



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Snehal Patel
Managing Director

Mrs. Manisha Bhatewara
Independent Director

Mr. Chirag Rawal
Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Ankit Shukla
Chief Financial Officer

Mr. Abdulquadir Hajiwalla
Company Secretary & Compliance officer

Mr. Snehal Patel
Managing Director

JOINT STATUTORY AUDITORS

M/s. J. Vageriya & Associates (FRN: 124193W)
Chartered Accountants, Ahmedabad
704, Abhishree Avenue, opp. Hanuman
Temple Nr, Nehrunagar Cross Roads,
Ambawadi Road Ahmedabad
E-Mail: jva@vageriya.com

M/s. Sunil Dad & Co. (FRN: 126741W)
Chartered Accountants, Ahmedabad
1016, Anand Mangal-III, Nr. Apollo Centre
Parimal Cross Road, Ambawadi
E-Mail : info@sdco.co.in

REGISTERED OFFICE

88, Ajanta Commercial Center,
Nr. Income Tax Circle,
Ashram Road,
Ahmedabad – 380009
Phone: +91-79-27540175
E mail: compliance.mgc@gmail.com
Web: www.aromaenterprises.in
CIN: L51909GJ1994PLC021482

SECRETARIAL AUDITOR

CS Shubham Agarwal
2, Durga Nursery Road,
Near HDFC Bank,
Below Wrangler showroom,
Udaipur – 313001
E mail: fcs.shubhamgoyal@gmail.com

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited
D – 153 A, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi, Delhi – 110020
Phone: +91-11-26812682/83
E mail: sagarwal1910@gmail.com

25TH ANNUAL GENERAL MEETING

Date : September 30, 2019
Day : Monday
Time : 11:00 AM
Venue : 88, Ajanta Commercial Center,
Nr. Income Tax Circle,
Ashram Road,
Ahmedabad – 380009

DIRECTOR'S REPORT

To,
 The Members
 Aroma Enterprises (India) Limited
 Ahmedabad

1. COMPANY SPECIFIC INFORMATION:

1.1 FINANCIAL RESULTS:

The Board of Directors hereby submits the report of the business and operations of your company along with the audited financial statements, for the financial year ended March 31, 2019.

| PARTICULARS | 2018-2019 | 2017-2018 |
|--|------------------|------------------|
| Revenue from Operation | 34,94,41,530 | 40,04,57,534 |
| Other Income | - | 1,55,169 |
| Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expenses | 58,76,284 | 3,36,92,973 |
| Less: Depreciation/ Amortisation/ Impairment | 24,16,064 | 13,81,064 |
| Profit/loss before Finance Costs, Exceptional items and Tax Expenses | 34,60,220 | 3,23,11,909 |
| Less: Finance Costs | 7,85,120 | 83,62,284 |
| Profit/loss before Exceptional items and Tax Expenses | 26,75,100 | 2,39,49,625 |
| Add/Less: Exceptional items | 0 | 0 |
| Profit/loss before Tax Expenses | 26,75,100 | 2,39,49,625 |
| Less: Tax Expenses (Current & Deferred) | 11,06,208 | 49,18,991 |
| Profit/loss for the Year (1) | 15,68,892 | 1,90,30,634 |
| Total Comprehensive Income/Loss(2) | 0 | 0 |
| Total (1+2) | 15,68,892 | 1,90,30,634 |

REVIEW OF OPERATION:

The Total income from the operations is Rs. 34,94,41,530 and the expenditure incurred during the year is Rs.34,67,66,430. Further Net Profit of the company is Rs. 15,68,892 which is fallback for the company as in previous year company earned profit of Rs. 1,90,30,634.

1.2 TRANSFER TO RESERVES:

The Board of Directors of your Company, has decided not to transfer any amount to the Reserves for the year under review except for the Profit earned during the year which has been transferred to the Surpluses Head of the Reserves & Surpluses.

1.3 DIVIDEND:

The Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent not to recommend any Dividend for the year under review.

