

**31<sup>st</sup>**  
**ANNUAL REPORT**  
**2015-2016**



**ASYA INFOSOFT LIMITED**



## ASYA INFOSOFT LIMITED

(Erstwhile known as ASYA Infrastructure & Tourism Corporation Ltd)  
(Formerly known as SAYA Housing Finance Company Ltd)

### NOTICE

Notice is hereby given that 31<sup>st</sup> Annual General Meeting of the Company will be held at its Registered Office situated at H.N. House C-4th Floor, (Nidhi Complex), Stadium 5 Roads, Navrangpura, Ahmadabad – 380009 on Thursday, 29<sup>th</sup> September, 2016, at 12.00 pm to transact the following business.

#### **ORDINARY BUSINESS:**

1. To consider and adopt:
  - a. the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2016, the reports of the Board of Directors and Auditors' Report thereon; and
  - b. the audited consolidated financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2016 and Auditors' Report thereon.
2. To appoint a Director in place of Shri Sandip R Shah (DIN: 00912721), who retires by rotation and, being eligible, offers himself for reappointment.
3. To ratify the appointment of the Auditors and fix their remuneration.

#### **SPECIAL BUSINESS**

4. **TO MAKE INVESTMENT IN THE OTHER BODY CORPORATE/(S) IN EXCESS OF THE AGGREGATE OF THE PAID UP SHARE CAPITAL AND FREE RESERVES .**

To consider and if thought fit, to give your assent/dissent to pass the following resolution as a **Special Resolution:-**

**"RESOLVED THAT** Pursuant to the provisions of Section 186 and other applicable provisions, if any of the Companies Act, 2013 read with Rules made hereunder (including any statutory modification (s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and articles of Association of the company and subject to the necessary approvals/consent/ sanctions/permissions of appropriate authorities, as may be necessary, consent of the members of the company be and is hereby accorded to the Board of Directors of the company to invest/acquire the securities of any body corporate by way of subscription/purchase or otherwise which may or may not be subsidiary(ies) of the company and/or which can result into making the body corporate as subsidiary of the Company from the time to time in one or more tranches as the Board may think fit to the extent of Rs.40crore (Rupees Forty crore only) which shall be in excess of and in addition to the threshold limit as prescribed under section 186(2) of the Act.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to negotiate and finalize the terms and conditions of such investments and to take such other steps as may be necessary for obtaining approvals, statutory contractual or otherwise, if any, as may be required ,in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all agreements, deeds, applications, documents and writings that may be required and to do all such acts, deeds and things that may be necessary , proper, expedient or incidental therewith".

5. **To approve Related party transactions to be entered into by the company with related parties.**

To consider and if thought fit, to give your assent/dissent to pass the following resolution as an **Ordinary Resolution:-**

**"RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions (including any amendment, modification or re-enactment thereof), consent of the Company be and is hereby accorded for entering into the following Related Party Transactions with respect to availing of services by/to the Company with effect from 1/10/2016 and every year thereafter, up to the maximum per annum amounts as appended in table below:



| Sr. No. | Nature of the transactions as per Section 188 of the Companies Act, 2013 | Name of Related Parties | Name of the KMP/ Director who is related and nature of their relationship  | Receipts (Rs. In Lacs) | Payment (Rs. In Lacs) |
|---------|--|-------------------------|--|------------------------|-----------------------|
| 1       | Purchase of Goods  | Ideal Systems Pvt. Ltd. | Mr. Ketan Shah, Managing Director and Mr. Sandip Shah, Directors of the Company are also Directors in Ideal Systems Pvt. Ltd. (Subsidiary Company) | -                      | 12,00,00,000          |
|         | Sale of Goods  |                         |  | 10,00,00,000           | -                     |
| 2       | Rendering any services   |                         |  | -                      | 25,00,00,000          |
|         | Availing any services  |                         |  | 20,00,00,000           | -                     |

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, matters, deeds and things and to settle any queries that may arise with regard to any transaction with the Related party and execute such agreements, documents and writings and to make such filings as may be necessary for the purpose of giving effect to this resolution, in the best interest of the company."

**Registered Office:-**

**H. N. House, 4<sup>th</sup> floor, Nidhi Complex,  
Navrangpura, Ahmedabad- 380009  
Place : Ahmedabad  
Date : 14/08/2016**

**For and on behalf of the Board**

**Ketan Shah  
Chairman & Managing Director  
(DIN: 00913411)**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and proxy need not be a member of the company.  
Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.  
Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organisation.  
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
2. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
6. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.
8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Thursday 22<sup>nd</sup> September 2016 to Thursday, 29<sup>th</sup> September 2016 (both days inclusive).

