



**ANNUAL REPORT**

**2014-2015**



## Corporate Information

### BOARD OF DIRECTORS

Mr. Ritesh Patel- Director  
Mrs. Jalpa Patel - Non Executive Director  
(w.e.f. 30/03/2015)  
Mr. Chirag Rawal- Independent Director  
Mr. Miten Shah - Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Ankit Shukla - Company Secretary  
(w.e.f 30/03/2015)  
Mr. Keshava Kannan - Chief Executive Officer  
(w.e.f 30/03/2015)  
Mr. Ritesh Patel - Chief Financial Officer  
(w.e.f 30/03/2015)

### AUDITORS

S.D. Motta & Associates  
3, Shanivar Nivas, Chincholi Pada, Subhash Road,  
Dombivli (W) - 421 202.

### BANKER

Axis Bank  
State Bank of India

### REGISTERED OFFICE

88, Ajanta Commercial Center,  
Nr. Income Tax Circle,  
Ashram Road,  
Ahmedabad - 380 009.  
Phone: +91-79-2754 0175  
E mail: compliance.mgc@gmail.com  
Web: www.aromaenterprises.in  
CIN: L51909GJ1994PLC021482

### REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited  
D - 153A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase - I, New Delhi, Delhi - 110 020.  
Phone: +91-11-2681 2682/83  
E mail: admin@skylinerta.com

### 21<sup>st</sup> Annual General Meeting

Date : September 30, 2015  
Day : Wednesday  
Time : 11:00 AM  
Venue : 88, Ajanta Commercial Centre,  
Nr. Income Tax Circle,  
Ashram Road,  
Ahmedabad - 380 009.





## BOARD REPORT

To  
The Members  
Aroma Enterprises (India) Limited

Your Directors present the 21<sup>st</sup> Annual Report and Audited Accounts for the year ended on 31<sup>st</sup> March, 2015.

### FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	31/03/2015	31/03/2014
<b>Total Income</b>	<b>172.11</b>	<b>65.13</b>
Operational Cost	121.90	3.88
<b>Total Expenses</b>	<b>121.90</b>	<b>3.88</b>
Profit / (Loss) Before Tax after Extra ordinary Items	50.21	61.25
Current Tax	20.54	18.93
Excess/ (Short) provisions of earlier year	-	-
Deferred Tax	-	-
<b>Profit/ (Loss) After Tax</b>	<b>29.67</b>	<b>42.32</b>

### OPERATIONS/STATEMENT OF AFFAIRS

#### A. PERFORMANCE

The Company has earned total income of Rs. 172.11 lacs as compared to Rs. 65.13 lacs in previous year. During the year the Company has earned Net Profit of Rs. 29.67 lacs as compared to Rs. 42.32 lacs.

#### B. CURRENT OUTLOOK

The Company is currently into the buying, selling and trading of Cigarettes with the brand named "One & Only" and further trading and commissioning of Coal related activity.

### DIVIDEND

The Board of Directors of the Company is of the opinion to retain the profits in to the business of the Company for future investment therefore does not recommend any dividend for the financial year 2014-2015.

### SHARE CAPITAL

The paid up Equity Share capital as on 31<sup>st</sup> March, 2015, of the Company is Rs. 4,94,04,000/-. During the period under review, no fresh issue of securities has been made by the Company. Further, none of the directors of the Company hold any kind of securities in the Company as on 31<sup>st</sup> March, 2015.

### SUBSIDIARIES / JOINT VENTURES / ASSOCIATES

The Company does not have Subsidiaries neither do have Associates or Ventures with other body corporate during the year.

### PUBLIC DEPOSITS

The Company has not invited or accepted deposit from the public neither does have any unpaid or unclaimed deposits along with interest during the year. Further, the company has not made any default in repayment of deposits or payment of interest thereon, as no deposits have been invited or accepted by the Company during the year. Furthermore, there are no such deposits which are not in compliance with the requirements of Chapter V of the Act.



## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees or Investments made by the Company pursuant to section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Directors:

The Company has appointed in its Board Meeting held on 30<sup>th</sup> March, 2015, Mrs. Jalpa Patel as the additional director pursuant to the section 161, read along with the section 149 of the Companies Act, 2013. She holds the office till the ensuing Annual General Meeting. The Board recommends for her appointment as the Director upon the requisition made by the member for her directorship.

During the year Mr. Ankit Shukla, Independent Director of the Company has tendered his resignation w.e.f. 30<sup>th</sup> March, 2015.

As per the provisions of the Companies Act, 2013 and the Clause 49 of the listing agreement, the company has taken necessary steps to get the new directors (including non – executive directors and independent directors), key managerial personnel and senior management familiarize and habituated with the atmosphere and working of the Company

### Independent Directors:

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year.

### Key Managerial Personnel

The Company has appointed Mr. Ritesh Patel, Mr. Keshava Kanan and Mr. Ankit Shukla as the Chief Financial Officer (CFO), Chief Executive Officer (CEO) and Company Secretary cum Compliance Officer respectively, vide Board Meeting held on 30<sup>th</sup> March, 2015.

