



PRIYA LIMITED



30th
ANNUAL REPORT
2016-17



30TH ANNUAL GENERAL MEETING

Day	:	Wednesday
Date	:	13 th September, 2017
Time	:	11.00 A.M.
Place	:	"Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

BOARD OF DIRECTORS

SHRI A. K. BHUWANIA	Chairman
SHRI R. K. SARASWAT	Director
SHRI M. K. ARORA	Director
SHRI ASHISH BHUWANIA	Director
SHRI ADITYA BHUWANIA	Whole Time Director
SHRI ANUJ BHARGAVA	Director
SHRI P. V. HARIHARAN	Director
SMT SAROJ BHUWANIA	Director
SHRI RAKESH JAIN	Chief Financial Officer
SHRI SAISHWAR DALVI	Company Secretary

BANKERS

Indian Bank
Bank of Maharashtra
Union Bank of India

AUDITORS

M/s. M L BHUWANIA AND CO LLP
Chartered Accountants, Mumbai.

REGISTERED OFFICE

4th Floor, Kimatrai Building, 77-79,
Maharshi Karve Marg, Marine Lines (E),
Mumbai-400002.

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.,
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai 400 059
Tel: 022-62638200

CIN: L99999MH1986PLC040713

EQUITY SHARES ARE LISTED AT:
The Bombay Stock Exchange Ltd (BSE)

WEBSITE
www.priyagroup.com

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NOTICE

NOTICE is hereby given that the **Thirtieth Annual General Meeting** of the members of **PRIYA LIMITED** (CIN:L99999MH1986PLC040713) will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Wednesday, the 13th Day of September, 2017 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited financial statements of the Company for the year ended 31st March, 2017, the Director's Report and Auditor's Report thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Mr. A. K. Bhuwania (DIN:00387445), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider & if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) M/s. Kanu Doshi Associates LLP, Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI) vide registration number 104746W/W100096, be and are hereby appointed as Statutory Auditors of the Company (in place of M/s. M L Bhuwania and Co LLP, Chartered Accountants, the retiring Auditors) for a term of five years commencing from the Company's financial year ending March 31, 2018 to hold office from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting to be held in 2022 (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) on such remuneration plus service tax, out-of-pocket expenses, as may be mutually agreed upon by the Board of Directors and the Statutory Auditors;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

For and on behalf of the Board
For **Priya Limited**

Place: Mumbai

Date: 24th May, 2017

Saishwar Dalvi
Company Secretary

Registered Office:

4th Floor, Kimatrai Building, 77-79,
Maharshi Karve Marg, Marine Lines (E),
Mumbai-400002

NOTES:

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY.**
2. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The register of members and the share transfer books of the Company will remain closed from **7th September, 2017 to 13th September, 2017** (both days inclusive).
4. Dividend recommended for the year ended 31st March, 2017 if approved by the members will be paid to those eligible members whose names appear:
 - I. As Beneficial Owners, as on 6th September, 2017, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
 - II. As Members in the Register of Members of the Company as on 6th September, 2017.
5. Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.

6. Members are requested to bring their copy of the Annual Report to the Meeting.
 7. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
 8. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend.
 9. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID no., to their respective Depository Participants.
 10. Unclaimed dividend for the year(s) 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 are held in separate Bank accounts and shareholders who have not received the dividend / encashed the warrants are advised to write to the Company with complete details.
 11. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE686C01014**.
 12. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.
 13. Members, who have not registered their e-mail addresses, are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned Depository Participants and members who hold shares in physical form are requested to send their details to Bigshare Services Pvt. Ltd (Registrar & Transfer agent) in order to enable the company to serve the notice/Documents including Annual Report through e-mail as an initiative in consonance with circular issued by Ministry of Corporate Affairs allowing paperless compliances by the companies.
 14. The Route map to the Venue of AGM is provided in the Annual Report for easy location.
- 15. Voting through electronic means**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **10th September, 2017 (9:00 am) and ends on 12th September, 2017 (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 6th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".
 - Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - Click on Shareholder - Login
 - Put your user ID and password. Click Login.
 - Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - Select "EVEN" of "PRIYA LIMITED".
 - Now you are ready for remote e-voting as Cast Vote page opens.
 - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - Once you have voted on the resolution, you will not be allowed to modify your vote.
 - Institutional shareholders (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(ies) who are authorized to vote, to the Scrutinizer through e-mail to sanjay.parabcs@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
EVEN (Remote e-voting Event Number)
USER ID PASSWORD/PIN
 - Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 6th September, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 6th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@bigshareonline.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Sanjay Parab, Practicing Company Secretary (FCS No.6613 & COP No.7093) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or

"Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.priyagroup.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

For and on behalf of the Board

For **Priya Limited**

Place: Mumbai

Date: 24th May, 2017

Saishwar Dalvi

Company Secretary

Details of the Director seeking appointment/re-appointment at the Annual General Meeting is given below:-

Name of the Director	Mr. A. K. Bhuwania (DIN:00387445)
Date of Birth	30.08.1947
Date of Appointment	22.08.1986
Qualification	B.Sc. from University of Calcutta in Maths
Expertise in specific functional area	Hardware Industry
List of other public limited companies (in India) in which outside directorship held	i) Priya International Ltd. ii) VXL Instruments Ltd.
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	Priya International Ltd:- a) Member of Audit Committee b) Member of Nomination & Remuneration Committee VXL Instruments Ltd.:- a) Member of Nomination & Remuneration Committee
Relationship with other Director	Father of Ashish Bhuwania and Aditya Bhuwania and Husband of Saroj Bhuwania

DIRECTORS' REPORT

Dear Members,

Priya Limited

Your Directors take great pleasure in presenting the **30th Annual Report** and Audited Accounts of your Company for the financial year ended 31st March, 2017.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year 2016-17 in comparison to the previous financial year 2015-16 are summarised as below:

	(Rs. in Lakhs)	
	Year Ended 31/03/2017	Year Ended 31/03/2016
Revenue from operation	7545.89	10621.97
Other Income	58.00	77.90
	7603.90	10699.87
Profit/ (Loss) before Tax	(112.57)	147.24
Provision for taxation- Current Tax	0.00	45.05
Provision for taxation- Deferred Tax	12.56	0.18
Add/(Less): Taxation of earlier years	1.54	(0.17)
Profit/(Loss) After Tax	(126.68)	102.18
Add: Balance brought forward	1054.84	988.79
Profit available for appropriation	928.15	1090.97

DIVIDEND

Your Directors have recommended a dividend of Re.1.00/- per equity share (i.e.@ 10%) on 30,02,300 fully paid equity shares of Rs.10/- each for the financial year ended 31st March, 2017.

TRANSFER TO RESERVES

The Company has transferred Rs. Nil to Reserves for the financial year ended 31st March, 2017.

SHARE CAPITAL

The paid up equity capital as on 31st March, 2017 was Rs.3,00,23,000. During the year under review, the Company has not issued any form/ types of securities.

OPERATIONS

During the year under review the aggregate turnover of your Company was Rs.7545.89 Lakh as compared to Rs.10,621.97 Lakh in the previous year. The Company incurred a Net Loss of Rs.126.68 Lakh in 2016-17 as compared to previous year's Net Profit of Rs.102.18 Lakh.

There is slight decrease in turnover due to the economic down turn in European countries, as well as India, which has affected the profitability of the Company. However, your Company has been able to cut down its costs as compared to previous year.

Keeping pace with the changing dynamics of the industry and striving in very competitive European market, your Company has still been able to perform well during the year. We expect better performance in the coming periods.

Your Company is concentrating in the marketing of VXL Thin Clients and other computer peripherals (Keyboard/Mouse, Monitors etc) and is targeting a greater market share in these key areas. Your Company has also started marketing of various software products and offering solutions for different industries.

All the branches are adequately equipped to provide complete support to the customers. Internal control systems have been well established and cost consciousness in branch operations has also led to improved profitability.

Your Directors are hopeful of improving upon the last financial year's results for the Company during the current year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. A. K. Bhuwania, Director, retires by rotation and being eligible has offered himself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the key managerial personnel of the Company are- Mr. Aditya Bhuwania, Whole Time Director, Mr. Rakesh Jain, Chief Financial Officer and Mr. Saishwar Dalvi, Company Secretary. There has been no change in the key managerial personnel during the year.

