <b>NOTE : 13 INVENTORIES</b>                                       |                              |                              |
| At cost  |                              |                              |
| Raw Materials  | 6,856,872.64                 | 20,377,993.64                |
| Work-in-Progress   | 31,744,239.00                | 63,149,853.00                |
| Finished Goods   | 10,503,614.00                | 18,545,748.00                |
| Stock-in-Trade   | 22,527,176.00                | 72,504,284.00                |
| Stores & Spares  | 2,364,113.02                 | 7,592,235.02                 |
| Packing Materials & Accessories                                    | 21,899,080.76                | 37,764,775.76                |
| Others With Job Workers  | 16,211,595.00                | 8,458,590.00                 |
| Goods-in-transit   | 2,073,314.30                 | 8,311,482.54                 |
| <b>Total</b>   | <b>114,180,004.72</b>        | <b>236,704,961.96</b>        |
| <b>NOTE : 14 TRADE RECEIVABLES</b>                                 |                              |                              |
| Due for more than six months                                       |                              |                              |
| Unsecured, Considered Good   | 124,986,566.83               | 75,898,901.97                |
| Others   |                              |                              |
| Unsecured, Considered Good   | 160,659,210.00               | 195,299,749.75               |
| <b>Total</b>   | <b>285,645,776.83</b>        | <b>271,198,651.72</b>        |
| <b>NOTE : 15 CASH &amp; CASH EQUIVALENTS</b>                       |                              |                              |
| Cash-in-Hand including imprest                                     | 2,427,303.00                 | 2,282,736.75                 |
| <b>Sub Total (A)</b>   | <b>2,427,303.00</b>          | <b>2,282,736.75</b>          |
| Balances with banks  |                              |                              |
| - in current accounts  | 1,454,003.24                 | 349,847.24                   |
| - in Fixed Deposits as margin money (maturity upto 12 months)      | 8,416,662.00                 | -                            |
| - in Fixed Deposits as margin money (maturity exceeding 12 months) | -                            | 27,412,159.00                |
| <b>Sub Total (B)</b>   | <b>9,870,665.24</b>          | <b>27,762,006.24</b>         |
| <b>Cheques in Hand (C)</b>   | <b>-</b>                     | <b>44,559,500.00</b>         |
| <b>Total [ A + B + C ]</b>   | <b>12,297,968.24</b>         | <b>74,604,242.99</b>         |
| <b>NOTE : 16 SHORT TERMS LOANS AND ADVANCES</b>                    |                              |                              |
| Other Loans & Advances   |                              |                              |
| Unsecured, Considered good   |                              |                              |
| Advances to Creditors  | 188,384,118.69               | 261,062,525.14               |
| Staff Advances   | 1,107,412.76                 | 1,283,393.89                 |
| Advance Income Tax/TDS/Direct Taxes                                | 2,496,948.00                 | 2,541,058.00                 |
| Balance With Revenue Authorities (Indirect Taxes)                  | 6,042,914.02                 | 5,562,640.17                 |
| Prepaid Expenses   | 1,577,076.63                 | 2,227,806.72                 |
| <b>Total</b>   | <b>199,608,470.10</b>        | <b>272,677,423.92</b>        |
| <b>NOTE : 17 OTHER CURRENT ASSETS</b>                              |                              |                              |
| Insurance Claim Recoverable  | 222,527,136.27               | -                            |
| Other Advances   | 59,051,750.73                | 52,084,433.36                |
| <b>Total</b>   | <b>281,578,887.00</b>        | <b>52,084,433.36</b>         |

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

| Particulars  | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|--|--|--|
| <b>NOTE : 18 REVENUE FROM OPERATIONS</b>                                       |  |  |
| Sale of products   | 595,339,877.54                             | 1,170,580,239.27                           |
| Less: Excise duty  | 28,868,221.28                              | 109,983,270.13                             |
| <b>Total</b>   | <b>566,471,656.26</b>                      | <b>1,060,596,969.14</b>                    |
| <b>NOTE : 19 OTHER INCOME</b>  |  |  |
| Interest income  | 2,358,468.00                               | 2,791,193.00                               |
| Miscellaneous Receipts   | 139,239.82                                 | 8,332.00                                   |
| Other non-operating income   | 222,527,136.27                             | -  |
| <b>Total</b>   | <b>225,024,844.09</b>                      | <b>2,799,525.00</b>                        |
| <b>NOTE : 20 COST OF MATERIALS CONSUMED</b>                                    |  |  |
| <b>PURCHASES OF RAW MATERIALS</b>  |  |  |
| Purchases of Raw Material  | 174,571,137.37                             | 446,505,280.15                             |
| Add: Opening Stock of Raw Material   | 20,377,993.64                              | 51,136,993.45                              |
|  | 194,949,131.01                             | 497,642,273.60                             |
| Less: Raw Material Lost in Fire  | 23,983,727.38                              | -  |
| Less: Closing Stock of Raw Material  | 6,856,872.64                               | 20,377,993.64                              |
| <b>Sub-Total (A)</b>   | <b>164,108,530.99</b>                      | <b>477,264,279.96</b>                      |
| <b>CONSUMPTION OF OTHER CONSUMABLES</b>  |  |  |
| Accessories Consumption  | 32,080,091.90                              | 44,185,011.12                              |
| Packing Material Consumption   | 6,659,426.70                               | 11,720,412.86                              |
| Stores & Spares Consumption  | 6,161,059.75                               | 24,657,592.99                              |
| <b>Sub-Total (B)</b>   | <b>44,900,578.35</b>                       | <b>80,563,016.97</b>                       |
| <b>DIRECT/PRODUCTION EXPENSES</b>  |  |  |
| Power & Fuel   | 33,201,804.95                              | 43,349,866.33                              |
| Repair & Maintenance   |  |  |
| - Plant & Machinery  | 2,568,368.47                               | 4,011,569.80                               |
| - Buildings  | 375,317.95                                 | 967,004.72                                 |
| Other Expenses   | 4,075,864.72                               | 54,010,717.55                              |
| Excise Duty Pulverised Material  | 4,287,785.83                               | 4,079,706.85                               |
| <b>Sub-Total (C)</b>   | <b>44,509,141.92</b>                       | <b>106,418,865.25</b>                      |
| <b>Total (A + B + C)</b>   | <b>253,518,251.26</b>                      | <b>664,246,162.18</b>                      |
| <b>NOTE : 21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b> |  |  |
| Opening Stock  |  |  |
| - Work-in-Progress   | 63,149,853.00                              | 43,185,375.00                              |
| - Finished Goods   | 91,050,032.00                              | 21,445,231.00                              |
| <b>Sub-Total (A)</b>   | <b>154,199,885.00</b>                      | <b>64,630,606.00</b>                       |
| Less: Loss due to Fire   |  |  |
| - Work-in-Progress   | 71,561,036.17                              | -  |
| - Finished Goods   | 62,333,526.93                              | -  |
| <b>Sub-Total (B)</b>   | <b>133,894,563.10</b>                      | <b>-</b>                                   |

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

| Particulars              | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|--------------------------|--|--|
| Closing Stock            |  |  |
| - Work-in-Progress       | 31,744,239.00                              | 63,149,853.00                              |
| - Finished Goods         | 33,030,790.00                              | 91,050,032.00                              |
| <b>Sub-Total (C)</b>     | <b>64,775,029.00</b>                       | <b>154,199,885.00</b>                      |
| <b>Total (A - B - C)</b> | <b>(44,469,707.10)</b>                     | <b>(89,569,279.00)</b>                     |

### NOTE : 22 EMPLOYEE BENEFITS EXPENSE

|   |                      |                      |
|---|----------------------|----------------------|
| Salaries, Wages & Bonus                 | 62,495,924.28        | 73,663,618.45        |
| Contribution to Provident & other funds | 2,817,583.00         | 3,121,622.00         |
| Staff welfare expenses                  | 1,449,870.31         | 2,035,229.95         |
| <b>Total</b>                            | <b>66,763,377.59</b> | <b>78,820,470.40</b> |

#### 22.1 Defined Benefit Plan

#### Reconciliation of opening and closing balances of Defined Benefit obligation

|  | GRATUITY<br>(FUNDED)<br>2014 - 15<br>(Rs.) | GRATUITY<br>(FUNDED)<br>2013 - 14<br>(Rs.) |
|--|--|--|
| Present value of obligation at beginning of the year | 4,034,934.00                               | 3,656,077.00                               |
| Interest Cost  | 322,795.00                                 | 292,486.00                                 |
| Current Service cost                                 | 499,531.00                                 | 515,157.00                                 |
| Benefits paid  | (1,393,818.00)                             | (371,495.00)                               |
| Actuarial (gain) / loss on obligation                | (63,644.00)                                | (57,291.00)                                |
| <b>Present value of obligation at year end</b>       | <b>3,399,798.00</b>                        | <b>4,034,934.00</b>                        |

#### Reconciliation of opening and closing balances of fair value of plan assets

|  |                     |                     |
|--|---------------------|---------------------|
| Fair value of plan assets at beginning of year | 3,353,385.00        | 2,944,445.00        |
| Expected return on plan assets                 | 233,784.00          | 252,092.00          |
| Employer Contributions                         | 458,835.00          | 528,343.00          |
| Benefits paid                                  | (1,393,818.00)      | (371,495.00)        |
| Actuarial gain / (loss) on plan assets         | -                   | -                   |
| <b>Fair value of plan assets at year end</b>   | <b>2,652,186.00</b> | <b>3,353,385.00</b> |

