

25th Annual Report

(Year Ended 31st March, 2017)

"Source That Never Ends"



SUN SOURCE (INDIA) LIMITED

सन सोर्स (इन्डिया) लिमिटेड

SUN SOURCE (INDIA) LIMITED

1,SONAL INDUSTRIAL ESTATE, KHODA, SANAND VIRAMGAM HIGHWAY, DIST AHMEDABAD-382170

**25th Annual General Meeting of
Sun Source (India) Limited
for year 2016-17**

DIRECTORS' REPORT

**To,
The Members
SUN SOURCE (INDIA) LIMITED**

Your Directors have presenting the 25th Annual Report together with the Audited Accounts of the Company for the financial year ended March 31, 2017.

1. FINANCIAL RESULTS:

PARTICULARS	Particulars for Year ended (Amount in ₹)	
	Current Year 31st March 2017	Previous Year 31st March 2016
Net Sales /Income from Business Operations	---	---
Other Income	4228	3910
Total Income	4228	3910
Less: Depreciation	1692207	1777002
Profit after depreciation	-2485572	-4515273
Less: Current Income Tax	----	---
Less: Previous year adjustment of Income Tax ,	----	---
Less: Deferred Tax	----	---
Net Profit after Tax	-2485572	-4515273
Dividend (including Interim if any and final)	---	---
Net Profit after dividend and Tax	-2485572	-4515273
Balance carried to Balance Sheet	-2485572	-4515273

2. TRANSFER TO RESERVES:

During the financial year, the Company did not transfer any amount to reserve.

3. DIVIDEND:

In view of the accumulated losses, your Directors are not in a position to recommend any dividend for the year and regret the same.

4. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business of the Company during the financial year.

5. PUBLIC DEPOSITS:

SUN SOURCE (INDIA) LIMITED**1,SONAL INDUSTRIAL ESTATE, KHODA, SANAND VIRAMGAM HIGHWAY, DIST AHMEDABAD-382170**

During the financial year 2016-17, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

6. THE STATE OF COMPANY'S AFFAIRS AND OUTLOOK

The Company continues to explore various opportunities to expand the business lines of the company. While some new avenues were explored, given the subdued overall economic activity in the country and the tough financing environment caused the company to slow down this year considering the environment. Even during the year company has generated revenue of Rs. 4,228/- as compared to Rs. 3,910/- of previous year. The Company is now evaluating other business avenues that will help diversify the business and grow the Company.

7. BOARD MEETINGS / COMMITTEE MEETINGS:

During the financial year, 5 (Five) Board Meetings, 5 (Five) Audit Committee, 5 (Five) Nomination and Remuneration Committee and 5 (Five) Stakeholder Relationship Committee Meetings were held the details of which are given in the Corporate Governance Report forming part of the Annual Report.

8. COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee Comprises of Three Directors. Composition of the Audit Committee during the financial year 2016-2017 is as follows:

Sr. No.	Name of the Committee Members	Designation
1	Mr. Ikshit Amin	Chairman
2	Mr. Dinesh Patel	Member
3	Mr. Ashok Gajjar	Member

There were no matters during the financial year 2016-2017, wherein the Board did not accept recommendations given by the Audit Committee.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(3) (c) of the Companies Act 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) in the preparation of the annual accounts, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

- (ii) 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 profit of the company for the year ended on that date;
- (iii) 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;
- (iv) the Directors have prepared the annual accounts on a going concern basis.
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10. STATEMENT ON INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

11. EXTRACT OF ANNUAL RETURN:

The extract of annual return in Form MGT 9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an **Annexure 'A'** to this Report.

12. COMPANY'S POLICY RELATING TO DIRECTORS:

The Company's policy relating to appointment of Directors, payment of managerial remuneration, directors qualifications, positive attributes, independence of directors and other related matters as provided under section 178(3) of The Companies Act 2013 is available on Company's website www.sunsource.in.

13. COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARK:

Statutory Auditor:

There is no qualification or adverse remarks or disclaimers made by the auditors in their report on the financial statement of the company for the financial year ended 31st March, 2017.

Secretarial Auditor:

There is no qualification or adverse remarks or disclaimers made by the Secretarial Auditor in his report of the Company for the financial year ended 31st March, 2017.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 and rules made there under during the year under review and hence the said provision is not applicable.

