

DISHA RESOURCES LIMITED

(FORMERLY KNOWN AS ARIHANT AVENUES AND CREDIT LIMITED)

CIN: L65910GJ1995PLC024869

**22nd Annual Report
2016-2017**

CORPORATE INFORMATION**BOARD OF DIRECTORS:**

- | | |
|--|--|
| 1. Mr. Krishna Awtar Kabra | Chairman and Managing Director |
| 2. Mr. Satyanarayan Kabra | Whole Time Director
(Up to 9 th August, 2016) |
| 3. Mrs. Mukta Maheshwari - | Director |
| 4. Mr. Neerajkumar Maheshwari | Director (w. e. f. 09 th August, 2016) |
| 5. Mr. Jayantilal Nanalal Shah | Director (Independent)
(Up to 9 th August, 2016) |
| 6. Mr. Pawan Kumar Nagarmal Somani | Director (Independent)
(Up to 14 th November, 2016) |
| 7. Mr. Dineshchandra Amichand Turakhia | Director (Independent) |
| 8. Mr. Dineshkumar S. Maheshwari | Director (Independent) |
| 9. Mr. Vipul Vashi- | Director (Independent)
(w. e. f. 09 th August, 2016) |
| 10. Mr. Pradeep Kumar Dad | Director (Independent)
(w. e. f. 17 th November, 2016) |

KEY MANAGERIAL PERSONNEL

- | | |
|--------------------------------|---|
| 1. Mr. Krishna Awtar Kabra | Managing Director |
| 2. Mr. Satyanarayan Kabra | Whole Time Director
(Up to 9 th August, 2016) |
| 3. Mr. Vijaybhai Vrajlal Mehta | Chief Financial Officer (CFO) |

BANKERS

Axis Bank Ltd. (Lawgarden Branch)
Trishul-Opposite, Samratheshwar Temple, Nr Law Garden, Ellisbridge,
Ahmedabad, Gujarat 380006

STATUTORY AUDITORS

V.K. Moondra & Co. (FRN: 106563W)
Chartered Accountants
Shop No. 201 - 202, Sarap, Opp. Navjivan Press, Ashram Rd,
Sattar Taluka Society, Usmanpura, Ahmedabad, Gujarat 380014

SECRETARIAL AUDITORS

M/s. Umesh Ved & Associates,
Practising Company Secretaries
304, Shoppers Plaza - V, Opp. Municipal Market, Navrangpura,
Ahmedabad, Gujarat 380009

SHARES LISTED WITH :

Bombay Stock Exchange

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
5th Floor 506 to 508, Amarnath Business Center – 1 (ABC -1),
Besides Gala Business Centre, Nr. St. Xavier's College Corner,
Off C.G Road, Navrangpura, Ahmedabad-380009

REGISTERED OFFICE

3, Rajesh Apartment, B/H , Ajanta Comm. Estate, Off Ashram Road,
Ahmedabad - Gujarat 380014

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DISHA RESOURCES LIMITED
(FORMERLY KNOWN AS ARIHANT AVENUES AND CREDIT LIMITED)

REGD. OFFICE: 3, RAJESH APARTMENT, B/H. NAVGUJARAT COLLEGE, ASHRAM ROAD, INCOME TAX, AHMEDABAD-380014

PHONE: (OFF). 2754-0790, 27543060 **E-MAIL:** info@aacl.co.in **CIN:** L65910GJ1995PLC024869

Website: www.aacl.co.in

NOTICE

NOTICE is hereby given that Twenty Second (22nd) Annual General Meeting of the members of Disha Resource Limited (Formerly Known as Arihant Avenues And Credit Limited) (CIN: L65910GJ1995PLC024869) will be held on Thursday, 28th day of September, 2017 at 11: 30 a.m. at the Registered Office of the Company situated at 3, Rajesh Apartment, B/h. Ajanta Comm. Estate Off Ashram Road, Income Tax, Ahmedabad – 380 014 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year ended on 31st March, 2017, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Neerajkumar Premnarayan Maheshwari (DIN: 01010325), Director of the Company who retires by rotation and being eligible offers himself for reappointment.
3. 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 Section 139 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), M/s S.N. Shah & Associates, Chartered Accountants, (Firm Registration No.FRN: 109782W) be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of ensuing Annual General Meeting (subject to ratification of such appointment by the members at every general meeting) till the conclusion of 27th Annual General Meeting of the Company, in place of M/s V.K. Moondra & Co., Chartered Accountants, (Firm Registration No: 106563W), the retiring auditor of the company, on such remuneration as may be decided by the Board of Directors of the Company from time to time.”

SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to provisions of section 149, 150, 152 read with schedule IV & all other applicable provisions the Companies Act 2013 & the Companies (Appointment & Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment thereof for time being in force.) Mr. Pradeep Kumar Dad (DIN: 07658899), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 17th November, 2016 and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for a period of five Consecutive years i.e. upto 17th November, 2021, whose period of office shall not be liable to determination by retirement of Directors by rotation.”

BY ORDER OF THE BOARD OF DIRECTORS
DISHA RESOURCES LIMITED

(Formerly Known as Arihant Avenues and Credit Limited)

Place : Ahmedabad

Date : 11.08.2017

KRISHNA AWTAR KABRA
CHAIRMAN & MANAGING DIRECTOR

DIN: 00650817

Notes:

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies and that a proxy need not be a member of the company. Proxies in order to be effective must be deposited not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10(ten) percent of the total share capital of the Company. However, a member holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.

2. The Register of Members and Share Transfer Books will remain close from 23rd September, 2017 to 28th September, 2017 (both days inclusive).
3. Members are requested to intimate about the change in address, if any.
4. Members are requested to bring the copies of the annual report as the same will not be distributed at the annual general meeting.
5. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly.
6. Members may note that the copy of the annual report for the year 2016-2017 is also available on the website of the Company.
7. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Members have been provided with the facility to cast their vote electronically, through the e- voting services provided by the Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

Notice of the 22nd Annual General Meeting of the Company. Inter alia, indicating the process and manner of e-voting is being sent to all the members whose email Ids are registered with the Company/Depository Participant(s) for communication purpose through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual general Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 ("Amended Rules 2015") and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the 22nd AGM by electronic means("e-voting")

- (i) The voting period begins on Monday, 25th September, 2017 (9:00 a.m.) and ends on Wednesday, 27th September, 2017 (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 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on notice / Attendance Slip indicated in the PAN Field.
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> 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 (iv).

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Disha Resource Limited (Arihant Avenues And Credit Limited) on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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 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.
 - 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 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.
- (xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) Mr. Umesh Ved, Company Secretary of M/s. Umesh Ved & Associates, (Membership No 4411, CP 2924), Ahmedabad has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xxiii) The results of the e-voting along with the scrutinizer's report shall be placed in company's website and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Statement pursuant to Section 102(1) of the Companies Act, 2013 for Item No. 4 of the accompanying notice is as under:

ITEM NO. 4:

Pursuant to the provisions of Section 161 of the Companies Act, 2013 (hereinafter referred to as the Act), Mr. Pradeep Kumar Dad (DIN: 07658899) was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 17th November, 2016

Mr. Pradeep Kumar Dad (DIN: 07658899) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director. A Notice has been received from a member along with a deposit of requisite amount under section 160 of the Act proposing Mr. Pradeep Kumar Dad as a candidate for the office of the Director of the Company. As per the provisions of section 149 of the Act, an independent Director can hold office for a term upto 5 consecutive years on the Board of a company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Pradeep Kumar Dad (DIN : 07658899) that he meets criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Mr. Pradeep Kumar Dad (DIN: 07658899), is a Chartered Accountant by profession. Brief resume of Mr. Pradeep Kumar Dad, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships/chairman of the Board/ Committee, Shareholding and relationships between Directors interest, as stipulated under listing Regulations with the stock Exchanges are annexed to this notice.

Keeping on view of his vast experience and knowledge, the board considers that his association would be of immense benefit to the company and it is desirable to avail services of Mr. Pradeep Kumar Dad as an Independent Director.

None of the Directors, Key Managerial Personnel of Company and their relatives, except Mr. Pradeep Kumar Dad the proposed director are in any way, deemed to be concerned or interested financially or otherwise in the Ordinary resolution as set out at Item No. 4 of the Notice except to the extent of their shareholdings held in the company.