#### Reconciliation of fair value of assets and obligations

|   |                |                |
|---|----------------|----------------|
| Present value of obligation at year end   | 3,399,798.00   | 4,034,934.00   |
| Fair value of plan assets at year end     | (2,652,186.00) | (3,353,385.00) |
| Net liability recognized in balance sheet | 747,612.00     | 681,549.00     |

#### Expense recognized during the year

|                      |            |            |
|----------------------|------------|------------|
| Current Service cost | 499,531.00 | 515,157.00 |
| Interest Cost        | 322,795.00 | 292,486.00 |

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

|   | GRATUITY<br>(FUNDED)<br>2014 - 15<br>(Rs.) | GRATUITY<br>(FUNDED)<br>2013 - 14<br>(Rs.) |
|---|--|--|
| Expected return on plan assets                    | (233,784.00)                               | (252,092.00)                               |
| Net actuarial (gain)/ loss recognized in the year | (63,644.00)                                | (57,291.00)                                |
| <b>Net cost recognized in the year</b>            | <b>524,898.00</b>                          | <b>498,260.00</b>                          |

### Reconciliation showing movements during the year in the Net Liability

|                                    |                   |                   |
|------------------------------------|-------------------|-------------------|
| Net liability at beginning of year | 681,549.00        | 711,632.00        |
| Cost recognized in the year        | 524,898.00        | 498,260.00        |
| Employer Contributions             | (458,835.00)      | (528,343.00)      |
| <b>Net liability at year end</b>   | <b>747,612.00</b> | <b>681,549.00</b> |

### Actual return on plan assets

|                                       |            |            |
|---------------------------------------|------------|------------|
| Expected return on plan assets        | 233,784.00 | 252,092.00 |
| Actuarial gain/ (loss) on plan assets | -          | -          |
| Actual return on plan assets          | 233,784.00 | 252,092.00 |

### Actuarial assumptions

|                           |                    |                    |
|---------------------------|--------------------|--------------------|
| Mortality Rate (LIC)      | 1994-96 (Ultimate) | 1994-96 (Ultimate) |
| Withdrawal Rate           | 1% to 3%           | 1% to 3%           |
|                           | Depending on Age   | Depending on Age   |
| Discount rate (per annum) | 8%                 | 8%                 |
| Salary Escalation         | 6%                 | 6%                 |

## NOTE : 23 FINANCIAL COSTS

| Particulars                               | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|---|--|--|
| Bank Interest                             | 68,763,280.00                              | 58,630,674.00                              |
| Other Interest                            | 10,623,237.53                              | 5,111,316.23                               |
| Discounting Charges                       | 101,939.00                                 | 808,369.00                                 |
| Finance Charges                           | 5,160,472.00                               | 1,229,412.00                               |
| Bank Charges                              | 533,958.99                                 | 2,895,552.56                               |
| Net loss on Foreign Currency Transactions | 2,212,092.00                               | 9,832,181.89                               |
| <b>Total</b>                              | <b>87,394,979.52</b>                       | <b>78,507,505.68</b>                       |

## NOTE : 24 DEPRECIATION & AMORTIZATION EXPENSE

|              |                      |                      |
|--------------|----------------------|----------------------|
| Depreciation | 27,114,599.88        | 59,148,498.10        |
| <b>Total</b> | <b>27,114,599.88</b> | <b>59,148,498.10</b> |

# OK PLAY INDIA LIMITED

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

| Particulars  | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|--|--|--|
| <b>NOTE : 25 OTHER EXPENSES</b>  |  |  |
| Fee & Registration   | 1,663,426.37                               | 749,074.00                                 |
| Balances written off/Bad Debts   | 1,744,349.88                               | 10,895,466.29                              |
| Donation   | 23,600.00                                  | 66,800.00                                  |
| Rent   | 1,735,920.00                               | 1,363,430.00                               |
| Insurance  | 1,119,259.34                               | 960,196.17                                 |
| Travelling & Conveyance Expenses   | 8,586,945.47                               | 9,735,220.11                               |
| Postage & Telephones   | 2,170,540.96                               | 1,868,415.73                               |
| Printing & Stationery  | 937,032.81                                 | 889,929.79                                 |
| Legal & Professional charges   | 4,548,687.23                               | 3,450,693.76                               |
| Electricity & Water Expenses   | 2,093,519.80                               | 1,429,628.48                               |
| Auditors' remuneration   | 225,000.00                                 | 225,000.00                                 |
| Wealth Tax   | 114,950.00                                 | 107,465.00                                 |
| Rates & Taxes  | 5,740,356.99                               | 3,443,748.65                               |
| Inspection Charges   | -  | 3,432,523.00                               |
| Miscellaneous expenses   | 1,744,763.94                               | 3,030,102.49                               |
| Repair & Maintenance -Others   | 2,069,146.37                               | 2,320,217.11                               |
| Loss on sale of Fixed Assets   | 1,008,382.25                               | 658,154.87                                 |
| Loss on account of Fire  | 222,527,136.27                             | -  |
| Advertisement others   | 68,281.75                                  | 60,520.00                                  |
| Prior period items   | 762,307.30                                 | 82,822.94                                  |
| Royalty paid   | -  | 4,057.00                                   |
| Advertisement  | 445,161.00                                 | 40,024,680.00                              |
| Business Promotion Expenses  | 1,299,299.97                               | 973,186.64                                 |
| Freight & Octroi   | 12,546,820.64                              | 13,117,693.93                              |
| Discounts  | 14,788,085.65                              | 29,328,933.90                              |
| Commission paid  | -  | 20,465,000.00                              |
| Damaged Goods  | 103,208.00                                 | 429,858.37                                 |
| <b>Total</b>   | <b>288,066,181.99</b>                      | <b>149,112,818.23</b>                      |
| 25.1 Break up of the remuneration paid to the statutory auditors of the Company:                     |  |  |
| For Audit Fee  | 170,000.00                                 | 170,000.00                                 |
| For Tax Audit  | 55,000.00                                  | 55,000.00                                  |
| In Other Capacity  | Nil  | Nil  |
| <b>NOTE : 26 EARNINGS PER SHARE (EPS)</b>  |  |  |
| Net Profit available for equity share holders (Rs.)  | (16,385,392.07)                            | (41,736,895.51)                            |
| Weighted average number of Equity Shares of Rs.10/- each outstanding during the year (No. of Shares) | 17,982,100                                 | 17,083,100                                 |
| Basic / Diluted Earnings per shares (Rs.)  | (0.91)                                     | (2.44)                                     |

## NOTE : 27 NOTES ON FINANCIAL STATEMENTS

1. Contingent Liabilities and Commitments, not provided for :
  - (I) Contingent Liabilities
    - a) Claims against the company not acknowledged as debt:
      - (i) Claims against the Company, where legal cases are under way, but not acknowledged as debts amount to Rs 59,74,812.12.
      - (ii) Demand of penalty of Rs. 29,37,276/- (Previous Year Rs. 29,37,276/-) under the Central Excise Act is in dispute and pending before the Central Excise & Service Tax Appellate Tribunal.
    - b) Guarantees:
      - (i) Guarantees given to banks as counter guarantees for performance of contracts Rs.706,60,000 /- (Previous Year Rs. 706,60,000/-).
      - (ii) Letter of credit issued by banks-Nil (Previous year Rs. Nil)
      - (iii) Corporate Guarantee, restricted to Rs. 19.48 crores, given as security for the credit limits sanctioned by a bank to the subsidiary company, OK Play Auto Private Limited.
    - c) Other money for which the company is contingently liable:
      - (i) Security, in the form of charge on the properties and Residual value of Block assets, present and future, after netting the prime security for term loans, provided to a bank for the credit limits sanctioned by it to the subsidiary company, OK Play Auto Private Limited.
  - (II) Commitments
    - a) Estimated amount of contracts remaining to be executed on capital account and not provided for amount to Rs. Nil (Previous Year Rs. Nil).
2. In the opinion of the Management, the Current Assets, Loans and Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business atleast equal to the amount stated therein. The provision for all known liabilities have been made and are adequate.
3. There was a fire at the plant on the intervening night between 9th & 10th January, 2015 in which the company lost its stocks and part of the Building and Plant & Machinery. The company has incurred a loss of Rs 22.25 crores due to the fire which have been reflected in Other Expenses. The company has filed a claim with the insurance company for the loss incurred which has been reflected in the Other Income and Other Current Assets. The insurance company has yet to give a copy of the final loss assessment report.
4. The Company has not received any intimation from suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.
5. All the operations of the company are considered as a single business segment for the purpose of Accounting Standard 17, 'Segment Reporting'(AS17)), issued by the Institute of Chartered Accountants of India.
6. Related Party Disclosures:
  - (I) Relationships
    - (a) Key Management Personnel
      - Justice T.R. Handa (Retd.)
      - Mr. Rajan Handa
      - Mrs. Mamta Handa
      - Dr. Rajan Wadhwa
      - Relatives
      - Mrs. Usha Handa
    - (b) Subsidiary Company
      - OK Play Auto Private Limited
    - (c) Significant influence of key management personnel of the company
      - Rave India (A Printing unit of Rave Scans Pvt Ltd)
      - A&A Labels
      - Anupam Art Printer

Note: Related party relationship is as identified by the company and relied upon by the Auditors.

