

# 61st ANNUAL REPORT

## DIRECTORS' REPORT

To  
The Shareholders

Your Directors have pleasure in presenting their 61st Annual Report on the business and operations of the Company and the Financial Statement for the Financial Year ended on March 31, 2018:

### Financial Highlights (Rupees in Thousands)

	12 months ended on 31.03.2018	12 months ended on 31.03.2017
<b>Revenue from Operations</b>		
- Real Estate Division-Sale of Plots	16,090	12,913
- Other Income	35,499	28,187
	<u>51,589</u>	<u>41,100</u>
Profit before depreciation and prior period expenses	26,261	11,012
Depreciation	1,407	1,350
Profit before prior period income	24,854	9,662
Prior period expenses	460	58
Profit before tax	24,394	9,604
Profit before tax from continuing operations	(4,429)	(5,688)
Provision for Current Tax	-	-
Tax for earlier year	-	5
Profit after tax from continuing operations	(4,429)	(5,693)
Gain/(Loss) before tax from discontinuing operations	28,823	15,292
Provision for tax	-	-
Profit from discontinuing operations	28,823	15,292
Profit after tax	24,394	9,599
Balance brought forward from Previous Year	(277,634)	(287,233)
Balance carried forward to Balance Sheet	<u>(253,240)</u>	<u>(277,634)</u>

### **Operations:**

#### **Real Estate Division**

The sales of plots during the year under report is Rs.16,090 thousand as against Rs.12,913 thousand during the previous year.

#### **Dividend**

In view of accumulated losses, your Directors do not recommend payment of any dividend for the year ended on March 31, 2018.

#### **Reserves**

The Board has not proposed to carry any amount to any reserve during the year.

### **Fixed Deposit**

During the year, the Company has not accepted any deposits from the Public under Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

### **Investments**

There is no change in investment of Rs.4,326 thousand during the year.

### **Cessation / becoming of associate / Joint Venture/ Subsidiaries**

During the year under review, no Company has become or ceased to be associate/joint venture/subsidiary of the Company

### **Consolidated Financial Statements**

Since the Company has no Subsidiary, Associate and Joint Venture Company as on 31<sup>st</sup> March, 2018, hence preparation of Consolidated Financial Statement for the Financial Year 2017-18 under the Accounting Standard and Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Audit) Rules, 2014 is not required.

### **Management and Personnel**

During the year under report, there was no employee getting remuneration to the extent as laid down under section 134 of the Companies Act, 2013 read with Rule 5(2& 3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the amendment made therein.

### **Change in Nature of Business**

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

### **Material Changes occurred subsequent to close of the Financial Year**

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

### **Significant and Material Orders passed by the Regulators /Courts/Tribunal**

There are no significant and material orders passed by the regulators/ court/ tribunal that would impact the going concern status of the Company and its future operations .

### **Share Capital**

The Paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2018 stood at Rs. 886.53 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted any stock options or sweat equity or made provision of any money for purchase of its own shares

by employees or by trustees for the benefit of employees, hence details as provided in Rules 4(4), 8(13), 12(9) and 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and amendment made therein are not required to be disclosed in this Report

**Extract of Annual Return**

Details forming part of the extract of the Annual Return as on 31<sup>st</sup> March, 2018 in Form No. MGT-9 as required under section 92 of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is included in this report as Annexure-I and forms an integral part of this report.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and out go**

Since the Company has no manufacturing operations and has no export activities, there are no particulars in respect of conservation of energy, technology absorption and foreign exchange earning and out go as provided in Section 13(3)(m) of the Companies Act, 2013 read with the Rule (8)(3) of Rule 8 of the Companies (Accounts) Rules, 2014 required to be disclosed.

**Constitution of Corporate Social Responsibility Committee**

Since the Company is not covered under the criteria shown in Section 135 (1) of the Companies Act, 2013, hence the Composition of the Corporate Social Responsibility Committee as referred in sub-section (2) of the said Act and disclosure of details about the policy developed and implemented by the Company and contents of corporate social responsibility initiatives taken during the year in the annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 as provided in section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014 are not required to be disclosed.

**Directors**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Sh. Ravi Raj Singh, Sh. Ashok Khanna and Sh. S C Suman, Directors retire by rotation at the forthcoming Annual General Meeting and they are eligible for reappointment.

**Declaration by an Independent Director(s).**

Since the Company is not covered under the criteria shown in Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 in respect of appointment of Independent Directors hence declaration by Independent Director as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is not required to be disclosed.