15. RELATED PARTY TRANSACTIONS:

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

16. MATERIAL CHANGES:

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statement relate and the date of the report.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Conservation of Energy:

a. Steps taken or impact on conservation of energy: Taking in to consideration of stumpy/null business activities of the Company, the Company has not spent any substantial amount on Conservation of Energy to be disclosed here.

b. Technology Absorption:

Efforts made towards technology absorption	Considering the stumpy/null business activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	

Details of technology imported	Nil
Year of import	Not Applicable
Whether the technology has been fully absorbed	Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

c. Foreign exchange earnings and outgo: There was no foreign exchange inflow or Outflow during the year under review.

18. RISK MANAGEMENT:

Given the nature of the Company and stumpy/null scale of operations, the current management is capable of managing the risks in the business and does not foresee any major risk areas that have been left unattended.

19. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. Hence, provision of CSR is not applicable to the Company.

20. PERFORMANCE EVALUAITON:

Pursuant to the provisions 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.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board' functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

The Directors expressed their satisfaction with the evaluation process

21. SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANY:

There are no subsidiary, associate company or joint ventures of our Company during the year under review.

22. CHANGE IN DIRECTORS / KEY MANAGERIAL PERSONNELS:

Mr. Ashokkumar Gajjar (DIN: 02137748), Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for re-appointment. Your Directors recommend his re-appointment.

Mrs. Priti Gajjar (DIN: 02165833), Whole Time Director of the Company whose term expired on March 20, 2017 is proposed to be reappointed as Whole Time Director for a period of Three Years with effect from 21st March, 2017 to 20th March, 2020.

23. DISCLOSURE PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF COMPANIES (APPOINTMENTS AND REMUNERATION) RULES 2014:

During the financial year 2016-17, no remuneration /Commission was paid to any of the directors of the Company.

24. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis forms part of the Directors' Report is annexed herewith as **Annexure 'C'**.

25. AUDITORS:

Statutory Auditor

M/s. Joshi Jain & Co.,Chartered Accountants (FRN. 128820W), were re-appointed as the Statutory Auditors of the Company in 24th Annual general meeting to hold office till the conclusion of 27th Annual General Meeting as per the provisions of Section 139 of the Companies At, 2013. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules framed there under for ratification as Auditors of the Company.

Secretarial Auditor

Mr. Rakesh Kapur, Practising Company Secretary (Membership No. FCS 3863, CP NO.12085) has been appointed as Secretarial Auditor for the financial year 2016-17. The Secretarial Audit Report is annexed herewith as **Annexure 'B'**

26. SIGNIFICANT AND MATERIAL ORDER IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No Significant and Material order was passed by any authority during the year under review impacting the going concern status and company's operation in future.

27. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial control system with reference to the Financial Statements.

28. REPORT ON THE SEXUAL HARRESSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013:

In terms of section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 we report that, during 2016-17, no case has been filed under the said act.

29. CORPORATE GOVERNANCE REPORT:

As required by Chapter IV read with Schedule V, Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance form part of this Annual Report. **(Annexure 'D')**.

30. VIGIL MECHANISM:

The Company has established and adopted Vigil Mechanism and the policy (Whistle Blower Policy) thereof for directors and employees of the Company in accordance with the provisions of Companies Act, 2013 as well as regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015). During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy. The vigil mechanism policy is available on the website of the company at link: www.sunsource.in

31. SHARES:

a. Buy Back of Securities:

The Company has not bought back any of its shares during the year under review.

b. Sweat Equity & differential voting rights shares:

The Company has not issue any Sweat Equity Shares and any Equity Shares having differential voting rights during the year under review.

c. Bonus shares:

No Bonus shares were issued during the year under review.

d. Employee Stock Option Plan:

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The Company has not provided any Stock Option Scheme to the Employee.

32. APPRECIATION:

The Board of Directors records its grateful thanks to all the stakeholders of the Company for their continued support and co-operation.

Registered Office:

One Sonal Industrial Estate (Khoda),
Sanand Viramgam Highway,
Ahmedabad – 382170.

**On behalf of the Board of Directors
For SUN SOURCE (INDIA) LIMITED**

SD/-

Ashokkumar Kantilal Gajjar

Chairman & Director

DIN: 02137748

Add: 47 Sampatrao Colony Alkapuri
Vadodara-390005, Gujrat, India.

Date: 24/08/2017

Place: Vadodara