# OK PLAY INDIA LIMITED

(II) (a) Transactions carried out with related parties referred in (I)(a) above, in ordinary course of business:

| Nature of Transactions | Related Parties (Referred in (I)) |
|------------------------|-----------------------------------|
| Remuneration Paid      | Rs. 1,31,43,850/-                 |

(b) Transactions carried out with related parties referred in (I)(b) above, in ordinary course of business:

Sales : Rs 73,30,212.00

Purchases : Rs 85,03,222.08

(c) Transactions carried out with related parties referred in (I)(c) above, in ordinary course of business:

Purchases : Rs 3,46,93,531.00

7. Consumption of imported and indigenous material and percentage thereof.

|                                     | 31.03.2015            |               | 31.03.2014            |               |
|-------------------------------------|-----------------------|---------------|-----------------------|---------------|
|                                     | Value (Rs.)           | Percentage    | Value (Rs.)           | Percentage    |
| <b>Raw Material</b>                 |                       |               |                       |               |
| Imported                            | 43,402,506.03         | 26.45         | 330,27,594.30         | 6.92          |
| Indigenous                          | 120,706,024.96        | 73.55         | 4442,36,685.66        | 93.08         |
|                                     | <b>164,108,530.99</b> | <b>100.00</b> | <b>4772,64,279.96</b> | <b>100.00</b> |
| <b>Accessories &amp; Components</b> |                       |               |                       |               |
| Imported                            | 0.00                  | 0.00          | 11,43,049.84          | 2.59          |
| Indigenous                          | 32,080,091.90         | 100.00        | 430,41,961.28         | 97.41         |
|                                     | <b>32,080,091.90</b>  | <b>100.00</b> | <b>441,85,011.12</b>  | <b>100.00</b> |

8. Expenditure incurred in Foreign Currency

|               | 31.03.2015<br>(Rs.) | 31.03.2014<br>(Rs.) |
|---------------|---------------------|---------------------|
| a) Travelling | 5,42,311.54         | 9,40,067.06         |
| b) Telephone  | 1,32,665.57         | 85,993.41           |
| c) Fees       | 54,027.98           | Nil                 |
| d) Interest   | 1,61,57,994.00      | 1,99,96,275.00      |

9. Earning in Foreign Exchange

|                            | 31.03.2015<br>(Rs.) | 31.03.2014<br>(Rs.) |
|----------------------------|---------------------|---------------------|
| FOB Value of Exports (Rs.) | Nil                 | 24,01,012.00        |

10. CIF Value of Imports

|                              | 31.03.2015<br>(Rs.) | 31.03.2014<br>(Rs.) |
|------------------------------|---------------------|---------------------|
| a) Raw Material              | 4,58,08,007.99      | 194,68,887.18       |
| b) Accessories & Consumables | 29,664.00           | 22,45,652.59        |
| c) Finished Goods            | Nil                 | 11,172.60           |

As per our report of even date attached.

For S.P.Marwaha & Co.

Chartered Accountants

(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

For and on behalf of the Board

Sd/-

(Justice T.R.Handa) (Retd.)

Chairman Cum Wholtime Director

DIN-00194284

Sd/-

(Rajan Handa)

Managing Director

DIN-00194590

Sd/-

(Triloki Nath Verma)

Company Secretary



## **CONSOLIDATED INDEPENDENT AUDITORS' REPORT**

### **To The Members of OK PLAY INDIA LIMITED**

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

We have audited the accompanying consolidated financial statements of OK PLAY INDIA LIMITED ("the Company") and its subsidiary (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

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

The holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Director's, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2015, and its consolidated loss and its consolidated cash flows for the year ended on that date.

#### **Emphasis of Matter**

We draw attention to Note 26(5) to the consolidated financial statements which describes the uncertainty related to the realization of the amount of the insurance claim lodged with the Insurance Company.

Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act based on the comments in the auditors' reports of the Holding Company and Subsidiary Company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
  - 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) On the basis of written representations received from the directors of the Holding Company and the Subsidiary Company as on 31 March, 2015 and taken on record by the Board of Directors of the respective companies, none of the directors of the Holding Company and its subsidiary company is disqualified as on 31 March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - a. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group as referred to in Note 27(1) to the financial statements
    - b. The Group did not have any material foreseeable losses on the long term contracts including derivative contracts.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.

**For S. P. MARWAHA & CO.**  
**CHARTERED ACCOUNTANTS**  
**(FRN 000229-N)**  
Sd/-

**A. S. BAJAJ**  
**PARTNER**  
**M.N. 086120**

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May, 2015**

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Auditors' Report of even date to the members of OK Play India Limited on the Consolidated financial statements for the year ended 31 March 2015

- (i) (a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all items over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (ii) (a) The inventories have been physically verified during the year by the management of the Group Companies. In our opinion, the frequency of verification is reasonable.

- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Group Companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Group Companies have not granted during the year secured or unsecured loans to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) (a) and (b) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Group Companies have not accepted any deposit from the public. Therefore, the provisions of clause (v) are not applicable to the company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products of the Group Companies.
- (vii) (a) According to the records of the Company, the Group Companies are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it except Income Tax amounting to Rs 1,16,01,113/-, Service Tax Rs. 85,219/- and Sale Tax Demand Rs. 27,62,126/- which is outstanding for more than six months.
- (b) According to the information and explanations given to us, there are no material dues of income tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute, except the following:
  - (i) disputed Sales Tax of Rs. 11,200/- pending before the Sales Tax Officer;
  - (ii) disputed Sales Tax of Rs. 23,624/- pending before the Assistant Commissioner, Sales Tax;
  - (iii) disputed penalty of Rs. 29,37,276/- under the Central Excise Act pending before the Central Excise & Service Tax Appellate Tribunal.
- (c) According to the information and explanations given to us there are no amounts which are required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made there-under.
- (viii) The Group has accumulated losses at the end of the financial year which is less than 50% of the net worth. The Group has not incurred any cash loss during the financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, we are of the opinion that the Group has not defaulted in the repayment of dues to financial institutions and banks.
- (x) In our opinion and according to the information and explanations given to us, having regard to the fact that the subsidiary is wholly owned, the terms and conditions of the guarantee given by the Holding Company for loan taken by the subsidiary from a bank are not prima facie prejudicial to the interest of the Group.
- (xi) According to the information and explanations given to us, the Group has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purpose for which the loans were raised.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Group Companies has been noticed or reported during the year.

**For S. P. MARWAHA & CO.**  
**CHARTERED ACCOUNTANTS**  
**(FRN 000229-N)**  
 Sd/-

**A. S. BAJAJ**  
**PARTNER**  
**M.N. 086120**

**Place: New Delhi**  
**Dated: 30<sup>th</sup> May, 2015**

# OK PLAY INDIA LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

| Particulars                            | Note No. | AS AT<br>31.03.2015<br>(Rs.) | AS AT<br>31.03.2014<br>(Rs.) |
|--|----------|------------------------------|------------------------------|
| <b>EQUITY AND LIABILITIES</b>          |          |                              |                              |
| <b>Shareholders' Funds</b>             |          |                              |                              |
| Share Capital                          | 2        | 179,692,000.00               | 170,701,000.00               |
| Reserves and Surplus                   | 3        | 108,770,549.20               | 111,349,053.13               |
| Money received against share warrants  |          | -                            | 5,618,750.00                 |
| <b>Non-Current Liabilities</b>         |          |                              |                              |
| Long-Term Borrowings                   | 4        | 480,861,523.17               | 392,091,832.29               |
| Long Term Provisions                   | 5        | 5,536,006.00                 | 5,697,296.00                 |
| <b>Current Liabilities</b>             |          |                              |                              |
| Short-Term Borrowings                  | 6        | 371,957,233.91               | 312,962,423.05               |
| Trade Payables                         |          | 86,958,032.92                | 114,506,418.52               |
| Other Current Liabilities              | 7        | 251,861,883.53               | 350,175,461.68               |
| Short-Term Provisions                  | 8        | 11,601,113.00                | 11,914,036.00                |
| <b>Total</b>                           |          | <b>1,497,238,341.73</b>      | <b>1,475,016,270.67</b>      |
| <b>ASSETS</b>                          |          |                              |                              |
| <b>Non-Current Assets</b>              |          |                              |                              |
| Fixed Assets                           | 9        |                              |                              |
| Tangible assets                        |          | 515,743,850.33               | 501,192,258.28               |
| Intangible assets                      |          | 8,237,360.71                 | 9,515,550.59                 |
| Capital work-in-progress               |          | 524,395.53                   | -                            |
| Intangible assets under development    |          | 44,595,109.12                | 33,459,372.12                |
| Non-current investments                | 10       | -                            |                              |
| Deferred tax assets (net)              | 10       | 34,335,000.00                | 17,811,000.00                |
| Long term loans and advances           | 11       | 7,055,357.00                 | 2,362,321.00                 |
| <b>Current Assets</b>                  |          |                              |                              |
| Inventories                            | 12       | 126,517,861.34               | 247,330,188.84               |
| Trade receivables                      | 13       | 292,686,506.48               | 280,005,463.16               |
| Cash and cash equivalents              | 14       | 15,518,654.97                | 77,256,872.55                |
| Short-term loans and advances          | 15       | 229,497,109.98               | 306,083,244.13               |
| Other current assets                   | 16       | 222,527,136.27               | -                            |
| <b>Total</b>                           |          | <b>1,497,238,341.73</b>      | <b>1,475,016,270.67</b>      |
| <b>Significant Accounting Policies</b> | 1        |                              |                              |
| <b>Notes on Financial Statements</b>   | 2 to 26  |                              |                              |

As per our report of even date attached.