The Board recommends resolutions under Item No. 4 to be passed as ordinary resolution.

**BY ORDER OF THE BOARD OF DIRECTORS
DISHA RESOURCES LIMITED**

(Formerly Known as Arihant Avenues and Credit Limited)

Place : Ahmedabad

Date : 11.08.2017

**KRISHNA AWTAR KABRA
CHAIRMAN & MANAGING DIRECTOR
DIN: 00650817**

Annexure to Items 2 & 4 of the Notice

Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 are provided below:

Name of the Director	Mr. Neerajkumar Premnarayan Maheshwari	Mr. Pradeep Kumar Dad
Director Identification Number	01010325	07658899
Father Name	Premnarayan Laxmi Narayan Maheshwari	Krishan Gopal Dad
Date of Birth	09.12.1973	01.03.1987
Date of Appointment	09.08.2016	17.11.2016
Qualification	B.Com	B.Com, Chartered Accountant
Name of the Companies(s) in which he is a director	1. Disha Paper Venture Pvt. Ltd. 2. Samarth Finstock Limited 3. South Gujarat Federation of Industries 4. Federation of Indian Paper Recyclers.	NIL
Name of the company in which he is Member/ Chairman in the committees	NIL	NIL
Specific functional Areas	Having good experience in the field of Financing and General Management.	Rich and varied experience in the field of Accountancy and Finance
Shareholding in the Company as on 31 st March, 2017	426448	200

DIRECTORS REPORT

To,

The Members,

Your Directors have the pleasure in presenting the 22nd Annual Report together with the Audited Statement of Accounts of Disha Resources Limited (Formerly Known as Arihant Avenues and Credit Limited) for the year ended on 31st March, 2017.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

Particulars	2016 – 2017 (Amount in Rs.)	2015 – 2016 (Amount in Rs.)
Revenue from operations	1,34,10,608.89	98,04,840.00
Total revenue	1,34,10,608.89	98,04,840.00
Expenditure		
Employee benefits expenses	8,64,000.00	5,61,000.00
Other expenses	1,19,19,621.56	81,66,073.17
Total expenses	1,27,83,621.56	8,727,073.17
Profit before exceptional and extra ordinary items and tax	6,26,987.33	1,077,766.83
Profit before tax	6,26,987.33	1,077,766.83
Tax expense :		
Income tax for earlier years	2,09,090.00	(55,934.00)
Provision for income tax	3,00,000.00	0.00
Net profit for the year	1,17,897.33	1,133,700.83

2. APPROPRIATIONS:

The Opening Balance of Surplus of Profit and Loss shown under the head “Reserves and Surplus” was Rs. 1,65,13,881.44. During the year under the review, the profit of Rs. 1,17,897.33 was also added. The Closing Balance of Surplus of the Profit and Loss shown under the head “Reserves and Surplus” was Rs. 1,75,58,278.77.

3. COMPANY PERFORMANCE:

The company altered the object clause there by enable to carry on the activities relating to logistics services and trading into textile industries.

The altered activities along with the continuing one is expected to get good outcome during the current accounting year.

During the year under review, the revenue from the sales of cloth is decreased to Rs. 49,07,032.25 from Rs. 55,65,558.25 as compare to previous year 2015-16 and revenue from share sales has increased from Rs. 61,790.75 to Rs. 58,99,138.25 as compare to the previous year.

The Net Profit after Tax decreased to Rs. 1,17,897.33 from Rs. 11,33,700.83 as compared to previous year. The profit during the year was largely affected by increase in Employees benefit Expenses and purchase of stock in anticipation of increased volume of business.

Your Directors are hopeful to exploit the new activities in efficient manner and achieve better results in the future.

4. DIVIDEND:

Your directors do not recommend payment of any dividend for the financial year ended 31st March, 2017, in order to conserve the resources of the Company. The Company will retain the earnings for use in the operations of future projects and strive to increase the net worth of the stakeholders.

5. CHANGE IN NATURE OF COMPANY BUSINESS:

As you are aware, the Company Disha Resources Limited (Formerly Known as Arihant Avenues and Credit Limited) was originally incorporated on 06th March, 1995 with the Main Object as mentioned in the Memorandum of Association of the Company which reflects that the Company is carrying on the business of Real estate and Financing Activity.