1.4 MAJOR EVENTS OCCURRED DURING THE YEAR

a) State of the company's affair:

The Company is currently into the buying, selling and trading of Cigarettes with the brand named "One & Only" and trading in parts of Machineries and commissioning of Coal.

b) Change in Nature of Business:

During the year there has been no change in the nature of the business of the Company.

c) Material changes and commitments affecting the financial position of the company:

There has been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

2. GENERAL INFORMATION:

2.1 Overview of the Industry and important changes in the industry during the last year:

The company is broadly covered under the Industry sector and industrial sector is one of the main sectors that contribute to the Indian GDP. The industrial sector accounts for around 27.6% of the India GDP and it employs over 17% of the total workforce in the country. The Growth Rate of the Industrial Sector in India GDP came to around 5.2% in 2002- 2003. In this year, within the India GDP, the mining and quarrying sector contributed 4.4%, the electricity, water supply, and gas sector contributed 2.8%, and the manufacturing sector contributed around 5.7%.

2.2 External Environment and Economic Outlook:

The reasons for the increase of Industry Growth Rate in India GDP are that huge amounts of investments are being made in this sector and this has helped the industries to grow. Further the reasons for the rise of the Growth Rate of the Industrial Sector in India are that the consumption of the industrial goods has increased a great deal in the country, which in its turn has boosted the industrial sector. Also the reasons for the increase of Industry Growth Rate in India GDP are that the industrial goods are being exported in huge quantities from the country. Industry Growth Rate in India GDP thus has been registering steady growth over the past few years. This has given a major boost to the Indian economy. The government of India thus must continue to make efforts to boost the industrial sector in the country. For this will in turn help to grow the country's economy.

3. CAPITAL AND DEBT STRUCTURE:

During the year under review, the company has neither issued nor bought back shares. The Capital of the company remains same as under.

| | |
|---------------------------------|---|
| Authorized Share Capital | Rs.7,50,00,000 divided into 75,00,000 shares of Rs. 10 each |
| Issued Share Capital | Rs.5,00,00,000 divided into 50,00,000 shares of Rs. 10 each |
| Paid Up share Capital | Rs.4,94,04,000 divided into 49,40,400 shares of Rs. 10 each |

The Capital of the Company consists of only Equity shares and no debenture or any other debt securities issued by the company.

4. CREDIT RATING

During the year the company has not issued any securities and not raised any loan which requires credit rating, hence credit rating provision is not applicable on company and has not obtained any credit rating during the year.

5. INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any amount to the Investor Education and Protection Fund.

6. MANAGEMENT:

6.1 Directors and Key Managerial Personnel:

Board Composition:

The constitution of the Board (as on 31/03/2019) and the attendance of the Directors are given below:

| Name of the Director | Category of the Director (NE/E/ID) | Designation | No. of Directorship | No. of Meetings attended | Details of committee | | Presence in previous AGM |
|-------------------------|------------------------------------|-------------------|---------------------|--------------------------|----------------------|--------|--------------------------|
| | | | | | Chairman | Member | |
| Snehal Ajitbhai Patel | Executive Director | Managing Director | 12 | 8 | 0 | 2 | No |
| Chirag Rawal | Independent Director | Director | 01 | 8 | 4 | 4 | Yes |
| Manisha Sagar Bhatewara | Independent Director | Director | 02 | 8 | 0 | 3 | Yes |

Directors:**1. Appointments:**

There has been no appointment of any director in the company during the year under review.

2. Re-appointment:

Mr. Chirag Rawal being an Independent Director of the company had completed his first tenure of 5 year and been re-appointed as an Independent Director of the company with effect from June 13, 2018 which was duly considered by the members of the company in the Annual General Meeting dated September 29, 2018.

Key managerial person:

There has been no change in the composition of the Key Managerial Personnel (KMP) during the financial year under review.

6.2 Independent Director:

Mr. Chirag Rawal being an Independent Director of the company had completed his first tenure of 5 year and been re-appointed as an Independent Director of the company with effect from June 13, 2018 which was duly considered by the members of the company in the Annual General Meeting dated September 29, 2018.