For and on behalf of the Board

For S.P.Marwaha & Co.

Chartered Accountants  
(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner  
M.No. 086120

Place : New Delhi

Date : 30th May, 2015

Sd/-

(Justice T.R.Handa) (Retd.)  
Chairman Cum Wholetime Director  
DIN-00194284

Sd/-

(Rajan Handa)  
Managing Director  
DIN-00194590

Sd/-

(Triloki Nath Verma)  
Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars   | Note No. | FOR THE YEAR ENDED<br>31.03.2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03.2014<br>(Rs.) |
|---|----------|---|---|
| Revenue from operations   | 17       | 674,785,064.57                            | 1,097,153,110.17                          |
| Other Income  | 18       | 225,641,098.83                            | 2,916,813.20                              |
| <b>Total Revenue</b>  |          | <b>900,426,163.40</b>                     | <b>1,100,069,923.37</b>                   |
| <b>Expenses:</b>  |          |   |   |
| Cost of materials consumed  | 19       | 325,910,158.61                            | 712,539,288.48                            |
| Purchase of Stock-in-Trade  |          | 122,047,240.00                            | 76,860,405.06                             |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 20       | (44,126,558.42)                           | (92,874,601.71)                           |
| Employee benefits expense   | 21       | 80,058,136.59                             | 90,902,361.77                             |
| Financial costs   | 22       | 114,222,997.70                            | 106,169,722.26                            |
| Depreciation and amortization expense   | 23       | 37,790,050.95                             | 70,088,796.58                             |
| Other expenses  | 24       | 293,800,829.29                            | 155,579,779.72                            |
| <b>Total Expenses</b>   |          | <b>929,702,854.72</b>                     | <b>1,119,265,752.16</b>                   |
| <b>Profit/(Loss) before exceptional and extraordinary items and tax</b>       |          | <b>(29,276,691.32)</b>                    | <b>(19,195,828.79)</b>                    |
| Exceptional items (Net (gain)/loss on Exchange Fluctuation on FCCB/ECB)       |          | 14,175,169.00                             | 34,765,649.00                             |
| <b>Profit/(Loss) before extraordinary items and tax</b>                       |          | <b>(43,451,860.32)</b>                    | <b>(53,961,477.79)</b>                    |
| Provision of Tax for earlier years/(Excess Provision of Tax written back)     |          | -   | 1,332,160.00                              |
| <b>Profit/(Loss) before tax</b>   |          | <b>(43,451,860.32)</b>                    | <b>(55,293,637.79)</b>                    |
| <b>Tax expense:</b>   |          |   |   |
| (1) Current tax   |          | -   | 5,400,000.00                              |
| (2) Deferred tax charge/(credit)  |          | (16,524,000.00)                           | 28,428,000.00                             |
| <b>Profit/(Loss) for the year</b>   |          | <b>(26,927,860.32)</b>                    | <b>(89,121,637.79)</b>                    |
| Earnings per equity share of face value of Rs 10 each:                        | 25       |   |   |
| Basic and Diluted (in Rupees)   |          | (1.50)                                    | (5.22)                                    |
| <b>Significant Accounting Policies</b>  | 1        |   |   |
| <b>Notes on Financial Statements</b>  | 2 to 26  |   |   |

As per our report of even date attached.

For and on behalf of the Board

For S.P.Marwaha & Co.

Chartered Accountants  
(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

Sd/-

(Justice T.R.Handa) (Retd.)  
Chairman Cum Wholetime Director  
DIN-00194284

Sd/-

(Rajan Handa)  
Managing Director  
DIN-00194590

Sd/-

(Triloki Nath Verma)  
Company Secretary

# OK PLAY INDIA LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars  | Note No. | YEAR ENDED<br>31ST MARCH, 2015<br>(Rs.) | YEAR ENDED<br>31ST MARCH, 2014<br>(Rs.) |
|--|----------|---|---|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>        |          |   |   |
| Net Profit/(Loss) before Tax and extraordinary items   |          | (43,451,860.32)                         | (53,961,477.79)                         |
| Adjustments for :                                      |          |   |   |
| Depreciation   |          | 37,790,050.95                           | 70,088,796.58                           |
| Loss/( Profit ) on fire/sale of Assets                 |          | 18,715,579.49                           | 658,154.87                              |
| Interest Received                                      |          | 2,474,818.00                            | 2,889,436.00                            |
| Interest Payments                                      |          | 114,222,997.70                          | 106,169,722.26                          |
| Deferred Revenue Expenditure written off               |          | -                                       | 39,213,964.00                           |
| Exchange Fluctuation Loss/(Gain)                       |          | 14,175,169.00                           | 34,765,649.00                           |
| Operating Profit before Working Capital changes        |          | 143,926,754.82                          | 199,824,244.92                          |
| Adjustments for :                                      |          |   |   |
| Trade and Other Receivables                            |          | (235,208,179.59)                        | 67,903,045.74                           |
| Inventories  |          | 120,812,327.50                          | (47,217,133.27)                         |
| Trade and Other Payables                               |          | (126,967,619.75)                        | 77,185,444.94                           |
| Cash generated from operations                         |          | (97,436,717.02)                         | 297,695,602.33                          |
| Interest paid  |          | (114,222,997.70)                        | (106,169,722.26)                        |
| Cash flow before extraordinary items                   |          | (211,659,714.72)                        | 191,525,880.07                          |
| Direct taxes paid                                      |          | (312,923.00)                            | (1,332,160.00)                          |
| <b>Net Cash from Operating Activities</b>              |          | <b>(211,972,637.72)</b>                 | <b>190,193,720.07</b>                   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>        |          |   |   |
| Purchase of Fixed Assets                               |          | (70,949,808.75)                         | (53,577,078.08)                         |
| Sale of Fixed Assets                                   |          | 375,000.00                              | 1,365,652.00                            |
| Interest Received                                      |          | (2,474,818.00)                          | (2,889,436.00)                          |
| <b>Net Cash used in Investing Activities</b>           |          | <b>(73,049,626.75)</b>                  | <b>(55,100,862.08)</b>                  |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>        |          |   |   |
| Proceeds from Issue of Share Capital                   |          | 16,857,250.00                           | 1,893,750.00                            |
| Loans & Advances paid                                  |          | 71,893,098.15                           | (137,043,509.45)                        |
| Proceeds from Long Term Borrowings                     |          | 75,538,887.88                           | (115,349,136.18)                        |
| Proceeds from Short Term Borrowings                    |          | 58,994,810.86                           | 66,394,314.57                           |
| <b>Net Cash used in Financing Activities</b>           |          | <b>223,284,046.89</b>                   | <b>(184,104,581.06)</b>                 |
| <b>Net increase in Cash and Cash Equivalents</b>       |          | <b>(61,738,217.58)</b>                  | <b>(49,011,723.07)</b>                  |
| <b>Cash and Cash Equivalents as at 1st April,2013</b>  |          | <b>77,256,872.55</b>                    | <b>126,268,595.62</b>                   |
| <b>Cash and Cash Equivalents as at 31st March,2014</b> |          | <b>15,518,654.97</b>                    | <b>77,256,872.55</b>                    |

As per our report of even date attached.

For and on behalf of the Board

For S.P.Marwaha & Co.

Chartered Accountants  
(FRN 000229-N)

Sd/-

(A.S.BAJAJ)

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

Sd/-

(Justice T.R.Handa) (Retd.)

Chairman Cum Wholetime Director

DIN-00194284

Sd/-

(Rajan Handa)

Managing Director

DIN-00194590

Sd/-

(Triloki Nath Verma)

Company Secretary

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### NOTE : 1 SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

#### (1) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

#### (2) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to OK Play India Limited ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

#### (3) Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

**The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.**

| Particulars | AS AT<br>31.03. 2015<br>(Rs.) | AS AT<br>31.03. 2014<br>(Rs.) |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

### NOTE : 2 SHARE CAPITAL

#### AUTHORIZED CAPITAL

|  |                       |                       |
|--|-----------------------|-----------------------|
| 3,00,00,000 (Previous year 3,00,00,000) Equity Shares of Rs. 10/- each | 300,000,000.00        | 300,000,000.00        |
|  | <u>300,000,000.00</u> | <u>300,000,000.00</u> |

#### ISSUED CAPITAL

|  |                       |                       |
|--|-----------------------|-----------------------|
| 1,80,38,000 (Previous year 1,71,39,000) Equity Shares of Rs. 10/- each | 180,380,000.00        | 171,390,000.00        |
|  | <u>180,380,000.00</u> | <u>171,390,000.00</u> |

#### SUBSCRIBED AND PAID UP CAPITAL

|  |                              |                              |
|--|------------------------------|------------------------------|
| 1,79,82,100 (Previous year 1,70,83,100) Equity Shares of Rs. 10/- each | 179,821,000.00               | 170,831,000.00               |
| Less: Allotment Money unpaid   | 129,000.00                   | 130,000.00                   |
| 25,800 (Previous year 26,000) Equity Shares                            |                              |                              |
| <b>Total</b>   | <b><u>179,692,000.00</u></b> | <b><u>170,701,000.00</u></b> |