WITHDRAWAL OF SCHEME OF AMALGAMATION

In the Board Meeting held on 8th September, 2016, the Board of Directors of the your Company had decided and approved the withdrawal of scheme of amalgamation of M/s. VXL Instruments Limited with the Company.

AUDITORS:**1) Statutory Auditors:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of M/s. M L Bhuwania and Co LLP, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Board of Directors places on record its appreciation to the services rendered by M/s. M L Bhuwania and Co LLP as the Statutory Auditors of the Company.

In terms of the requirements of Section 139 of the Act read with rules made thereunder, the Board of Directors of the Company on the recommendation of the Audit Committee has appointed M/s. Kanu Doshi Associates LLP, Chartered Accountants (Firm Registration No.104746W/W100096) as the Statutory Auditors of the Company in the Board Meeting held on 24th May, 2017, for a term of 5 (five) consecutive years commencing from the conclusion of the ensuing 30th Annual General Meeting till the conclusion of the 35th Annual General Meeting to be held in the year 2022, subject to the approval of the shareholders' in the ensuing 30th Annual General Meeting. M/s. Kanu Doshi Associates LLP, Chartered Accountants have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

There is no audit qualification for the year under review.

2) Secretarial Auditors:

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sonal Kothari & Associates, Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure A**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CHANGE IN NATURE OF BUSINESS

There being no change in the nature of business of the company during the year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

The Report on Corporate Governance, along with the Certificate from the Auditors' regarding the compliance of Corporate Governance conditions form parts of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In pursuant to the provisions of section 135 of the Companies Act, 2013, Corporate Social Responsibility is not applicable to your company.

DEMATERIALIZATION

Your Company has tied up with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to trade and hold shares in an electronic/dematerialized form. The shareholders are advised to take benefits of dematerialization.

BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder relationship committee.

NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

MATERIAL CHANGES & COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company and the date of the report.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

LISTING OF SHARES

The Company's equity shares continue to be listed on The Bombay Stock Exchange Limited (BSE). The Company had applied for de-listing of equity shares from The Calcutta Stock Exchange Ltd. (CSE) and the said de-listing permission is in process and the Company is constantly following up with the Exchange for completion of the process. The listing fee for the financial year 2017-2018 was duly paid to BSE.

MEETINGS

During the year (5) Five Board Meetings and (1) one independent directors' meeting was held. The Details of which are given in Corporate Governance Report.

AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

Name	Designation	Category
Mr. R. K. Saraswat	Chairman	Independent / Non-Executive Director
Mr. M. K. Arora	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman

NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination and Remuneration Committee comprising of the following directors:

Name	Designation	Category
Mr. M. K. Arora	Chairman	Independent / Non-Executive Director
Mr. R. K. Saraswat	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman
Mr. Anuj Bhargava	Member	Independent / Non-Executive Director

EXTRACT OF ANNUAL RETURN:

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

PUBLIC DEPOSITS:

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, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

RELATED PARTY TRANSACTIONS

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

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Your Directors draw attention of the members to Note No.31 to the financial statement which sets out related party disclosures.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to section 177(9) & (10) of the Companies Act, 2013 rules made thereunder and Regulations 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism for Directors and employees to report genuine concern. The Vigil Mechanism Policy has been uploaded on the website of the Company.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is already adopted.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that: -

- a) in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they 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 profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

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

CONSERVATION OF ENERGY:

- i) *the steps taken or impact on conservation of energy*

The Company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipments and electrical installations.

- ii) *the steps taken by the company for utilising alternate sources of energy: None*
- iii) *the capital investment on energy conservation equipments: None*

TECHNOLOGY ABSORPTION:

- i) *the efforts made towards technology absorption*

Every effort is made by the company to update the technological skills of its technical staff in order to ensure that they possess adequate skills to enable them to serve the Company's clients.

- ii) *the benefits derived like product improvement, cost reduction, product development or import substitution*

The Company has successfully achieved results in reducing the cost, power consumption and improving the technical efficiencies and productivity.

- iii) *Particulars of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): None*
- iv) *the expenditure incurred on Research and Development: None*

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the financial year ended 31st March, 2017.

PARTICULARS OF EMPLOYEES:

Information required under Section 197(12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below: -

- (i) Ratio of remuneration of each Director to the median employee's remuneration for the financial year:

Name	Designation	Ratio
Aditya Bhuvania	Whole Time Director	5.98