

MOLECULE TECHNOLOGIES LIMITED

Regd. Office: T1, THIRD FLOOR ADAM TOWER, S N SQUARE KOTTAYAM Kottayam – 686001, Kerala, India.

CIN: U74140KL2015PLC039079

Email: kottayam@moleculettec.com

Phone: 0481-2562101

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in submitting their 1st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2016

1 Financial Summary

Amount in ₹

| Particulars | As at the end of current reporting period | As at the end of previous reporting period |
|---|---|--|
| Total Revenue | - | - |
| Total Expenses | (22,40,557) | - |
| Profit or Loss before Exceptional and Extraordinary items and Tax | (22,40,557) | - |
| Less: Exceptional Items | - | - |
| Less: Extraordinary Items | - | - |
| Profit or Loss before Tax | (22,40,557) | - |
| Less: Current Tax | - | - |
| Deferred Tax | (5,549) | - |
| Profit or Loss After Tax | (22,35,008) | - |

2 Dividend

No Dividend was declared for the current financial year.

3 Transfer of unclaimed dividend to investor education and protection fund

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

4 Review of business operations and future prospects:

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year. There was no change in the nature of business of company.

5 Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the

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end of the financial year to which this financial statements relate and on the date of this report

6 Conservation of energy, technology absorption, foreign exchange earnings and outgo

Your Company has taken sufficient measures for conservation of energy. Improved methods are being adopted for reduction of energy consumption. Your Company has not carried out any Research and Development / Technology Absorption work during the year. There are no Foreign Exchange Earnings and Outgo during the year under review.

7 Statement concerning development and implementation of risk management policy of the Company

The directors have evolved a risk management policy to mitigate the business risk and being evaluated periodically. However, in the opinion of the board, the elements of risk threatening the Company's existence are very minimal.

8 Details of policy developed and implemented by the company on its corporate social responsibility initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

9 Particulars of loans, guarantees or investments made under section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

10 Particulars of contracts or arrangements made with related parties

There were no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review. Disclosure in Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of Companies (Accounts) Rules, 2014 is attached with this report.

11 Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

12 Company's policy relating to directors appointment, payment of remuneration and discharge of their duties

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company

13 Annual return

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

14 Number of board meetings conducted during the year under review

The Company has conducted **six** Board meetings during the financial year under review as under.

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| S. No | Date of Meeting | Total Number of Directors as on the date of meeting | Attendance | |
|-------|-----------------|---|------------------------------|-----------------------------|
| | | | Number of Directors Attended | As % age of total directors |
| 1 | 02.09.2015 | 7 | 7 | 100% |
| 2 | 15.09.2015 | 7 | 5 | 100% |
| 3 | 23.09.2015 | 7 | 5 | 100% |
| 4 | 21.10.2015 | 7 | 7 | 100% |
| 5 | 20.11.2015 | 7 | 7 | 100% |
| 6 | 19.01.2016 | 5 | 3 | 100% |

15 Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

(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 this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

(e) the Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and

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

16 Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

17 Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

18 Directors

Ms. Prathibha Kesavapanicker will retire at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

During the year, Mr. **Rahul Kerala Varma (DIN 07189009)** appointed as Managing Director on 19th January,

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2016 and Mr. **Ashok Sadasivan Pillai (DIN: 01446271)** appointed as Whole Time Director on 19th January, 2016.

Mr. **Suresh Kannan Velayutham (DIN 02784005)** and Mr. **Udayakumar (DIN 02784021)** have resigned as the Director of the company on 19th January, 2016.

Ms. **Vasanthi Udayakumar (DIN 03102560)** and Ms. **Shobana Sureshkannan (DIN 03110122)** have resigned from the Directorship of the company on 18th May, 2016.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164 of the Companies Act, 2013.

19 Declaration of Independent Directors

The provisions of Section 149 for appointment of Independent Directors do not apply to the company.

20 Adequacy of internal financial controls with reference to Financial Statements

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

21 Statutory Auditors

Bimal C Sekhar & Co, Chartered Accountants Kandathil Guest House (1st Floor), Temple Road, Thirunakkara, Kottayam – 686001, Kerala, India, who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of section 139 of the Companies Act 2013 and the Rules framed thereunder, it is proposed to re-appoint **Bimal C Sekhar** as Statutory Auditors of the Company from the conclusion of the forthcoming Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2021, subject to ratification of their appointment at every Annual General Meeting. **Bimal C Sekhar** has, under Section 139(1) of the Companies Act, 2013 and the Rules framed thereunder given a certificate of their eligibility and consent for appointment

22 Disclosure of composition of audit committee and providing vigil mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

23 Shares

During the year under review, the company has undertaken following transactions:

| Increase in Share Capital | Buy Back of Securities | Sweat Equity | Bonus Shares | Employees Stock Option Plan |
|---|------------------------|--------------|--------------|-----------------------------|
| a) Authorised Capital Increase from ₹ 10,00,000 to ₹ 100,00,000 | Nil | Nil | Nil | Nil |
| b) Paidup Capital increase from ₹ 5,00,000 to ₹ 5,50,000 | | | | |

24 Details of significant and material orders passed by the regulators, courts and tribunals

No significant and material order has been passed by the regulators, courts, tribunals impacting the going

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concern status and Company's operations in future.

25 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year **2015-16**

26 Acknowledgements

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors of **MOLECULE TECHNOLOGIES LIMITED**

Rahul Kerala Varma
Managing Director
(DIN 07189009)

Ashok Sadasivan Pillai
Director
(DIN 01446271)

Date: **27.09.2016**

Place: **Kottayam**