

# Shreenath Investment Company Limited

CIN : L67120MH1979PLC022039

October 17, 2018

To,  
BSE Limited  
Corporate Relationship Department  
1st Floor, New Trading Ring,  
PJ Tower, Dalal Street,  
Mumbai- 400001

Dear Sir/Madam,

Scrip Code: 503696

**Sub: Annual Report for the financial year 2017-18.**

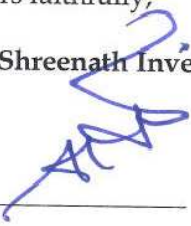
With reference to the captioned subject, enclosed herewith please find the Annual Report as per the requirement of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") for the financial year 2017-18.

Kindly take the same on your record and oblige.

Thanking you,

Yours faithfully,

**For Shreenath Investment Company Limited**

  
Ashwin Jain- Director

DIN: 00173983

Place: Mumbai

Encl. a/a

**38<sup>th</sup> ANNUAL REPORT**

**2017-18**

**SHREENATH INVESTMENT COMPANY LIMITED**

**INFORMATION FOR SHAREHOLDERS**  
**38<sup>TH</sup> ANNUAL GENERAL MEETING**

DATE : 28<sup>TH</sup> SEPTEMBER, 2018  
TIME : 12.30 P.M.  
VENUE : 801-802, DALAMAL TOWER  
NARIMAN POINT MUMBAI - 400021.  
DATE OF : 21<sup>st</sup> September, 2018 to 27<sup>th</sup> September, 2018  
BOOK (Both Days inclusive)  
CLOSURE

**INDEX**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
<b>1</b>	Corporate Information	2
<b>2</b>	Notice of Annual General Meeting	3 TO 21
<b>3</b>	Directors Report along with Annexure	22 TO 68
<b>4</b>	Corporate Governance Report	69 TO 100
<b>5</b>	Financial Statement	101 TO 131

## **CORPORATE INFORMATION**

### **Board of Directors**

**Vikas Mapara**

Managing Director

Ashwin Jain

Director

Mukul Goyal

Independent Director

Shubhada Jahagirdar

Independent Director (Resigned w.e.f. 16.08.2018)

Renu Jain

Additional Independent Director

Ritesh Chopra

Additional Independent Director (Appointed w.e.f from 14.08.2018)

### **Registered Office**

801-802, Dalamal Towers,

Nariman Point, Mumbai-400 021, Maharashtra.

Website : [www.shreenathinvestment.in](http://www.shreenathinvestment.in)

Email: [sicl2889@gmail.com](mailto:sicl2889@gmail.com)

### **Registrar & Transfer Agent**

Corporate Office Address: Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032. Contact Details: Tel No: 040 67162222 Fax no:

040 23001153, Email: [varghese@karvy.com](mailto:varghese@karvy.com),

Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

### **Auditors**

Kamdar Dalal & Associates.

### **Internal Auditors**

M/s. ZADN & Associates

### **Chief Financial Officer**

Mayur Kadakia

### **Company Secretary &**

### **Compliance Officer**

Priya Dhanuka

# **Shreenath Investment Company Limited**

**CIN: L67120MH1979PLC022039**

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT 38<sup>TH</sup> ANNUAL GENERAL MEETING OF MEMBERS OF M/S. SHREENATH INVESTMENT COMPANY LIMITED WILL BE HELD ON FRIDAY, 28<sup>TH</sup> SEPTEMBER, 2018, AT 12.30 P.M., AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 801-802, DALAMAL TOWERS, 8<sup>TH</sup> FLOOR, NARIMAN POINT, MUMBAI 400021 TO TRANSACT THE FOLLOWING BUSINESS:**

---

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2018 and the Balance Sheet as on that date and the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Ashwin Jain (DIN: 00173983), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors and in this connection, to consider and thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to section 139,141 and 142of the Companies Act, 2013, read with Companies ( Audit and Auditors ) Rules, 2014, (including any statutory modification(s) or re- enactment thereof for the time being in force) and such other applicable provisions, if any, and as recommended by the Board and Audit Committee, the consent of the members be and is hereby accorded to ratify the appointment of M/s. Kamdar Dalal & Associates( Firm Registration No. 129569W) Chartered Accountants, as a Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held in the financial year 2022, subject to ratification at every Annual General Meeting of the Company, at the remuneration as may be mutually agreed between the Board and M/s Kamdar Dalal & Associates, plus applicable taxes, travelling and other expenses including any out of pocket expenses( if any ), in connection with the work of audit to be carried out by them.