**The reconciliation of the number of shares outstanding is set out below:**

|  |                   |                   |
|--|-------------------|-------------------|
| Equity Shares at the beginning of the year | 17,083,100        | 16,982,100        |
| Add: Shares issued during the year         | 899,000           | 101,000           |
| Equity Shares at the end of the year       | <u>17,982,100</u> | <u>17,083,100</u> |

# OK PLAY INDIA LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars  | AS AT<br>31.03. 2015<br>(Rs.) | AS AT<br>31.03. 2014<br>(Rs.) |
|--|-------------------------------|-------------------------------|
| <b>NOTE : 3 RESERVES &amp; SURPLUS</b>   |                               |                               |
| Capital Reserve  | 97,815,165.00                 | 97,815,165.00                 |
| Share Premium Account  | 83,648,014.00                 | 70,163,014.00                 |
| General Reserve  | 1,524,000.00                  | 1,524,000.00                  |
| Surplus (Profit & Loss Account)  | (74,216,629.80)               | (58,153,125.87)               |
| Balance brought forward from previous year   | (58,153,125.87)               | 30,556,371.92                 |
| Add: Adjustment arising out of purchase of shares of Subsidiary Co.  | -                             | 412,140.00                    |
| Add: Depreciation Reserve written back   | 10,864,356.39                 | -                             |
| Add/(less): Profit/(Loss) for the year   | (26,927,860.32)               | (89,121,637.79)               |
| <b>Total</b>   | <b>108,770,549.20</b>         | <b>111,349,053.13</b>         |
| Share Premium Account as on 31.3.2014  | 70,163,014.00                 | 68,648,014.00                 |
| Add: Share Premium on 8,99,000 Equity Shares issued during the year<br>at Rs 15/- per share                                    | 13,485,000.00                 | 1,515,000.00                  |
| Share Premium Account as on 31.3.2015  | 83,648,014.00                 | 70,163,014.00                 |
| <b>NOTE : 4 LONG TERM BORROWINGS</b>   |                               |                               |
| Term Loans, Secured  |                               |                               |
| - From Bank  | 215,826,353.00                | 115,465,586.00                |
| - Against Vehicles   | 7,029,579.17                  | 6,240,472.29                  |
| - External Commercial Borrowing from Bank  | 190,706,517.00                | 254,260,646.00                |
| Term Loans, Unsecured  |                               |                               |
| - From Other Parties   | 62,193,074.00                 | 11,019,128.00                 |
|  | 5,106,000.00                  | 5,106,000.00                  |
| <b>Total</b>   | <b>480,861,523.17</b>         | <b>392,091,832.29</b>         |
| 4.1 Secured Term Loans are secured as below:   |                               |                               |
| From Banks : Secured against hypothecation of assets created from Term Loan.   |                               |                               |
| Against Vehicles : Secured against hypothecation of respective vehicles.   |                               |                               |
| 4.2 Term Loans from banks are collaterally secured by:   |                               |                               |
| a) Equitable Mortgage on the Company's property at 124, New Manglapuri, Mehrauli, New Delhi.                                   |                               |                               |
| b) Equitable mortgage of land and building at plot no.17-18, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana. |                               |                               |
| c) Hypothecation of all the Current Assets of the company.   |                               |                               |
| d) First charge on other net block assets of the company.  |                               |                               |
| e) Personal guarantees of two of the directors of the company.   |                               |                               |
| f) Pledge of 47.94 lacs Equity Shares of the company by one of the Directors.  |                               |                               |



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- g) Second charge on entire fixed assets of the subsidiary company, OK Play Auto Private Limited.
- h) Residual value of prime security of the subsidiary company, OK Play Auto Private Limited.
- i) Reinvestment Deposit Plan of the value of Rs.0.45 crores.

4.3 Term Loans, Unsecured from other parties have been secured by third party property.

4.4 Term Loans are repayable as follows:

From Bank: Payable in monthly instalments upto year 2019-20

Against Vehicles: Payable in monthly instalments extending to year 2020-21

External Commercial Borrowing: Payable in half-yearly instalments upto year 2018-19

Unsecured From Other Parties: Payable in monthly instalments extending to year 2022-23

| Particulars | AS AT<br>31.03. 2015<br>(Rs.) | AS AT<br>31.03. 2014<br>(Rs.) |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

### NOTE : 5 LONG TERM PROVISIONS

|   |                     |                     |
|---|---------------------|---------------------|
| Provision for Gratuity/Leave Encashment | 5,536,006.00        | 5,697,296.00        |
| <b>Total</b>                            | <b>5,536,006.00</b> | <b>5,697,296.00</b> |

### NOTE : 6 SHORT TERM BORROWINGS

|                                   |                       |                       |
|-----------------------------------|-----------------------|-----------------------|
| Loan Repayable on Demand, Secured |                       |                       |
| - Working Capital Loan from Bank  | 371,957,233.91        | 312,962,423.05        |
| <b>Total</b>                      | <b>371,957,233.91</b> | <b>312,962,423.05</b> |

6.1 Working Capital Loan from Bank is secured by:

Secured against hypothecation of stocks of Raw Material, Work-in-process, Finished Goods & Other Stocks and book debts.

6.2 Working Capital Loan from bank is collaterally secured by:

- a) Equitable Mortgage on the Company's property at 124, New Manglapuri, Mehrauli, New Delhi.
- b) Equitable mortgage of land and building at plot no.17-18, Rojka Meo Industrial Estate, Tehsil Nuh, District Mewat, Haryana.
- c) Hypothecation of all the Current Assets of the company.
- d) First charge on other net block assets of the company.
- e) Personal guarantees of two of the directors of the company.
- f) Pledge of 47.94 lacs Equity Shares of the company by one of the Directors.
- g) Second charge on entire fixed assets of the subsidiary company, OK Play Auto Private Limited.
- h) Residual value of prime security of the subsidiary company, OK Play Auto Private Limited.
- i) Reinvestment Deposit Plan of the value of Rs.0.45 crores.

# OK PLAY INDIA LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | AS AT<br>31.03. 2015<br>(Rs.) | AS AT<br>31.03. 2014<br>(Rs.) |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

### NOTE : 7 OTHER CURRENT LIABILITIES

Current maturities of long term debt

|  |                       |                       |
|--|-----------------------|-----------------------|
| - Foreign Currency Convertible Bonds       | 22,000,259.00         | 21,055,893.00         |
| - Others                                   | 155,733,121.09        | 164,914,576.87        |
| Interest accrued but not due on borrowings | 1,414,661.00          | 3,841,226.00          |
| Sundry Creditors (Others)                  | 31,749,328.37         | 54,240,105.56         |
| Due to Directors                           | 5,954,028.63          | 3,552,915.98          |
| Customer Advances & Deposits               | 14,967,752.41         | 69,282,759.72         |
| Direct/Indirect Taxes payable              | 6,787,211.06          | 17,067,799.83         |
| Other Liabilities                          | 13,255,521.97         | 16,220,184.72         |
| <b>Total</b>                               | <b>251,861,883.53</b> | <b>350,175,461.68</b> |

7.1 The Board of Directors of the Company at its meeting held on 23rd July, 2007 issued zero coupon unsecured Foreign Currency Convertible Bonds ('FCCB') aggregating to USD 10 million, at par. During the financial year 2010-11, the 'FCCB' of the face value of USD 9,760,000 had been bought back by the company at a discount of 24% to the face value of the 'FCCB' and subsequently a notice was given to the Clearing Houses, through the Trustees, requesting communication with the bondholders of the balance 24 bonds of the face value of USD 240,000. However, no response has been received and no claimant has come forth on the redemption date of 24th July, 2012 and till date. The premium payable on the redemption of the FCCB has been provided for.

### NOTE : 8 SHORT TERM PROVISIONS

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Provision for Taxation | 11,601,113.00        | 11,914,036.00        |
| <b>Total</b>           | <b>11,601,113.00</b> | <b>11,914,036.00</b> |

