

# **TWENTY EIGHT ANNUAL REPORT 2018-2019 INTERFACE FINANCIAL SERVICES LIMITED**

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## **BOARD OF DIRECTOR**

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BHAVIN PADALIYA	-DIRECTOR
AKSHAY MAKADIYA	-DIRECTOR
PRAKASHBHAI DATANIYA	-DIRECTOR

## **AUDITOR**

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**M/S. BIPIN & CO.**  
CHARTERED ACCOUNTANTS  
VADODARA

## **SHARE TRANSFER AGENT**

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**SATELLITE CORPORATE SERVICES PRIVATE LIMITED**  
Unit. No 49, Building No. 13 AB,  
2nd Floor, Samhita Commercial Co-Op Society Ltd,  
Off Andheri Kurla Rd,  
MTNL Lane, Sakinaka, Mumbai, Maharashtra-400072

## **REGISTERED OFFICE**

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102, DEV PRIME, NR. MAKARBA CROSSING,  
MAKARBA, AHMEDABAD – 380051  
E mail: [interfacefinancial@yahoo.com](mailto:interfacefinancial@yahoo.com)

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**N O T I C E**

**NOTICE** is hereby given that the **28TH ANNUAL GENERAL MEETING** of the Members of **INTERFACE FINANCIAL SERVICES LIMITED** will be held at the Registered Office of the Company at **102, DEV PRIME, NR. MAKARBA CROSSING, MAKARBA, AHMEDABAD – 380051** on **Monday, 30<sup>th</sup> September, 2019 at 12:00P.M.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial Statement for the year ended on 31 March, 2019 and the Reports of the Board of Directors and the Auditors thereon.

**SPECIAL BUSINESS:**

2. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION:**

**RESOLVED THAT** Mr. AKSHAY MAKADIYA (DIN: 08208425), who was appointed as an Additional Director of the Company on 01.03.2019 under Section 149, 152 & 161 of the Companies Act, 2013 to the extent applicable holds office up to the date of this Annual General Meeting but being eligible, offers himself for re-appointment and in respect of whom the company has received notice in writing from member proposing his candidature for office of Director, be and hereby appointed as director of the Company and whose office liable to retire by rotation.

3. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. BHAVIN PADALIYA (DIN: 08208065), who was appointed on 05.04.2019 as an additional director of the Company and holds office up to the date of this Annual General Meeting under section 161(1) of the Companies Act, 2013 and be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to September, 2024.

4. To consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION:**

**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. PRAKASHBHAI DATANIYA (DIN: 01618499), who was appointed on 14.06.2019 as an additional director of the Company and holds office up to the date of this Annual General Meeting under section 161(1) of the Companies Act, 2013 and be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to September, 2024.

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY INSTEAD OF HIMSELF HERSELF AND A PROXY NEED NOT BE A MEMBER. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. 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. 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 shareholder.
2. Corporate members intending to send their authorized representatives to attend the Annual General Meeting (AGM) pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM.
3. The Register of Members and Share Transfer Register of the Company will remain closed from 23<sup>rd</sup> September, 2019 to 30<sup>th</sup> September, 2019.
4. As a measure of economy, copies of the Annual Report will not be distributed at the AGM. Shareholders are, therefore, requested to bring their copies of the Annual Report at the meeting.

5. Members are requested to send their queries to the Company, if any, on accounts and operations of the Company at least seven days before the meeting so that the same could be suitably answered at the meeting.
6. Members whose shareholding(s) are in electronic mode are requested to inform any changes relating to address, bank mandate and Electronic Clearing Services (ECS) details to their respective Depository Participants and in case of physical shares, to the Company's Registrar & Share Transfer Agent M/s. Satellite Corporate Services Pvt. Ltd by mail at [service@satellitecorporate.com](mailto:service@satellitecorporate.com) together with a valid proof of address.
7. For the convenience of shareholders, attendance slip is annexed to the proxy form. Shareholders are requested to affix their signatures at the space provided and hand over the attendance slip at the entrance of the place of meeting. Proxy / Representative of a shareholder should mark on the attendance slip as "Proxy" or "Representative" as the case may be. Shareholders are also requested not to bring with them any person who is not a shareholder.
8. To facilitate easy and cheap transactions in its shares, the Company has dematerialized its shares. Majority of the shareholders have already availed of this facility and de-materialized their shareholdings. Shareholders who have not yet de-materialized their shareholdings are requested to avail of this facility and de-materialise their shareholdings at the earliest. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or RTA for assistance in this regard.
9. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with M/s. Satellite Corporate Services Pvt. Ltd by mail at [service@satellitecorporate.com](mailto:service@satellitecorporate.com) and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
11. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
12. Route map for the venue of the Annual General Meeting is given separately along with attendance slip.
13. The information or details required as per Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/re-appointment as a Director at the ensuing Annual General Meeting is as under:

Name of the Director	AKSHAY MAKADIYA	BHAVIN PADALIYA	PRAKASHBHAI DATANIYA
DIN	08208425	08208065	08477525
Date of Birth	23/02/1996	05/09/1992	09/01/1996
Nationality	Indian	Indian	Indian
Date of Appointment	01/03/2019	05/04/2019	14/06/2019
Expertise in specific functional Area and experience	Financial and Account	Operations and General Management	Operations and General Management
Terms and Conditions of re-appointment along with details of remuneration sought to be paid	Refer item no. 3 of the Notice	Refer item no. 4 of the Notice	Refer item no. 5 of the Notice
Remuneration last drawn (including sitting fees, if any)	Nil	Nil	Nil
Directorship in other Companies (excluding Foreign, private and Section 8 companies)	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report

Membership of Committees in other Public Limited Companies	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report
No. of Shares held in the Company as on 31.03.2019 (Face Value ₹ 10/- per share)	Nil	Nil	Nil
Number of meetings of the Board attended during the Financial Year 2018-19	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None	None

#### INSTRUCTIONS FOR VOTING BY ELECTRONIC VOTING MEANS

In compliance with provisions of Section 110 of the Companies Act, 2013, Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide e-voting facility to its shareholders to enable them to cast their vote electronically, as an alternative to vote through postal ballot, the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

#### The process and manner for remote e-voting are as under:

- (i) The remote e-voting period commences on 27.09.2019 (09:00 am) and ends on 29.09.2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.09.2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL:
  - b. 16 digits beneficiary ID,
  - c. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - d. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (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](http://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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</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	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login.</li> <li>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (IV).</li> </ul>

- (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 relevant Company Name i.e. **"INTERFACE FINANCIAL SERVICES 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 Institutional Shareholders & Custodians :
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://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 they have to create a compliance user which 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 favor 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) or contact them at 1800 200 5533

Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory (is) who are authorized to vote through e-mail at ***interfacefinancial@yahoo.com*** with a copy marked to ***helpdesk.evoting@cdslindia.com*** on or before 29.09.2019 upto 5:00 pm without which the vote shall not be treated as valid.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23.09.2019. The shareholders shall have one vote per equity share held by them as on the cut-off date. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.

Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 23.09.2019 are requested to send the written / email communication to the Company at ***interfacefinancial@yahoo.com*** by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.

The Company has appointed Mr. KALPESHKUMAR PATEL of M/s. K. G. Patel & Associates, Practicing Chartered Accountant as the Scrutinizer for purpose of E voting to count the votes casted in favors or against the resolution proposed for all the items of the Notice as mentioned in the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

**By Order of the Board  
For, INTERFACE FINANCIAL SERVICES LIMITED**

**PLACE: AHMEDABAD  
DATE: 29.07.2019**

**AKSHAY MAKADIYA  
DIRECTOR  
DIN:08208425**

**ANNEXURE TO NOTICE**  
**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

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**Item No. 2**

The Board of Directors at their meeting held on 01.03.2019 co-opted Mr. AKSHAY MAKADIYA in the Board as Additional Director as per section 160 and other applicable provision of the Company Act, 2013 his tenures of office expires at the ensuing Annual General Meeting. He is proposed to be confirmed and appointed as a director of the Company, as his induction on the Board would be beneficial to the Company.

Accordingly, the Board recommends the Ordinary Resolutions in relation to appointment of Mr. AKSHAY MAKADIYA as a Director for approval by the shareholders of the Company. Mr. AKSHAY MAKADIYA being appointee may be deemed to be interested in the Resolution for their respective appointment as set out in Item Nos. 2 of the Notice.

Except as provided above, none of the other Directors, promoters and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

**Item No. 3&4**

Mr. BHAVIN PADALIYA and Mr. PRAKASHBHAI DATANIYA was appointed as an Additional Directors of the Company with effect from 05.04.2019 and 14.06.2019 respectively pursuant to the provisions of Section 160 of the Companies Act, 2013 read Articles of Association of the Company. Mr. BHAVIN PADALIYA and Mr. PRAKASHBHAI DATANIYA holds office up to the date of ensuing Annual General Meeting of the Company. It is proposed to appoint Mr. BHAVIN PADALIYA and Mr. PRAKASHBHAI DATANIYA as Independent Director of the Company and to hold office for five consecutive years for a term up to September, 2024.

The Board recommends the resolution for the approval of shareholders.

No other Director/Key Managerial personnel not any relative of the Directors or the Key Managerial personnel of the Company other than Mr. BHAVIN PADALIYA and Mr. PRAKASHBHAI DATANIYA are interested or concerned in the resolution.

**By Order of the Board**  
**For, INTERFACE FINANCIAL SERVICES LIMITED**

**PLACE: AHMEDABAD**  
**DATE: 29.07.2019**

**AKSHAY MAKADIYA**  
**DIRECTOR**  
**DIN:08208425**



**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors here by present the 28<sup>th</sup> Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on **31st March 2019**.

**FINANCIAL PERFORMANCE:**

Key aspects of Company' financial performance for the year 2018-19 is tabulated below:

Particulars	[Amount in ₹]	
	F.Y. 2018-19	F.Y. 2017-18
Total Revenue	10200000	195616
Total Expense	23633330	36789622
Profit/ (Loss) before Tax	(13433330)	(36594006)
Tax expense	0	0
Net Profit/Loss for the year	(13433330)	(36594006)

**BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF THE COMPANY'S AFFAIR:**

The Company does not have any significant business activity except retail trading during the year under review.