The Directors decided to alter the Object clause of the Memorandum by way of addition of trading of waste paper, recycling of paper, trading of textile and logistic services in the current line of business of the company and the same was approved in their meeting held on 24th February, 2016. The Shareholders of the company by way of special resolution passed through postal ballot approved the same. The result of which was declared on 28th March, 2016.

6. CHANGE OF NAME OF THE COMPANY:

The Company altered its object by way of Special Resolution passed by Postal Ballot, the result of which was declared on 28th March, 2016 by addition of object of Trading of waste paper, recycling of paper, trading of textile and logistic so the name change of the Company is also required after the said alteration so the name depicts the object of the Company more specifically. The Board of Directors of the Company at their meeting held on May 23, 2016, approved the agenda of change of name of the Company.

Further, after the approval received from the various Government authorities the name of the Company had been changed from Arihant Avenues and Credit Limited to Disha Resources Limited. Fresh Certificate of Incorporation pursuant to change of name was issued by Registrar of Companies, Gujarat on 30th March, 2017.

7. DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED:**i. Retirement by Rotation:**

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Neerajkumar Premnarayan Maheshwari (DIN: 01010325) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your directors recommend his re-appointment.

ii. Cessation:

- Mr. Pawankumar Somani (DIN: 00650611), has resigned as Director with effect from 14th November, 2016. The Board Directors places on record the invaluable contribution made by Mr. Pawankumar Somani, Director of the Company during his tenure of his appointment until his Cessation.

- Mr. Satyanarayan Kabra (DIN: 00540293) and Mr. Jayantial Shah (DIN: 00650512), has resigned as Director with effect from 9th August, 2016. The Board Directors took on record the invaluable contribution made by Mr. Satyanarayan Kabra and Mr. Jayantial Shah, Directors of the Company from the time of his appointment until his Cessation.

iii. Appointment of Additional:

Mr. Pradeep Kumar Dad was appointed as an Additional Director w.e.f. 17th November, 2016. Mr. Pradeep Kumar Dad, Additional Director holding office till ensuing Annual General Meeting is proposed to be appointed as Director in accordance with provisions of section 160 of the Act. The necessary resolution proposing his appointment as Director has been proposed in the Notice convening the said Annual General meeting

iv. Appointment of CEO & CFO

There was no change in CEO & CFO during the year.

v. Key Managerial Personnel:

The following persons were designated as Key Managerial Personnel:

- 1) Mr. Vijaybhai Vrajlal Mehta: Chief Financial Officer (CFO)
- 2) Mr. Krishna Awtar Kabra - Managing Director.

8. DETAILS OF HOLDING /SUBSIDIARY COMPANIES:

The Company didn't had any Holding/ Subsidiary/ Joint Ventures/ Associate Companies at the start of the year, during the year or at the end of the year and hence there is no requirement of giving the statement containing the salient feature of the financial statement of the company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures.

9. DEPOSIT:

The Company has not invited any deposit within the meaning of Chapter V and other than the exempted deposit as prescribed under the provision of the Companies Act, 2013 and the rules framed there under, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014.

10. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:

During the year under review there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status. No order has been passed by any Regulators or Court or Tribunals which may have impact on the Company's operation in future.

11. INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014, the Board of Directors hereby declare that there are no particulars to report for the Conservation of Energy & Technology Absorption. There is no foreign exchange earnings and outgo during the year under the review.

13. PERSONNEL :

There was no employee drawing remuneration requiring disclosure under the Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

14. AUDITORS AND THEIR REPORTS:**(A) STATUTORY AUDITORS**

As per the provisions of section 139 of the Companies Act 2013, an individual or a firm should not hold the office of the Auditor for more than 2 terms of five years each. The transitional provisions allowed the auditors' firm to continue for a period of three years. M/s V.K Moondra & Co., Chartered Accountants, Ahmedabad was in office for the period allowed under the Companies Act, 2013 and was now due for rotational vacancy. Hence, M/s. S.N Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration No.: 109782W) are proposed to be appointed as the statutory Auditor of the Company for a period of 5 years from the conclusion of the ensuing Annual General Meeting till the conclusion of 27th Annual General Meeting in place of M/s V.K Moondra & Co., Chartered Accountants, Ahmedabad.