### NOTE : 9 FIXED ASSETS

| Particulars                                 | Gross Block (Rs)        |                              |                               |                         | Depreciation (Rs)     |                              |                               |                       | Net Block (Rs)        |                       |
|---|-------------------------|------------------------------|-------------------------------|-------------------------|-----------------------|------------------------------|-------------------------------|-----------------------|-----------------------|-----------------------|
|   | As on<br>01.04.2014     | Additions<br>during the year | Deductions<br>during the year | As on<br>31.03.2015     | As on<br>01.04.2014   | Additions<br>during the year | Deductions<br>during the year | As on<br>31.03.2015   | As on<br>31.03.2015   | As on<br>31.03.2014   |
| <b>Tangible Assets</b>                      |                         |                              |                               |                         |                       |                              |                               |                       |                       |                       |
| Land (Freehold)                             | 12,877,328.60           | -                            | -                             | 12,877,328.60           | -                     | -                            | -                             | -                     | 12,877,328.60         | 12,877,328.60         |
| Land (Leasehold)                            | 24,382,724.00           | -                            | -                             | 24,382,724.00           | -                     | -                            | -                             | -                     | 24,382,724.00         | 24,382,724.00         |
| Buildings                                   | 148,019,422.16          | -                            | 14,529,798.00                 | 133,489,624.16          | 21,362,063.92         | 4,333,299.90                 | 7,825,464.12                  | 17,869,899.70         | 115,619,724.46        | 126,657,358.24        |
| Plant and Equipment                         | 722,917,618.66          | 53,872,737.24                | 18,204,794.95                 | 758,585,560.95          | 429,793,716.57        | 22,751,387.94                | 20,487,534.01                 | 432,057,570.50        | 326,527,990.45        | 293,123,902.09        |
| Furnitures & Fixtures                       | 23,471,052.06           | 309,696.00                   | 2,583,182.71                  | 21,197,565.35           | 7,029,376.48          | 2,544,112.21                 | 981,341.79                    | 8,592,146.90          | 12,605,418.45         | 16,441,675.58         |
| Vehicles                                    | 38,275,083.00           | 3,948,081.00                 | 3,073,190.00                  | 39,149,974.00           | 13,792,202.85         | 5,604,634.47                 | 1,734,276.27                  | 17,662,561.05         | 21,487,412.95         | 24,482,880.15         |
| Office Equipment                            | 14,018,416.50           | 773,161.98                   | 229,413.88                    | 14,562,164.60           | 10,792,026.88         | 892,426.55                   | (634,459.75)                  | 12,318,913.18         | 2,243,251.42          | 3,226,389.62          |
| <b>SUB TOTAL (A)</b>                        | <b>983,961,644.98</b>   | <b>58,903,676.22</b>         | <b>38,620,379.54</b>          | <b>1,004,244,941.66</b> | <b>482,769,386.70</b> | <b>36,125,861.07</b>         | <b>30,394,156.44</b>          | <b>488,501,091.33</b> | <b>515,743,850.33</b> | <b>501,192,258.28</b> |
| <b>Intangible Assets</b>                    |                         |                              |                               |                         |                       |                              |                               |                       |                       |                       |
| Other Intangible Assets                     | 13,945,814.93           | -                            | -                             | 13,945,814.93           | 7,113,105.87          | 1,395,393.03                 | -                             | 8,508,498.90          | 5,437,316.03          | 6,832,709.06          |
| Goodwill                                    | 466,946.00              | -                            | -                             | 466,946.00              | -                     | -                            | -                             | -                     | 466,946.00            | 466,946.00            |
| Computer software                           | 7,355,170.94            | 386,000.00                   | -                             | 7,741,170.94            | 5,139,275.41          | 268,796.85                   | -                             | 5,408,072.26          | 2,333,098.68          | 2,215,895.53          |
| <b>SUB TOTAL (B)</b>                        | <b>21,767,931.87</b>    | <b>386,000.00</b>            | <b>-</b>                      | <b>22,153,931.87</b>    | <b>12,252,381.28</b>  | <b>1,664,189.88</b>          | <b>-</b>                      | <b>13,916,571.16</b>  | <b>8,237,360.71</b>   | <b>9,515,550.59</b>   |
| <b>Capital Work-in-progress</b>             | <b>-</b>                | <b>524,395.53</b>            | <b>-</b>                      | <b>524,395.53</b>       | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>524,395.53</b>     | <b>-</b>              |
| <b>SUB TOTAL (C)</b>                        | <b>-</b>                | <b>524,395.53</b>            | <b>-</b>                      | <b>524,395.53</b>       | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>524,395.53</b>     | <b>-</b>              |
| <b>Intangible Assets Under Development</b>  | <b>33,459,372.12</b>    | <b>11,135,737.00</b>         | <b>-</b>                      | <b>44,595,109.12</b>    | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>44,595,109.12</b>  | <b>33,459,372.12</b>  |
| <b>SUB TOTAL (D)</b>                        | <b>33,459,372.12</b>    | <b>11,135,737.00</b>         | <b>-</b>                      | <b>44,595,109.12</b>    | <b>-</b>              | <b>-</b>                     | <b>-</b>                      | <b>-</b>              | <b>44,595,109.12</b>  | <b>33,459,372.12</b>  |
| <b>Total [A + B + C + D] (Current Year)</b> | <b>1,039,188,948.97</b> | <b>70,949,808.75</b>         | <b>38,620,379.54</b>          | <b>1,071,518,378.18</b> | <b>495,021,767.98</b> | <b>37,790,050.95</b>         | <b>30,394,156.44</b>          | <b>502,417,662.49</b> | <b>569,100,715.69</b> | <b>544,167,180.99</b> |
| (Previous Year)                             | 960,872,855.88          | 81,948,745.10                | 3,632,652.01                  | 1,039,188,948.97        | 426,541,816.54        | 70,088,796.58                | 1,608,845.14                  | 495,021,767.98        | 544,167,180.99        |                       |

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | AS AT<br>31.03. 2015<br>(Rs.) | AS AT<br>31.03. 2014<br>(Rs.) |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

### NOTE : 10 DEFERRED TAX (ASSETS) / LIABILITY (NET)

#### Deferred Tax Liabilities

|   |                      |                      |
|---|----------------------|----------------------|
| (i) Related to Fixed Assets   | 53,454,000.00        | 42,688,000.00        |
| (ii) Deferred Revenue Expenditure allowed<br>under the Income Tax Act, 1961 | -                    | -                    |
|   | <u>53,454,000.00</u> | <u>42,688,000.00</u> |

#### Deferred Tax Assets

|  |                      |                      |
|--|----------------------|----------------------|
| (i) Disallowance under the Income Tax Act, 1961  | 29,463,000.00        | 31,556,000.00        |
| (ii) Unabsorbed depreciation/carried forward of<br>losses under the Income Tax Act, 1961 | 58,326,000.00        | 28,943,000.00        |
|  | <u>87,789,000.00</u> | <u>60,499,000.00</u> |

#### Deferred Tax (Assets) / Liability

|                        |                        |
|------------------------|------------------------|
| <u>(34,335,000.00)</u> | <u>(17,811,000.00)</u> |
|------------------------|------------------------|

### NOTE : 11 LONG TERM LOANS AND ADVANCES

#### Unsecured, Considered Good :

|                       |                     |                     |
|-----------------------|---------------------|---------------------|
| Earnest Money Deposit | 714,740.00          | 714,740.00          |
| Other Deposit         | 6,340,617.00        | 1,647,581.00        |
| <b>Total</b>          | <u>7,055,357.00</u> | <u>2,362,321.00</u> |

### NOTE : 12 INVENTORIES

#### At cost

|                                 |                       |                       |
|---------------------------------|-----------------------|-----------------------|
| Raw Materials                   | 11,680,465.57         | 30,226,107.85         |
| Work-in-Progress                | 34,081,620.78         | 65,138,290.81         |
| Finished Goods                  | 11,750,925.51         | 20,485,152.16         |
| Stock-in-Trade                  | 22,527,176.00         | 72,504,284.00         |
| Stores & Spares                 | 2,720,026.61          | 8,563,891.80          |
| Packing Materials & Accessories | 25,470,829.57         | 39,716,832.68         |
| Others With Job Workers         | 16,211,595.00         | 8,458,590.00          |
| Goods-in-transit                | 2,075,222.30          | 2,237,039.54          |
| <b>Total</b>                    | <u>126,517,861.34</u> | <u>247,330,188.84</u> |

### NOTE : 13 TRADE RECEIVABLES

#### Due for more than six months

|                            |                |               |
|----------------------------|----------------|---------------|
| Unsecured, Considered Good | 126,201,267.99 | 96,825,564.61 |
|----------------------------|----------------|---------------|

#### Others

|                            |                       |                       |
|----------------------------|-----------------------|-----------------------|
| Unsecured, Considered Good | 166,485,238.49        | 183,179,898.55        |
| <b>Total</b>               | <u>292,686,506.48</u> | <u>280,005,463.16</u> |

# OK PLAY INDIA LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | AS AT<br>31.03. 2015<br>(Rs.) | AS AT<br>31.03. 2014<br>(Rs.) |
|-------------|-------------------------------|-------------------------------|
|-------------|-------------------------------|-------------------------------|

### NOTE : 14 CASH & CASH EQUIVALENTS

|                                |                     |                     |
|--------------------------------|---------------------|---------------------|
| Cash-in-Hand including imprest | 4,411,863.00        | 3,870,866.75        |
| <b>Sub Total (A)</b>           | <b>4,411,863.00</b> | <b>3,870,866.75</b> |

|  |                      |                      |
|--|----------------------|----------------------|
| Balances with banks  |                      |                      |
| - in current accounts  | 1,863,368.97         | 617,476.80           |
| - in Fixed Deposits as margin money (maturity upto 12 months)      | 8,537,231.00         | -                    |
| - in Fixed Deposits as margin money (maturity exceeding 12 months) | 706,192.00           | 28,209,029.00        |
| <b>Sub Total (B)</b>   | <b>11,106,791.97</b> | <b>28,826,505.80</b> |

|                            |          |                      |
|----------------------------|----------|----------------------|
| <b>Cheques in Hand (C)</b> | <b>-</b> | <b>44,559,500.00</b> |
|----------------------------|----------|----------------------|

|                            |                      |                      |
|----------------------------|----------------------|----------------------|
| <b>Total [ A + B + C ]</b> | <b>15,518,654.97</b> | <b>77,256,872.55</b> |
|----------------------------|----------------------|----------------------|