**SPECIAL BUSINESS:**

4. **REGULARISATION OF APPOINTMENT OF MS. RENU JAIN( DIN : 08069474 )  
FROM ADDITIONAL INDEPENDENT DIRECTOR TO INDEPENDENT  
DIRECTOR:**

To consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act,2013 and read rules of the Companies ( Appointment and Qualification of Directors ) Rules, 2014 (including any statutory modification(s) or re-enactment for the time being in force ) and as per applicable Regulations and schedules of Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulation, 2015 the consent of the members be and are hereby accorded for regularization of appointment of Ms. Renu Jain (DIN: 08069474) from additional Independent director to Independent Director, as recommended by Nomination and Remuneration Committee and Board of Directors, in their meeting held on 14<sup>TH</sup> August, 2018, on the basis of the performance evaluation to hold office for a period of five years w.e.f. 28<sup>th</sup> September, 2018, and a declaration that she meets the criteria of independence as provided under Section 149(6) of the Act and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.”

5. **REGULARISATION OF APPOINTMENT OF MR. RITESH CHOPRA (DIN:08194656) FROM ADDITIONAL INDEPENDENT DIRECTOR TO INDEPENDENT DIRECTOR:**

To consider and if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act,2013 and read rules of the Companies ( Appointment and Qualification of Directors ) Rules, 2014 (including any statutory modification(s) or re-enactment for the time being in force ) and as per applicable Regulations and schedules of Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulation, 2015 the consent of the members be and are hereby accorded for regularization of appointment of Mr. Ritesh Chopra from additional Independent director to Independent Director, as recommended by Nomination and Remuneration Committee and Board of Directors, in their meeting held on 14<sup>TH</sup> August, 2018, on the basis of the performance evaluation to hold office for a period of five years w.e.f. 28<sup>th</sup> September, 2018 and a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.”

**By order of the Board of Directors**

**For Shreenath Investments Company Limited**

**Sd/-**

**Priya Niraj Dhanuka**

Company Secretary & Compliance Officer

Membership No. A34564

**ADDRESS:-** B/403, Abrol Vastu Park CHS Ltd,

Evershine Nagar, Near Ryan International School, Malad (West),

Mumbai - 400 064, Maharashtra

Place: Mumbai

Date: 14<sup>th</sup> August, 2018

## Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint proxy to attend the meeting and the proxy need not be the member of the Company. 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;
2. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable. A person can act as a 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;
3. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote;
4. The Register of Members and Transfer Books of the Company will be closed from 21<sup>st</sup> September, 2018 to 27<sup>th</sup> September, 2018, inclusive of both the days;
5. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting;
6. Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting;
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting;



8. As per the provisions of the Companies act, facility for making nomination is available for shareholders, in respect of the shares held by them. Nomination Forms can be obtained from the Registrar and Share Transfer Agents of the Company;
9. Members seeking any information or clarification on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
10. Member's holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all the risk associated with the physical shares and for ease of portfolio management. Members can Contact the Company or M/s. Karvy Computershare Private Limited for assistance in this regards;
11. Members holding shares in physical form in identical order of names in more than one folio are requested to send to Company or M/s. Karvy Computershare Private Limited, the details of such folios, together with the Share Certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon;
12. Members are requested to address all correspondences including dematerialization of shares, to the Registrar and Share Transfer Agents M/s. Karvy Computershare Private Limited, the details of which are as follows;

**Corporate Office Address:** Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032. Contact Details: Tel No: 040 67162222 Fax no: 040 23001153, Email: [varghese@karvy.com](mailto:varghese@karvy.com), Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

**Investor Relation Centre:** 7<sup>th</sup> Floor, 701, Hallmark Business Plaza, Sant Dyaneshwar Marg, Opp Guru Nanak Hospital, off Bandra Kurla Complex, Bandra - East, Mumbai - 400 051. Contact Details: Tel No: 022 6149 1635.