9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to Bigshare Services Private Limited, E2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri ( East ), Mumbai 400 072 in case of holdings in physical form, mentioning your correct reference folio number.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact Bigshare Services Private Limited , E2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072 for assistance in this regard.
11. The Annual Report of the year 2015-16 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.sayait.com](http://www.sayait.com) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com).
12. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company atleast seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.

**Process and manner for members opting for voting through Electronic means:**

- (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system through remote e-voting services provided by Central Depository Services Limited (CDSL) from a place other than the venue of the Meeting.
- (ii) The Members whose names appear in the Register of Members / List of Beneficial Owners as on 22<sup>nd</sup> September, 2016 (cut – off date) are entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (iii) A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 22<sup>nd</sup> September, 2016, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- (iv) The remote e-voting will commence on 26<sup>th</sup> September, 2016 at 09.00 a.m. and ends on 28<sup>th</sup> September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22<sup>nd</sup> September, 2016, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
- (v) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- (vi) The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting, but shall not be entitled to cast their vote again.
- (vii) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. 22<sup>nd</sup> September, 2016.
- (viii) The Company has appointed Mr. Ishan Pinakin Shah, an advocate to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

**The procedure and instructions for remote e-voting are, as follows:**

- Step 1 : Open your web browser during the voting period and log on to the e voting website [www.evotingindia.com](http://www.evotingindia.com)
- Step 2 : Now click on "Shareholders" to cast your votes.



Step 3 : Now, fill up the following details in the appropriate boxes:

- User-ID
- For CDSL : 16 digits beneficiary ID
  - For NSDL : 8 Character DP ID followed by 8 Digits Client ID
  - Members holding shares in physical form should enter the Folio Number registered with the Company.

Step 4 : Next, enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

Step 5 : If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| PAN   | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field. The Sequence Number will be intimated to such member by way of a letter.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul> |
| DOB   | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>  |
| Dividend  | <p>Enter the Dividend Bank Details as recorded in your demat account or in the BankDetails company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>   |

Step 6 : After entering these details appropriately, click on "SUBMIT" tab.

Step 7 : Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Step 8 : For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 9 : Click on the EVSN for the relevant <Company Name> on which you choose to vote.

Step 10 : On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step 11 : Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

Step 12 : After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on

“CANCEL” and accordingly modify your vote. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

Step 13 : You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

Step 14 : Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

13. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.sayait.com](http://www.sayait.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within three days after the conclusion.

14. Details of the Directors seeking re-appointment in the 31<sup>st</sup> Annual General Meeting Pursuant to SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 are provided below:

|   |   |
|---|---|
| Particulars   | Shri Sandip Shah  |
| Relationships with other Directors  | None  |
| Date of Appointment   | 11/7/2012   |
| Expertise   | Marketing, technical Expertise,<br>Project Implementation |
| Qualification   | B. E.   |
| No. of Equity Shares held in the Company                                      | 391850  |
| List of other companies in which directorship are held                        | No  |
| Chairmanship/ Membership of committees(includes only<br>Grievances Committee) | No<br>Audit Committee and Shareholders                    |

Note: The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

**Registered Office:-**  
**H. N. House, 4<sup>th</sup> floor, Nidhi Complex,**  
**Navrangpura, Ahmedabad- 380009**  
**Place : Ahmedabad**  
**Date : 14/08/2016**

**For and on behalf of the Board**

**Ketan Shah**  
**Chairman & Managing Director**  
**(DIN: 00913411)**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No 4&5 of the accompanying Notice dated 14/08/2016:

**Item No:-4**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies as and when required. The Investment Strategy can be used by the Board of Directors of the Company for expansion of present business of the Company.

Accordingly, as per the provisions of Section 186 of the Act read with the rules made there under, the Company is required to obtain the prior approval of the members by way of a Special Resolution for acquisition by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of the aggregate of the paid up capital, free reserves and securities premium account or hundred percent of its free reserves and securities premium account whichever is more. The increasing business operations and future growth plans of the Company may necessitate making investments into other body corporates.

It is, therefore, necessary to authorise the Board to acquire by way of subscription, purchase or otherwise the securities of other bodies corporate upto the limits provided in the proposed Special Resolution. Hence, prior approval of the members of the Company is sought for exercising these powers by the Board.

The Board of Directors recommends the said resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 are concerned or interested, financially or otherwise, in the said resolution.