Necessary resolution seeking approval of the members for appointment of new statutory auditors has been incorporated in the Notice convening the Annual General Meeting forming part of this Annual Report.

The observations made in their report are dealt with in the notes forming part of the Accounts at appropriate places which are self explanatory.

(B) SECRETARIAL AUDITORS:

The Board of Directors of the Company has, in compliance with the provisions of Section 204(1) of the Companies Act, 2013 and rules made in this behalf, appointed M/S. Umesh Ved & Associates, Company Secretaries to carry out Secretarial Audit of the Company for the financial year 2016-17. The Report of the Secretarial Auditor is annexed to this Report as "Annexure A" which is self explanatory and give complete information.

(C) INTERNAL AUDITORS:

The Board of Directors has appointed Mr. Harsh Jaju, Chartered Accountant, (M. No.: 140613) as Internal Auditors of the Company. The Audit Committee of the Board of Directors in consultation with the Internal Auditors, formulate the scope, functioning periodicity and methodology for conducting the internal audit.

15. EXPLANATION TO THE QUALIFICATIONS IN AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT:

There are no qualifications or adverse remarks in the Auditor's Report. Explanation on qualification adverse remark made in Secretarial Audit Report is as under.

Qualification/ Adverse Remark	Explanation
The Company is yet to appoint the Company Secretary as specified under the provisions of Section 203 of the Companies Act, 2013.	The Company was not able to get a fit and proper candidate at remuneration commensurate with the size of the Company. The Company did make sufficient attempts to appoint full time Company Secretary, however, was unable to find / appoint any suitable candidate.

16. DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

There was no employee drawing remuneration requiring disclosure under section 197(12) and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Required details are annexed to this Report as "Annexure B"

17. LISTING OF SHARES:

The shares of the company are listed at Bombay Stock Exchange. Listing fees of Stock Exchanges is paid for the year 2017 – 2018.

During the Financial Year 2015-16 under review, as per the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the company has passed special resolution by Postal Ballot, the result of which was declared on 28th March, 2016 for voluntary delisting of its Equity Shares from Ahmedabad Stock Exchange Limited.

The letter from Ahmedabad Stock Exchange Limited granting delisting was received & accordingly shares of the Company stands delisted w.e.f. 03rd March, 2017.

18. DIRECTORS RESPONSIBITLY STATEMENT :

As required under the provisions of Section 134 of the Act, your Directors report that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The Directors 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 the end of the financial year and of the profits of the Company for that period.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have laid down internal financial controls as required by Explanation to Section 134(5)(e) of the Act) to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

19. CORPORATE GOVERNANCE:

The Regulation 27(2)(a) of SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015 regarding Corporate Governance is not applicable to the Company, the paid-up capital of the company being less than Rs. 10 crores and net worth being less than 25 crores, the threshold limit as prescribed therein.

20. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as “Annexure-C”.

21. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company during the year which may have potential conflict with the interest of the Company. There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. The Board has approved a policy for related party transactions which has been uploaded on the Company's website. Related Party Transactions Policy is available on the Company's Website. The details of the related party transactions are provided in the notes to the accounts. Members are requested to refer the same.

22. PARTICULARS OF LOANS / GUARANTEES / INVESTMENT:

The particulars of loans, guarantee or investment made under Section 186 of the Companies Act, 2013 are furnished in the Notes to the Financial Statements for the year ended 31st March, 2017.

23. RISK MANAGEMENT POLICY

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

24. DECLARATION BY INDEPENDENT DIRECTORS:

The following Directors are independent in terms of Section 149(6) of the Act and the Listing Regulations:

- (a) Mr. Jayantilal N. Shah (up to 09th August, 2016)
- (b) Mr. Dineshkumar Maheshwari
- (c) Mr. Pawankumar N. Somani (up to 14th November, 2016)
- (d) Mr. Dineshchandra Turakhia
- (e) Mr. Vipul Vashi (w. e. f. 09th August, 2016)
- (f) Mr. Pradeep Kumar Dad (w.e.f. 17th November, 2016)

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.