### NOTE : 15 SHORT TERMS LOANS AND ADVANCES

|   |                       |                       |
|---|-----------------------|-----------------------|
| Other Loans & Advances                            |                       |                       |
| Unsecured, Considered good                        |                       |                       |
| Advances to Creditors                             | 212,633,058.91        | 284,858,131.01        |
| Staff Advances                                    | 1,495,658.76          | 1,455,615.92          |
| Advance Income Tax/TDS/Direct Taxes               | 2,508,394.00          | 2,551,838.00          |
| Balance With Revenue Authorities (Indirect Taxes) | 11,130,758.68         | 14,712,272.48         |
| Prepaid Expenses                                  | 1,729,239.63          | 2,505,386.72          |
| <b>Total</b>                                      | <b>229,497,109.98</b> | <b>306,083,244.13</b> |

### NOTE : 16 OTHER CURRENT ASSETS

|                             |                       |          |
|-----------------------------|-----------------------|----------|
| Insurance Claim Recoverable | 222,527,136.27        | -        |
| <b>Total</b>                | <b>222,527,136.27</b> | <b>-</b> |

| Particulars | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|-------------|--|--|
|-------------|--|--|

### NOTE : 17 REVENUE FROM OPERATIONS

|                   |                       |                         |
|-------------------|-----------------------|-------------------------|
| Sale of products  | 719,220,215.65        | 1,216,274,017.14        |
| Less: Excise duty | 44,435,151.08         | 119,120,906.97          |
| <b>Total</b>      | <b>674,785,064.57</b> | <b>1,097,153,110.17</b> |

### NOTE : 18 OTHER INCOME

|   |                       |                     |
|---|-----------------------|---------------------|
| Interest income                           | 2,474,818.00          | 2,889,436.00        |
| Miscellaneous Receipts                    | 139,239.82            | 8,332.00            |
| Net gain on Foreign Currency Transactions | 499,904.74            | 19,045.20           |
| Other non-operating income                | 222,527,136.27        | -                   |
| <b>Total</b>                              | <b>225,641,098.83</b> | <b>2,916,813.20</b> |

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars  | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|--|--|--|
| <b>NOTE : 19 COST OF MATERIALS CONSUMED</b>                                    |  |  |
| <b>PURCHASES OF RAW MATERIALS</b>  |  |  |
| Purchases of Raw Material  | 209,363,981.47                             | 464,192,561.40                             |
| Add: Opening Stock of Raw Material   | 30,226,107.85                              | 72,221,813.70                              |
|  | 239,590,089.32                             | 536,414,375.10                             |
| Less: Raw Material Lost in Fire  | 23,983,727.38                              | -  |
| Less: Closing Stock of Raw Material  | 11,680,465.57                              | 30,226,107.85                              |
| <b>Sub-Total (A)</b>   | <b>203,925,896.37</b>                      | <b>506,188,267.25</b>                      |
| <b>CONSUMPTION OF OTHER CONSUMABLES</b>  |  |  |
| Accessories Consumption  | 43,257,433.74                              | 44,598,240.77                              |
| Packing Material Consumption   | 8,506,492.35                               | 12,997,186.20                              |
| Stores & Spares Consumption  | 8,343,897.55                               | 26,567,132.20                              |
| <b>Sub-Total (B)</b>   | <b>60,107,823.64</b>                       | <b>84,162,559.17</b>                       |
| <b>DIRECT/PRODUCTION EXPENSES</b>  |  |  |
| Power & Fuel   | 49,567,944.32                              | 58,287,078.67                              |
| Repair & Maintenance   |  |  |
| - Plant & Machinery  | 2,904,767.82                               | 4,770,684.27                               |
| - Buildings  | 375,317.95                                 | 1,012,344.72                               |
| Other Expenses   | 4,740,622.68                               | 54,038,647.55                              |
| Excise Duty Pulverised Material  | 4,287,785.83                               | 4,079,706.85                               |
| <b>Sub-Total (C)</b>   | <b>61,876,438.60</b>                       | <b>122,188,462.06</b>                      |
| <b>Total (A+B+C)</b>   | <b>325,910,158.61</b>                      | <b>712,539,288.48</b>                      |
| <b>NOTE : 20 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b> |  |  |
| Opening Stock  |  |  |
| - Work-in-Progress   | 65,138,290.81                              | 43,594,586.26                              |
| - Finished Goods   | 92,989,436.16                              | 21,658,539.00                              |
| <b>Sub-Total (A)</b>   | <b>158,127,726.97</b>                      | <b>65,253,125.26</b>                       |
| Less: Loss due to Fire   |  |  |
| - Work-in-Progress   | 71,561,036.17                              | -  |
| - Finished Goods   | 62,333,526.93                              | -  |
| <b>Sub-Total (B)</b>   | <b>133,894,563.10</b>                      | <b>-</b>                                   |
| Closing Stock  |  |  |
| - Work-in-Progress   | 34,081,620.78                              | 65,138,290.81                              |
| - Finished Goods   | 34,278,101.51                              | 92,989,436.16                              |
| <b>Sub-Total (C)</b>   | <b>68,359,722.29</b>                       | <b>158,127,726.97</b>                      |
| <b>Total (A-B-C)</b>   | <b>(44,126,558.42)</b>                     | <b>(92,874,601.71)</b>                     |
| <b>NOTE : 21 EMPLOYEE BENEFITS EXPENSE</b>                                     |  |  |
| Salaries, Wages & Bonus  | 75,234,001.28                              | 85,158,112.32                              |
| Contribution to Provident & other funds  | 2,817,583.00                               | 3,121,622.00                               |
| Staff welfare expenses   | 2,006,552.31                               | 2,622,627.45                               |
| <b>Total</b>   | <b>80,058,136.59</b>                       | <b>90,902,361.77</b>                       |

# OK PLAY INDIA LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars  | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|--|--|--|
| <b>NOTE : 22 FINANCIAL COSTS</b>                         |  |  |
| Bank Interest  | 93,998,436.00                              | 85,292,563.00                              |
| Other Interest   | 10,857,286.53                              | 5,155,685.23                               |
| Discounting Charges                                      | 101,939.00                                 | 808,369.00                                 |
| Finance Charges  | 5,335,805.00                               | 1,259,648.00                               |
| Bank Charges   | 1,717,439.17                               | 3,821,275.14                               |
| Net loss on Foreign Currency Transactions                | 2,212,092.00                               | 9,832,181.89                               |
| <b>Total</b>   | <b>114,222,997.70</b>                      | <b>106,169,722.26</b>                      |
| <b>NOTE : 23 DEPRECIATION &amp; AMORTIZATION EXPENSE</b> |  |  |
| Depreciation   | 37,790,050.95                              | 70,088,796.58                              |
| <b>Total</b>   | <b>37,790,050.95</b>                       | <b>70,088,796.58</b>                       |
| <b>NOTE : 24 OTHER EXPENSES</b>                          |  |  |
| Fee & Registration                                       | 1,783,831.37                               | 918,694.00                                 |
| Balances written off/Bad Debts                           | 1,744,706.68                               | 10,898,086.54                              |
| Donation   | 23,600.00                                  | 66,800.00                                  |
| Rent   | 1,859,920.00                               | 1,510,930.00                               |
| Insurance  | 1,343,070.34                               | 1,206,280.17                               |
| Travelling & Conveyance Expenses                         | 9,225,473.65                               | 10,613,947.55                              |
| Postage & Telephones                                     | 2,303,814.96                               | 1,990,240.73                               |
| Printing & Stationery                                    | 1,105,773.98                               | 1,062,506.54                               |
| Legal & Professional charges                             | 4,900,063.23                               | 3,850,853.76                               |
| Electricity & Water Expenses                             | 2,403,534.80                               | 1,711,940.48                               |
| Auditors' remuneration                                   | 260,000.00                                 | 260,000.00                                 |
| Wealth Tax   | 114,950.00                                 | 107,465.00                                 |
| Rates & Taxes  | 5,887,625.48                               | 3,516,051.98                               |
| Inspection Charges                                       | -  | 3,432,523.00                               |
| Miscellaneous expenses                                   | 2,584,143.84                               | 3,622,742.30                               |
| Repair & Maintenance -Others                             | 3,111,306.45                               | 3,545,535.21                               |
| Loss on sale of Fixed Assets                             | 1,008,382.25                               | 658,154.87                                 |
| Loss on account of Fire                                  | 222,527,136.27                             | -  |
| Advertisement others                                     | 68,281.75                                  | 60,520.00                                  |
| Prior period items                                       | 999,649.30                                 | 109,453.94                                 |
| Royalty paid   | -  | 4,057.00                                   |
| Advertisement  | 445,161.00                                 | 40,024,680.00                              |
| Business Promotion Expenses                              | 1,299,299.97                               | 973,186.64                                 |
| Freight & Octroi   | 13,532,565.35                              | 15,211,337.74                              |
| Discounts  | 15,173,000.62                              | 29,328,933.90                              |
| Commission paid  | -  | 20,465,000.00                              |
| Damaged Goods  | 95,538.00                                  | 429,858.37                                 |
| <b>Total</b>   | <b>293,800,829.29</b>                      | <b>155,579,779.72</b>                      |

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | FOR THE YEAR ENDED<br>31.03. 2015<br>(Rs.) | FOR THE YEAR ENDED<br>31.03. 2014<br>(Rs.) |
|-------------|--|--|
|-------------|--|--|