**Item No:-5**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, Requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain the prior approval of shareholders by way of Ordinary Resolution in case of;

1. Sale, purchase or supply of any goods or materials directly or through appointment of agents exceeding ten percent of the turnover of the Company or rupees one hundred crore, whichever is lower as mentioned in Clause (a) and Clause (e) respectively of sub-section (1) of Section 188.
2. Leasing of property of any kind exceeding ten percent of the net worth or exceeding ten percent of turnover of the Company or rupees one hundred crore, whichever is lower as mentioned in clause (c) of sub-section (1) of Section 188.
3. availing or rendering of any services directly or through appointment of agents exceeding ten percent of the turnover of the Company or rupees fifty Crore, whichever is lower, as mentioned in clause (d) and clause (e) of sub-section (1) of Section 188.

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of relationship is mentioned in the resolution.

The respective transactions have been carried out on arm's Length basis and all factors relevant to the respective transactions have been considered by the Board.

Except Mr. Ketan N Shah and Mr. Sandip R shah, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

**Registered Office:-**

**H. N. House, 4<sup>th</sup> floor, Nidhi Complex,  
Navrangpura, Ahmedabad- 380009**

**Place : Ahmedabad**

**Date : 14/08/2016**

**For and on behalf of the Board**

**Ketan Shah  
Chairman & Managing Director  
(DIN: 00913411)**

**DIRECTOR'S REPORT**

To,  
The Members of  
Asya Infsoft Limited

Your Directors have pleasure in presenting the 31<sup>st</sup> Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2016.

You being our valued partners in the Company for a long time, we share our vision of growth with you and our guiding principles are a blend of optimism which has been and will be the guiding force of all our future endeavors.

**FINANCIAL HIGHLIGHTS****(Rs. IN LACS)**

| Particulars   | Standalone |           | consolidated |
|---|------------|-----------|--------------|
|   | 2015-16    | 2014-2015 | 2015-16      |
| Gross Income  | 77.51      | 22.21     | 3260.76      |
| Profit Before Interest and Depreciation               | 50.71      | 10.92     | 298.00       |
| Finance Charges                                       | '—         | -         | 58.29        |
| Gross Profit  | 50.71      | 10.92     | 239.71       |
| Provision for Depreciation                            | 3.99       | 0.011     | 63.03        |
| Net Profit Before Tax                                 | 46.72      | 10.91     | 176.69       |
| Provision for Tax                                     | 8.92       | (-2.52)   | 48.53        |
| Net Profit After Tax (before deducting minority int.) | 37.49      | 11.33     | 128.15       |
| Minority interest                                     | -          | -         | -42.72       |
| Net profit after deducting minority interest          | -          | -         | 85.43        |

**STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

During the year, the Company has allotted 1,04,25,000 Equity Warrants to non –promoter group under the preferential issue as prescribed u/s 62 of the Companies Act , 2013 read with relevant Rules and in accordance with the SEBI (ICDR Regulations) as amended from time to time at a minimum exercise price of Rs 22.75 (Rupees Twenty Two and Seventy Five Paise Only) (including a premium of Rs 12.75) per Equity Share or such other higher price as may be arrived at in accordance with the ICDR Regulations ("Issue Price").

As a part of the expansion program me & objective laid down in the Notice of preferential Issue, our company has acquired controlling interest in M/s. Ideal Systems Private Limited (ISPL) at 4<sup>th</sup> May, 2015 by way of subscribing 14,53,120 Equity shares of Rs. 10/- each issued at a premium of Rs. 125/- and consequently, ISPL would be treated as subsidiary company of the Asya Infsoft limited now onwards.

we highly believe that the year of 2016-17 will bring us back in the IT industry as a key player & thereby we assure our investors that they will definitely regain the lost confidence with a positive impact shortly with the pace of the sector's growth.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

Your Company continues to operate in same business segment as that of previous year and there is no change in the nature of the business.

**DIVIDEND**

In order to conserve the resources of the Company, the Board of directors has not recommended any dividend for current year.





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**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 is no amount lying in unpaid dividend account.

**AMOUNTS TRANSFERRED TO RESERVES**

The Board of Directors proposed to carry nil amounts to General Reserve Account

**CHANGES IN SHARE CAPITAL, IF ANY**

Authorized capital of the company has been increased to Rs.17,00,00,000/ (Rupees Seventeen Crore Only) divided into 1,70,00,000 (One Crore seventy lacs) Equity Shares of Rs.10/ (Rupees Ten Only) each by creation of additional Equity Share Capital of Rs. 7,00,00,000/ (Rupees Seven Crore Only) divided into 70,00,000.(Seventy Lacs Only) Equity Shares of Rs.10/ (Rupees Ten Only) each to rank pari passu with the existing Equity Shares of the Company.