6.3 Independent director's declaration and statement on compliance of code of conduct:

The company has received necessary declarations from each Independent Director under Section 149(6) and 149(7) of the Companies Act, 2013 and regulation 16(1)(b) and regulation 25(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, that they meet the criteria of independence laid down thereunder.

The Independent Directors of the company have complied with the code for Independent Directors as prescribed in Schedule IV of the act.

As on 31st March, 2019, half of the Board Members consist of Independent Directors having rich experience in their fields and they have added value to the management of the company. An enlightened Board consciously creates a culture of Board leadership to provide a long-term vision and policy thinking in order to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests.

Independent Directors of the company met 1 (One) time during the year 2018-2019 dated 20/03/2019 without the attendance of Non Independent Director and members of the Board.

6.4 Board Meetings:

During the period under review, 8 (eight) Board Meetings were held by the Board of Directors to transact various business items.

The details are as mentioned below:

| Sr. No | Date and Day of the Board Meeting | Sr. No | Date and Day of the Board Meeting |
|--------|-----------------------------------|--------|-----------------------------------|
| 1 | 30/05/2018 (Wednesday) | 5 | 05/09/2018 (Wednesday) |
| 2 | 13/06/2018 (Wednesday) | 6 | 14/11/2018 (Wednesday) |
| 3 | 14/08/2018 (Tuesday) | 7 | 14/02/2019 (Thursday) |
| 4 | 03/09/2018 (Monday) | 8 | 29/03/2019 (Friday) |

6.5 Committees:

1. Audit Committee:

a) Brief Description

The primary object of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor notes the processes and safeguards employed by each of them.

b) Constitution and Composition of Audit Committee

The Company has in accordance with the Section 177 of the companies Act, 2013 and Regulation 18 of SEBI (Listing obligations and Disclosure Requirements), 2015 constituted the Audit Committee. The Audit Committee met 5 (Five) times during the last financial year on the following dates:

| Sr. No. | Date and Day of the Meeting | Sr. No. | Date and Day of the Meeting |
|---------|-----------------------------|---------|-----------------------------|
| 1. | 29/05/2018 (Tuesday) | 4. | 13/02/2019 (Wednesday) |
| 2. | 13/08/2018 (Monday) | 5. | 28/03/2019 (Thursday) |
| 3. | 13/11/2018 (Tuesday) | | |

The constitution of the Committee (as on 31/03/2019) and the attendance of each member of the Committee are given below:

| Name of the Member | Type of Director | Category | No. of Meetings | Attendance |
|------------------------|----------------------|-------------------|-----------------|------------|
| Mr. Chirag Rawal | Independent Director | Chairman & Member | 5 | 5 |
| Mrs. Manisha Bhatewara | Independent Director | Member | 5 | 5 |
| Mr. Snehal Patel | Managing Director | Member | 5 | 4 |

2. Nomination & Remuneration Committee

a) Constitution & Composition of Nomination & Remuneration Committee:

The Company has in accordance with Section 178(1) of the companies Act, 2013 and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements), 2015 constituted the Nomination & Remuneration Committee. The main function of the Nomination & Remuneration Committee is the formulation and recommendation of the policy for the appointment, removal, performance evaluation of the directors & the consideration to be paid to them and other matters as may be determined by the committee and the prevailing provisions for formulation of criteria for evaluation of Independent Directors and Board. Further to recommend/review remuneration of Directors based on their performance and carry out functions as mandated by Board from time to time.

The Committee consists of Mr. Chirag Rawal, Mrs. Manisha Bhatewara and Mr. Snehal Patel and there has been no meeting which is conducted by the Nomination and Remuneration Committee.