### NOTE : 25 EARNINGS PER SHARE (EPS)

|  |                 |                 |
|--|-----------------|-----------------|
| Net Profit available for equity share holders (Rs.)  | (26,927,860.32) | (89,121,637.79) |
| Weighted average number of Equity Shares of Rs.10/- each outstanding during the year (No. of Shares) | 17,982,100      | 17,083,100      |
| Basic / Diluted Earnings per shares (Rs.)  | (1.50)          | (5.22)          |

### NOTE : 26 NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

- The subsidiary company considered in the consolidated financial statements is:

| Name of the subsidiary       | Country of<br>Incorporation | Proportion of<br>ownership interest |
|------------------------------|-----------------------------|-------------------------------------|
| OK Play Auto Private Limited | India                       | 100%                                |

- Financial Information of Subsidiary Company (Rs. in Lacs)

| Name of<br>Subsidiary<br>Company | Capital | Reserves | Total<br>Assets | Total<br>Liabilities | Invest-<br>ments | Turnover/<br>Total | Profit<br>Before<br>Income | Provision<br>for<br>Taxation | Profit<br>After<br>Taxation | Proposed<br>Dividend<br>Taxation |
|----------------------------------|---------|----------|-----------------|----------------------|------------------|--------------------|----------------------------|------------------------------|-----------------------------|----------------------------------|
| OK Play Auto<br>Private Limited  | 800.00  | (589.38) | 2905.37         | 2905.37              | Nil              | 1247.71            | (276.19)                   | (97.92)                      | (178.27)                    | Nil                              |

- Contingent Liabilities and Commitments, not provided for :

#### (I) Contingent Liabilities

- Claims against the company not acknowledged as debt:

- Claims against the Company, where legal cases are under way, but not acknowledged as debts amount to Rs 59,74,812.12.
- Demand of penalty of Rs. 29,37,276/- (Previous Year Rs. 29,37,276/-) under the Central Excise Act is in dispute and pending before the Central Excise & Service Tax Appellate Tribunal.

- Guarantees:

- Guarantees given to banks as counter guarantees for performance of contracts Rs.706,60,000 /- (Previous Year Rs. 706,60,000/-).
- Letter of credit issued by banks-Rs.25,80,915/- (Previous year Rs.22,61,929/-)
- Corporate Guarantee, restricted to Rs. 19.48 crores, given as security for the credit limits sanctioned by a bank to the subsidiary company, OK Play Auto Private Limited.

- Other money for which the company is contingently liable:

- Security, in the form of charge on the properties and Residual value of Block assets, present and future, after netting the prime security for term loans, provided to a bank for the credit limits sanctioned by it to the subsidiary company, OK Play Auto Private Limited.

#### (II) Commitments

- Estimated amount of contracts remaining to be executed on capital account and not provided for amount to Rs. Nil (Previous Year Rs. Nil).

# OK PLAY INDIA LIMITED

4. In the opinion of the Management, the Current Assets, Loans and Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business atleast equal to the amount stated therein. The provision for all known liabilities have been made and are adequate.
5. There was a fire at the plant on the intervening night between 9th & 10th January, 2015 in which the company lost its stocks and part of the Building and Plant & Machinery. The company has incurred a loss of Rs 22.25 crores due to the fire which have been reflected in Other Expenses. The company has filed a claim with the insurance company for the loss incurred which has been reflected in the Other Income and Other Current Assets. The insurance company has yet to give a copy of the final loss assessment report.
6. Related Party Disclosures:
  - (I) Relationships
    - (a) Key Management Personnel
      - Justice T.R. Handa (Retd.)
      - Mr. Rajan Handa
      - Mrs. Mamta Handa
      - Dr. Rajan Wadhera
      - Relatives
      - Mrs. Usha Handa
    - (b) Significant influence of key management personnel of the company
      - Rave India (A Printing unit of Rave Scans Pvt Ltd)
      - A&A Labels
      - Anupam Art Printer
  - Note: Related party relationship is as identified by the company and relied upon by the Auditors.
  - (II) (a) Transactions carried out with related parties referred in (I)(a) above, in ordinary course of business:
 

| Nature of Transactions | Related Parties (Referred in (I)) |
|------------------------|-----------------------------------|
| Remuneration Paid      | Rs. 1,31,43,850/-                 |
  - (b) Transactions carried out with related parties referred in (I)(b) above, in ordinary course of business:
    - Purchases : Rs 3,46,93,531.00
7. All the operations of the company are considered as a single business segment for the purpose of Accounting Standard 17, 'Segment Reporting'(AS17)), issued by the Institute of Chartered Accountants of India.

**As per our report of even date attached.**

**For S.P.Marwaha & Co.**

Chartered Accountants  
(FRN 000229-N)

Sd/-

**(A.S.BAJAJ)**

Partner

M.No. 086120

Place : New Delhi

Date : 30th May, 2015

**For and on behalf of the Board**

Sd/-

**(Justice T.R.Handa) (Retd.)**

*Chairman Cum Wholetime Director*

DIN-00194284

Sd/-

**(Rajan Handa)**

*Managing Director*

DIN-00194590

Sd/-

**(Triloki Nath Verma)**

*Company Secretary*



**OK PLAY INDIA LTD.**

(CIN L28219HR1988PLC030347)

Registered Office: 17, Roz-Ka-Meo, Indl. Estate, Tehsil Nuh, District Mewat, (Haryana)

Email: investor.relations@okplay.in website: www.okplay.in

Phone: 0124 2362335 Fax: 0124 2362326

(Please complete this Attendance Slip and hand it over at the registration counter)

|                    |  |
|--------------------|--|
| <b>DP ID *</b>     |  |
| <b>CLIENT ID</b>   |  |
| <b>FOLIO NO. *</b> |  |

I hereby record my presence at the 26<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 10.00 A.M. at Hakim Ji ki Choupal, opposite Batra Hospital, VIII-Ujina, P.S. - Nuh, Dist. Mewat (Haryana).

**NAME OF THE SHAREHOLDER** .....**NAME OF PROXY #** .....

#To be filled in case proxy attends instead of Shareholder

**SIGNATURE OF THE SHAREHOLDER/PROXY\***

\*Strike out whichever is not applicable

**NOTE: NO GIFTS OR COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS FOR ATTENDING THE ANNUAL GENERAL MEETING**

**PROXY FORM****OK PLAY INDIA LTD.**

(CIN L28219HR1988PLC030347)

Registered Office: 17, Roz-Ka-Meo, Indl. Estate, Tehsil Nuh, District Mewat, (Haryana)

Email: investor.relations@okplay.in website: www.okplay.in

Phone: 0124 2362335 Fax: 0124 2362326

**NAME OF THE MEMBER(S):****REGISTERED ADDRESS:****E-MAIL ID:****FOLIO NO./CLIENT ID:****DP ID:**

I/We, being the member(s) holding ..... shares of the above named company, hereby appoint:

(1) Name: ..... Address: .....

E-mail Id: ..... Signature: ..... , or falling him/her

(2) Name: ..... Address: .....

E-mail Id: ..... Signature: ..... , or falling him/her

(3) Name: ..... Address: .....

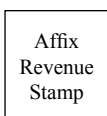
E-mail Id: ..... Signature: ..... , or falling him/her

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 10.00 A.M. at Hakim Ji ki Choupal, opposite Batra Hospital, VIII-Ujina, P.S. - Nuh, Dist. Mewat (Haryana). and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions Matter   | For | Against |
|----------------|--|-----|---------|
| 1              | Ordinary Resolution: To consider and adopt the standalone financial statements and Consolidated financial statements of the Company for the financial year ended on 31st March, 2015,  |     |         |
| 2              | Ordinary Resolution: To appoint a Director in place of Mrs. Mamta Handa (DIN 00238019), Whole-time Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment.   |     |         |
| 3              | Ordinary Resolution: To appoint Auditors and fix their remuneration M/s D. S. Chadha & Associates, Chartered Accountants (FRN-026723-N) as Statutory Auditors upto the conclusion of 27th (Twenty Seventh) annual general meeting and that the Board of Directors be and is hereby authorized to fix remuneration, as may be determined by the Audit Committee in consultation with the Statutory Auditors." |     |         |
| 4              | Ordinary Resolution: Appointment of Mr. Ajay Vohra (DIN-03332920) as Independent Director.   |     |         |
| 5              | Ordinary Resolution: Appointment Of Mr. Naresh Kumar (DIN-00756806) As Independent Director.   |     |         |
| 6              | Special Resolution: Appointment & Payment of Remuneration to Mr. Rishab Handa In The Office / Place Of Profit  |     |         |
| 7              | Special Resolution: Appointment & Payment of Remuneration to Mr. Raghav Handa In The Office / Place Of Profit  |     |         |
| 8              | Special Resolution: Increase In The Remuneration of Mr. Rajan Wadhera (DIN-01412577) Whole Time Director Of The Company  |     |         |
| 9              | Special Resolution: Re-Appointment Of Whole Time Director  |     |         |
| 10             | Special Resolution: Creation of Charges on the movable and immovable properties of the Company, both present and future.   |     |         |

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

Signature of Shareholder(s)



Signature of proxy holder(s)

**Note:**

1. **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 commencement of the Meeting.**
2. For the resolutions, Explanatory Statements and Notes, please refer to the notice of the 26<sup>th</sup> Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in the box before submission.

[illegible]

[illegible]









### **REGISTERED OFFICE & WORKS**

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Ph: +91 124 2362335  
Fax: +91 124 2362326

### **CORPORATE OFFICE**

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Fax: +91 11 46190090

### **VISIT US**

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