**INFORMATION ABOUT SUBSIDIARY COMPANY**

During the year, Company has acquired 1453120 equity shares of Rs. 10/each at a premium of Rs.125/-each of Ideal Systems Private Limited (ISPL) which constitutes 61.58 % of issued and subscribed capital & company has paid Rs. 7 towards the face value of the shares which constitutes 52.88% of paid up equity share capital.

The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the SEBI (Listing Obligations & Discloser Requirements) Regulations, 2015. The said policy is available at the Company website at the link [http://www.sayait.com/Investors/Policies/policy\\_for\\_determining\\_material\\_subsidiary.pdf](http://www.sayait.com/Investors/Policies/policy_for_determining_material_subsidiary.pdf)

The consolidated financial statements presented by the Company include the financial information of its subsidiary prepared in compliance with applicable accounting standards. The salient features of Ideal Systems Pvt Ltd. in Form AOC-1 is attached along with Financial statements as required under section 129 (3) of the Companies Act, 2013.

ISPL is engaged in the same line of activities and acquisition is made with a sole object of augmenting short term as well as long term resources of the Company for general corporate purposes.

**MATERIAL CHANGES AND COMMITMENTS**

Nil

**MEETING OF THE BOARD & AUDIT COMMITTEE**

The Board during the financial year 2015-16 met 7 times and Audit Committee met four times. All the recommendations made by the Audit Committee during the year were accepted by the Board. The details of the constitution and meetings of the Board and the Committees held during the year are provided in the Corporate Governance Report which forms part of this Annual Report.

**NOMINATION AND REMUNERATION COMMITTEE**

As per the Section 178 (1) of the Companies Act, 2013 the Company has constituted Nomination And Remuneration Committee, details of which are provided in the Corporate Governance Report which forms part of this Annual Report.

**STAKEHOLDER RELATIONSHIP COMMITTEE**

The Company has constituted Nomination and Remuneration Committee, details of which are provided in the Corporate Governance Report which forms part of this Annual Report.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished hereunder as per **Annexure-1**.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, a statement showing the names and other particulars of the employees is furnished as per **Annexure-2**.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms 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 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; 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.

#### **DIRECTORS AND KMP**

In accordance with the Articles of Association of the Company and pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Sandip R Shah ( DIN:-00912721) would retire by rotation at the ensuing AGM and being eligible, offers himself for reappointment.

The Board has identified the following officials as Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013:

1. Mr. Ketan N Shah– Managing Director and C.E.O.
2. Mr.Sandip R Shah- Non-executive Director & CFO (W.e.f -05-07-16)
3. Ms.Amisha R Gandhi– Company Secretary (w.e.f. 26.06.2015)

#### **INDEPENDENT DIRECTORS AND DECLARATION**

Shri Maheshbhai B Modi, Shri Ashokkumar R Patel , Shri Chintubhai P Shah have been appointed as the independent director of the company as per Section 149(10) of the Companies Act, 2013 on 29/09/2014 for a term of 5 (Five) consecutive years on the Board of the Company.

Further, Mrs Dimple T pandya (DIN 07143532) has also been appointed as an Non-executive Independent women Directors of the Company for a term up to 5 as on 31/3/2015.

#### **AUDITORS AND REPORT THEREON**

M/s Jeevan Jagetiya& Co., Chartered Accountants, Ahmadabad retires at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of 2 years from the conclusion of this Annual General Meeting [AGM] till the conclusion of 33<sup>rd</sup>AGM.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

#### **SECRETARIAL AUDIT REPORT**

The Company has appointed M/s. Pinakin Shah & Co., Practicing Company Secretary, Ahmadabad as Secretarial Auditor to conduct audit under section 204 of the Companies Act, 2013.

There are qualifications or adverse remarks in the Secretarial Audit Report which require clarification/ explanation.

| Sr No.  | Particulars   |
|---|---|
| 1 violations of sub section (7) of section 186 of the Companies Act, 2013 | The company has not charged any interest as the projects are under execution.                       |
| 2 violations of section 203 of the companies Act,                         | Appointment of CFO has already been made & effective 2013- Chief financial officer. from 05-07-2016 |
| 3. Non-compliance in filing of form/late filing                           | Company has filed ROC forms with additional fees.   |

The Secretarial Audit Report for the financial year ended, 31st March, 2016 is annexed herewith in Annexure -3 for your kind perusal.

#### **DEPOSITS**

The company has not accepted any deposits during the year.