3. Stakeholders Relationship Committee:

The Company has formulated the Stakeholders Relationship Committee in accordance with the Section 178(5) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as entered into by the Company. The function of the Stakeholders Relationship Committee is to look into complaints if any and redress the same expeditiously. Besides, the committee approves allotment, transfer & Transmission of shares, Debentures, issue of any new certificates on split / consolidation / renewal etc. as may be referred to it. During the relevant financial year, 4 (Four) Committee Meetings were held on following dates:

| Sr. No. | Date and Day of the Meeting | Sr. No. | Date and Day of the Meeting |
|---------|-----------------------------|---------|-----------------------------|
| 1 | 12/06/2018 (Tuesday) | 3 | 10/12/2018 (Monday) |
| 2 | 21/08/2018 (Tuesday) | 4 | 12/02/2019 (Tuesday) |

The constitution of the Committee as on 31/03/2019 is as under:

| Name of the Member | Type of Director | Category | No. of Meetings | Attendance |
|--------------------|----------------------|-------------------|-----------------|------------|
| | | | | |
| Mr. Chirag Rawal | Independent Director | Chairman & Member | 4 | 4 |
| Mr. Snehal Patel | Managing Director | Member | 4 | 4 |

Company has not received Complain from shareholders of the Company during the year of review which is yet pending.

The details of the Compliance Officer and the details of complaints received / solved / unsolved during the year are as follows:

Compliance Officer:

Name: Mr. Abdulqadir Shoeb Hajiwalla, Company Secretary & Compliance Officer

Mail Id: compliance.mgc@gmail.com

Contact No.: 079-27540175

| Compliant received during the year | Compliant solved during the year | Compliant pending during the year |
|------------------------------------|----------------------------------|-----------------------------------|
| - | - | - |

Note: The Company had not received the investor complaint.

4. Independent Directors' Meeting:

The Independent Directors of the Company met during the year on 20/03/2019 without the attendance of non – Independent Directors and members of the Board. The Independent Directors reviewed the performance of the non-independent Directors and Board as whole. The performance of the Chairman taking into account the views of executive Directors and non-executive Directors assessed the quality, quantity and timeline of flow of information between company management and Board.

6.6 Recommendation of Audit Committee:

There were no transactions which were recommended by the audit committee and not accepted by the board of the directors of the company.

6.7 Company's Policy on Directors appointment and remuneration:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the board, and separate its functions of governance and management. The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-

section (3) of Section 178 of the Companies Act, 2013 is available at company's website www.aromaenterprises.in.

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

6.8 Board Evaluation:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board.

The evaluation framework for assessing the performance of Directors (including Independent Directors) comprises of the following key areas:

- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings.
- Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management.
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information.

The evaluation involves Self-Evaluation of the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

1. Observations of board evaluation carried out for the year:
2. Previous year's observations and actions taken:
3. Proposed actions based on current year observations:

6.9 Remuneration of Directors and Employees of Listed companies:

Pursuant to the Sub – Rule (2) of the Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and Amendment rules, 2016, read with Section 197 of the Act, no employee was in receipt of the remuneration in aggregate to Rs. One Crore Two Lakhs per annum or Rs. Eight Lakh Fifty Thousand per month or at a rate in excess of that drawn by the Managing Director / Whole – time director of Manager and holds himself or along with his spouse & dependent children, not less than two percent of the equity shares of the Company. Further, the information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of

the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

As per the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of the ratio of the remuneration of each director to the median employee's remuneration are described in the "**Annexure-I**" to this report.

Further, in pursuance to the Rule 5(2) of the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014, the details of the employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year, which, in the aggregate, or as the case may be, at a rate which in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Directors or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the company, is not being feasible for the company, as the company currently pays sitting fees to the director of the company.

6.10 Remuneration received by Managing Director/ Whole time Director from holding or subsidiary company:

There is no such amount received by the Managing Director/ Whole time Director as the company does not have any holding company or subsidiary company.

6.11 Director's responsibility statement:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their Knowledge and ability confirm and state that –

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. The Directors had selected such accounting policies and applied them consistently and made judgments and Estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the company for that period;
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. The Directors had prepared the annual accounts on a 'going concern' basis;
- V. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- VI. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.