**DIVIDEND:**

Your Directors place on record their deep sense of concern that due to carry forward losses, your Directors are unable to declare any dividend to its shareholders.

**TRANSFER TO RESERVES:**

The Company has not transferred any amount to Reserves for the period under review.

**SHARE CAPITAL:**

The issued, subscribed and paid up capital of the Company is Rs. 247129000/-divided into 247129000equity shares of Rs 1/-each. There has been no change in the share capital of the Company during the year.

**SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, associate companies & joint ventures.

**DEPOSIT:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantee or Investments made by your Company under Section 186 of the Companies Act, 2013 during the financial year 2017-18 is enclosed as an Annexure to this Board's Report. During the year under review, the company has not provided any security falling within in purview of Section 186.

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

**MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.

**SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS:**

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mr. AKSHAY MAKADIYA was appointed as an Additional Director of the Company on 01.03.2019 and hold office up to the date of this Annual General Meeting be and hereby appointed as director of the Company and whose office liable to retire by rotation.



Mr. BHAVIN PADALIYA and Mr. PRAKASHBHAI DATANIYA were appointed as an additional director of the company and hereby appointed an Independent Director of the Company to hold office for five consecutive years up to the conclusion of the Annual General Meeting to be held in the calendar year 2024.

Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

**NUMBER OF MEETINGS OF THE BOARD:**

The details of the number of meetings of the Board held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

**COMMITTEES OF THE BOARD:**

The Board of Directors has the following Committees:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

**BOARD EVALUATION:**

Pursuant to the provisions of the Schedule IV, clause VIII of the Companies Act, 2013 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The performance evaluations of Independent Directors were also carried out and the same was noted. Independent Directors in their meeting decided to bring more transparency in their performance and bring more responsibility while taking any policy decisions for the benefit of the shareholders in general.

**REMUNERATION OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES:**

No Directors/ Key Managerial Personnel are drawing any remuneration. Hence, the information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial year is not given.

**AUDITORS AND AUDITORS' REPORT:**

M/s. Bipin & Co., Chartered Accountants, Vadodara (FRN 101509W) retiring statutory auditor be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion this AGM until the conclusion of the AGM to be held in the year of 2020, for period of 3 years subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company on the recommendation of the Audit Committee.

However, the requirement of ratification of appointment of Statutory Auditors under proviso to Section 139 of the Companies Act, 2013 is done away with under the Companies (Amendment) Act, 2017. As such, your Board does not seek members' ratification for their re-appointment.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**SECRETARIAL AUDIT AND SECRETARIAL AUDITORS' REPORT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. K. H. & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report in the prescribed Form No MR-3 is annexed herewith.

**QUALIFICATION IN SECRETARIAL AUDIT REPORT AND EXPLANATIONS BY THE BOARD:**

Sr. No.	Qualifications made by Secretarial Auditor	Explanations by the Board
a)	Acknowledgement for sending the notices of the Meeting of the Board and Committees are not maintained by the company.	The notice and agenda for the Board and committee meeting are sent by the email or hand delivery. The company will ensure to maintain to the acknowledgements for sending the notice of the meeting of the board and the committee.
b)	Updating of website with regard to various policies is pending	The company will take necessary steps to update website with regard to various policies which are pending.
c)	The company has not complied with certain regulation of SEBI (LODR) Regulations, 2015 as regards publication of Notice of Board Meeting, Notice of AGM, quarterly results.	The company will take necessary steps to comply with the same.
d)	As per section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. The Company has not appointed Internal Auditor.	The size of operation of the Company is very small, it is not viable to appoint Internal Auditor but the Company has established the internal control system.
e)	As per section 203(1)(i),(ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. The Company has not appointed Company Secretary & Chief Financial Officer.	Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary.
f)	The company has not maintained the attendance register for Board and committee meeting	The company will take necessary steps to maintain the attendance register for board and committee meetings.
g)	Statutory Registrar as per companies Act 2013 is yet to be updated.	The company will take necessary steps to update Statutory Register as per companies Act 2013.
h)	Certain event based E Forms have not been filed by the company in time which were required to be filed with ROC during the audit period.	The company will ensure to file all relevant documents in time with ROC and other authorities as when required.

**COST AUDITOR AND COST AUDIT REPORT:**

Cost Audit is not applicable to your Company.

**INTERNAL CONTROL SYSTEMS:**

As there is no significant business activities hence there was no systems set up for Internal Controls.

**EXTRACT OF ANNUAL RETURN:**

An extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT 9 forming part of this report is annexed herewith.

**REPORT ON CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS:**

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with, a separate section titled Report on Corporate Governance. A detailed Management Discussion & Analysis forms part of this Report.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company has not developed and implemented any Corporate Social Responsibility initiative under the provisions of Section 135 of the Companies Act, 2013, read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as the said provisions are not applicable.

**VIGIL MECHANISM:**

As the Company does not have any significant business activity, there was no need to have a Vigil Mechanism Policy.