## MEETINGS OF BOARD AND COMMITTEES

During the year, 6 (six) Board Meeting and 5 (five) Audit Committee Meetings were duly convened and held. The detail of the Board Meeting and various Committee Meetings of the Company is laid down in the Corporate Governance Report.

## REMUNERATION POLICY

Pursuant to the provisions of the Section 178 of the Companies Act, 2013 along with the listing agreement entered into by the Company with the Stock Exchange, the Nomination & Remuneration Committee has suitable formulated the Remuneration Policy to the Board Members, Key Managerial Personnel and other employees of the company. The details report on the same has been provided in the Corporate Governance Report.

## INDEPENDENT DIRECTORS' MEETING

The independent Directors of the Company met during the year without the attendance of non-independent Directors and members of the Board. The independent Directors reviewed the performance of the non-independent Directors and Board as whole. the performance of the Chairman taking into account the views of executive Directors and non-executive Directors and assessed the quality, quantity and timeline of flow of information between company management and Board.



## BOARD EVALUATION

The Board has carried out the performance evaluation of its members, the directors individually and of the Independent Director thereof as per the provisions of the Companies Act, 2013 and the Clause 49 of the listing agreement. The detailed analysis on the Performance Evaluation of the board and other persons are briefed in the Corporate Governance Report.

## PARTICULARS OF EMPLOYEES

Pursuant to the Sub - Rule (2) of the Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, read with Section 197 of the Act, no employees was in receipt of the remuneration in aggregate to Rs. 60 lakh per annum or Rs. 5 lakh per month or at a rate in excess of that drawn by the Managing Director / Whole - time director of Manager and holds himself or along with his spouse & dependent children, no less than two percent of the equity shares of the Company. Further, the information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## PARTICULARS OF EMPLOYEES

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. Board of the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

<b>Name of the Directors</b>	<b>Ratio</b>
Mr. Ritesh Patel	0
Mr. Miten Shah	0
Mr. Chirag Rawal	0
Mr. Ankit Shukla*	0.85:1
Mrs. Jalpa Patel**	0

\*Mr. Ankit Shukla ceased to be the director w.e.f. 30/03/2015

\*\*Mrs. Jalpa Patel appointed as director w.e.f. 30/03/2015

The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year.:

<b>Name of the Directors &amp; KMP</b>	<b>% Increase</b>
Mr. Ritesh Patel - Director & CFO**	NIL
Mr. Chirag Rawal - Independent Director	NIL
Mr. Miten Shah - Independent Director	NIL
Mrs. Jalpa Patel - Director*	NIL
Mr. Ankit Shukla - Independent Director	25%
Mr. Keshava Kannan - CEO**	NIL
Mr. Ankit Shukla - Company Secretary#	NIL



#Mr. Ankit Shukla has ceased to be Independent Director w.e.f 30/03/2015 and appointed as Company Secretary w.e.f 30/03/2015. Further, Mr. Ankit Shukla was paid sitting fees for the Board & Committee meeting attended by him during his term of appointment as the Independent Director.

\*Mrs. Jalpa Patel appointed as the Director w.e.f 30/03/2015

\*\*Mr. Ritesh Patel & Mr. Keshava Kannan, were appointed as the Chief Financial Officer and Chief Executive Officer w.e.f 30/03/2015.

Note: None of the Director and Key Managerial Personnel as being paid remuneration in any form except for Mr. Ankit Shukla upto 30/03/2015 for the Board Meeting and Committee Meeting attended by him as the Independent Director of the company.

- b. The percentage increase in the median of employees in the financial year: 100%
- c. The number of permanent employees on the rolls of the Company: 15
- d. The remuneration of the Directors was Rs. NIL in during the year and in the previous year was Rs. NIL.
- e. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Average remuneration of key managerial personnel(KMP) in FY-2015	Amount (Per Month)
Mr. Ritesh Patel - Chief Financial Officer	NIL
Mr. Keshava Kannan - Chief Executive Officer	NIL
Mr. Ankit Shukla - Company Secretary	NIL

Note: Mr. Ritesh Patel, Mr. Keshava Kannan & Mr. Ankit Shukla were appointed in the Company w.e.f 30/03/2015

- f. Variation in the market capitalization of the Company, price earnings ratio as at the closing date of current financial year and previous financial year:

Particulars	March 31, 2015	March 31, 2014	% Change
Market capitalization	6.34 Cr	9.76 Cr	-35.00
Price Earnings Ratio	21.31	22.99	-07.31

- g. Percentage increase over decrease in the market quotation of the shares of the Company in comparison to the rate at which the Company come out with the last Public Offer:  
Not applicable
- h. Average percentile increase already made in the salaries of the employee 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:

Average Remuneration of Employees	% increase in the Managerial Remuneration	% Change in Employee Remuneration
Rs. 50,400	25%	25%

As the company has recently appointed employees in its employment, and further no director and key managerial personnel are being paid any kind of remuneration except for Mr. Ankit



Shukla for the period upto 30/03/2015, as the sitting fees. Thus, as per the above table there has been no change in the salaries of the employees to that of the Managerial Remuneration.