**Key Managerial Personnel**

During the year, there is no change in the Key Managerial Personnel of the Company.

**Constitution of Nomination, Remuneration and Stakeholders Relationship Committees**

Since the Company is not covered under criteria shown in sub-section (1)& (5) of Section 178 of Companies Act, 2013 regarding constitution of Nomination and Remuneration Committees and Stakeholders Relationship Committee, hence Company's policy on Directors Appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees as provided in sub section (4) of 178 of the Companies Act, 2013 is not required to be disclosed.

**Formal Annual Evaluation of Board, its Committee and Individual Directors.**

Since the Company is not covered under the criteria shown under sub rule (4) of Rule 8 of the Companies (Accounts) Rules, 2014, hence statement indicating the manner in which annual evaluation made by the Board of its own performance and that of its committees and individual directors as provided in Section 134(3) (p) of the Companies Act, 2013 is not required to be included in the Board Report.

**Composition of Audit Committee**

Since the Company is not covered under the criteria shown in Section 177(8) read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 ( Chapter XII). hence composition of the Audit Committee and the recommendation of the Audit Committee accepted or not by the Board along with reasons therefore as provided in Section 177(8) of the Companies Act, 2013 are not required to be disclosed.

**No. of Meetings of Board of Directors held and attended by Directors**

During the year under review, Four (4) Meetings of the Board of Directors of the Company, as detailed below, were held and attended by the Directors -

S No.	Meeting held on	Attended by Smt. Sita Chaudhary	Attended by Sh. Ashok Khanna	Attended by Sh. S.C.Suman	Attended by Sh. Ravi Raj Singh	Mrs. Suniana Singh
1	25-05-2017	Yes	Yes	Yes	No	Yes
2	24-08-2017	Yes	Yes	Yes	No	Yes
3	19-12-2017	Yes	Yes	Yes	Yes	Yes
4	26-03-2018	Yes	Yes	Yes	No	Yes

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### Establishment of Vigil Mechanism for Directors and Employees.

Since the Company is not covered under the criteria shown in Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, hence details of Establishment of Vigil Mechanism for Directors and Employees are not required to be disclosed.

### Particulars of Loans and Guarantee given under section 186 of the Companies Act, 2013

During the year, the Company has not granted any Loans and given any guarantee as provided in Section 186 of the Companies Act, 2013 hence no particular in this respect is required to be disclosed.

### Particulars of Contracts or Arrangements with related Parties .

In the opinion of the Directors, there are no materially significant related transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons as provided in Section 188 of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large. However details of all the transactions where Directors were having financial and commercial interest, were provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters. Details of the Related Party Transactions entered into during the financial year are given in the Notes forming part of Financial Statements. All these transactions were on an arm's length basis and were in the ordinary course of business of the Company.

### Managerial Remuneration

Since the Company is not covered under the criteria shown in Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence details of Managerial Remuneration are not required to be disclosed.

### Risk Management Policy

The area of major concern is overall recession in Real Estate Business in the market.

### Secretarial Audit Report

Since the Company is not covered under the criteria shown in Section 204(1) of the Companies Act, 2013 read with the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 no Secretarial Audit Report is required to be attached.

### Directors' Responsibility Statement:

In compliance of Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:-

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material Departures.
- b) 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 true and fair view of the State of Affairs of the Company at the end of the year and of the profit and loss of the Company for that year .
- c) The Directors had 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
- d) The Directors had prepared the Annual Accounts on a going concern basis; and.
- e) The Directors had devised proper system to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectively

### Auditors

- a) **Statutory Auditors:** Pursuant to receipt of Certificate of Eligibility under Section 139,141&142 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 made there under, M/s Walker Chandio & Associates, Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company to hold office from the conclusion of 60<sup>th</sup> Annual General Meeting till the conclusion of the next Sixth Annual General Meeting by the Shareholders in their 60<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2017. Consequent upon the enactment of the Companies (Amendment) Act, 2017, the requirement of ratification of appointment of Statutory Auditors by the Shareholders every year has been omitted.
- b) **Auditors Report:** The observations made by the Auditors have already been fully explained in the Notes attached to the Accounts and therefore do not call for any further comments under Section 134(3) of the Companies Act, 2013.

### ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation for the co-operation extended by all concerned during the year.

For and on behalf of the Board of Directors  
(SITA CHAUDHARY)

Place : Chandigarh  
Date : 29 August, 2018

CHAIRMAN  
DIN NO. 00076511