- i. The Key parameters for any variable component of remuneration availed by the Directors: Services provided to the company.
- j. 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:

Name of the Director	Ratio
Mr. Ankit Shukla	0.85:1

Only employees are being paid the salary, and Mr. Ankit Shukla, Independent Director was paid Sitting Fees for the period upto 30/03/2015 and no other directors and key managerial personnel were being paid remuneration for the period under review.

- k. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

There has been decrease in profit of 29.91% during the year, and no key managerial personnel have been paid remuneration during the year as mentioned in point no. e above.

- l. Affirmation that the remuneration is as per the remuneration policy of the Company.

We affirm that the remuneration paid to the Managerial personnel is as per the remuneration policy of the Company.

There is no employee covered under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

The Company does not fall under the criteria as mentioned in the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibilities) Rules, 2014; and hence the Company has neither developed nor implemented the Corporate Social Responsibility (CSR) Policy and the CSR Committee.

## **RELATED PARTY TRANSACTIONS**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

## **AUDITORS**

### Statutory Auditor:

M/s. S. D. Motta & Associates, Chartered Accountants, Mumbai, has been appointed for the tenure of 3 (three) consecutive years in the 20<sup>th</sup> Annual General Meeting of the Company, in pursuance to Section 139 of the Act. The board proposes for the review of their appointment at the Annual General Meeting.



#### Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Ankita Parmar, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit Report is annexed herewith as "Annexure A".

#### Cost Audit

The Companies (Cost Records and Audit) Amendment Rules, 2014 (the Rules) are not applicable to the Company.

### **AUDITORS REPORT**

The notes to the accounts referred to in the Auditors' Report and Secretarial Report are self-explanatory and therefore, do not call for any further comments.

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

#### 1) Conservation of Energy and Technology Absorption:

Since the Company is not engaged in any Manufacturing Activities therefore particulars regarding conservation of energy, Technology up gradation are not applicable to the Company. However, the Company has made endeavour to make precautionary measures to conserve the non - renewable resources and use the latest technology in its business.

#### 2) Foreign Exchange Earnings : NIL

Foreign Exchange Outgos :Rs. 28,75,553.46/- (Import of Goods (Purchases))

### **CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A separate report on Corporate Governance compliance and a Management Discussion and Analysis Report as stipulated by Clause 49 of the Listing Agreement forms part of this Annual Report along with the required Certificate from a Practicing Company Secretary or Auditor regarding compliance of the conditions of Corporate Governance as stipulated by Clause 49 of the Listing Agreement.

In compliance with Corporate Governance requirements as per Clause 49 of the Listing Agreement, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto. The code of conduct of the company can be view at the website of the company at [www.aromaenterprises.in](http://www.aromaenterprises.in).

### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

As per the criteria laid down in the Companies Act, 2013, the Company has form the Business Risk Management Policy. The details of the same are given in the Corporate Governance Report.

### **EXTRACT OF THE ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT - 9 is annexed herewith as "Annexure B".





## **WHISTLE BLOWER & VIGIL MECHANISM**

The Company has established a “Whistle Blower and Vigil Mechanism Policy” for Directors and employees to report the genuine concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and the revised clause 49 of the Listing Agreements with the stock exchanges.

## **RELATED PARTY TRANSACTIONS**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

## **EQUAL OPPORTUNITY EMPLOYER**

The Company has always provided a congenial atmosphere for work to all employees that are free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex. The Company has also framed a Policy on “Prevention of Sexual Harassment” at the workplace. There were no cases reported under the said Policy during the year.

## **INTERNAL CONTROL SYSTEMS**

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are also generally placed before the Board.

## **DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year.

## **REMUNERATION POLICY**

Pursuant to the provisions of Section 178, Nomination and Remuneration Committee was constituted during the year to comply with the statutory requirement and adopted the remuneration policy. The details of the same are given in the Corporate Governance Report.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

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



## **SIGNIFICANT AND MATERIAL ORDERS**

There are no material orders passed by Regulators, Courts or Tribunals impacting the going concern status and company's operations in future.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to provisions of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm as under:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at 31<sup>st</sup> March, 2015 and the profit and loss of the company for that period;
- c) That have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the preparation of the annual accounts is on a "going concern" basis;
- e) That proper internal financial controls have been followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) That have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **CAUTIONARY STATEMENT**

Statements in the Boards' Report and the Management Discussion and Analysis describing the Company's objectives, explanations and predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

## **APPRECIATION**

Your Directors place on record their appreciation and gratitude for the excellent support the Company has received from its workers, employees, customers, vendors and shareholders. They also express their sincere thanks to the CDR Cell, the Bankers and various State Governments for the valuable support extended to the Company.

**For, Aroma Enterprises (India) Limited**

**Date:** 30/05/2015

**Place:** Ahmedabad

**Mr. Ritesh Patel**  
**Chairman**  
**DIN: 06593713**