13. The requirements of the Regulation 36 of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulation, 2015 pertaining to the profile of the Director to be appointed and re-appointed is enclosed as an **Annexure I**;

14. All documents referred to in the notice are open for inspection at the registered office of the Company between business hours on all working hours on all working days up to date of the Meeting;

15. In Compliances with the provisions of section 108 of the Companies Act, 2013 and the rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting service provided by CDSL, on all the resolutions set forth in the notice;

#### 16. **E-voting**

In Compliance with section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (Including any statutory modification(s) or re-enactment thereof for the time being in force) the Company is pleased to provide its shareholders with facility to exercise their right to vote at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services.

The Company has engaged the services of CDSL as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

#### **Process for E-Voting-**

#### **The procedure and instructions for e-voting are as follows:**

- (i) The voting period begins on Tuesday, 25<sup>th</sup> September, 2018 at 9:00 A.M. and ends on Thursday, 27<sup>th</sup> September, 2018 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 20<sup>th</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 which is posted on the right side of the envelop.</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>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in 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> 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non - Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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 a Compliance User 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 linked in the login 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 favour 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)

**In case of members receiving the physical copy:**

17. Please follow all steps from sr. no. (i) to sr. no. (xx) above to cast vote.
18. 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
19. Mr. Pramod S Shah, Partner of M/s. Pramod S. Shah & Associates, practicing Company Secretaries (Membership No. FCS 334) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3(Three) working days from the conclusion of the e-Voting period unblock the votes in the presence of at least 2(Two) witness not in the employment of the Company and make a Scrutinizers Report of the votes cast in favor or against, if any and submit forthwith to the Chairman;

20. The result shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizers report shall be placed on the Company's website [www.shreenathinvestment.in](http://www.shreenathinvestment.in) and on the website of CDSL immediately after the result is declared by the Chairman of the Company.

**By order of the Board of Directors**

**For Shreenath Investments Company Limited**

**Sd/-**

**Priya Niraj Dhanuka**

Company Secretary & Compliance Officer

Membership No. A34564

**ADDRESS:-** B/403, Abrol Vastu Park CHS Ltd,  
Evershine Nagar, Near Ryan International School,  
Malad (West), Mumbai - 400 064,

Place: Mumbai

Date: 14<sup>th</sup> August, 2018

## **EXPLANATORY STATEMENT**

[Pursuant to Section 102 of the Companies act, 2013]

### **Item No. 4:**

Ms. Renu Jain (DIN: 08069474) was appointed as an Additional Independent Director of the Company by the Board on the recommendation of Nomination & Remuneration Committee in their meeting held on 14<sup>th</sup> February, 2018, with effect from 16<sup>th</sup> February, 2018. In accordance with provisions of section 161 of the Companies Act, 2013 and applicable SEBI (LODR) Regulation, 2015, she will hold office upto the date of the Annual General Meeting of the Company.

Ms. Renu Jain is not disqualified from being appointed as Directors in terms of Section 164 of the Act. As per the recommendation of Nomination and Remuneration Committee and based on the performance evaluation, the Board is considering the regularization of appointment of Ms. Renu Jain(DIN: 08069474) from Additional Independent Director to Independent Director of the Company for a period of five years w.e.f.28<sup>th</sup> September, 2018.

The Company has also received a declaration from Ms. Renu Jain declaring that she meets the criteria of independence as provided under Section 146(9) of the Companies Act, 2013.

In the opinion of the Board, Ms. Renu Jain fulfills the conditions required to be fulfilled for being appointed as an Independent Director of the Company as per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

The Board places the above resolution before the Members for their approval as being the Ordinary Resolution.

**Item No. 5:**

Mr. Ritesh Chopra (DIN: 08194656) was appointed as an Additional Independent Director of the Company by the Board on the recommendation of Nomination & Remuneration Committee in their meeting held on 14<sup>th</sup> August, 2018, with effect from 14<sup>th</sup> August, 2018. In accordance with provisions of section 161 of the Companies Act, 2013 and applicable SEBI (LODR) Regulation, 2015, hold office upto the date of the Annual General Meeting of the Company.

Mr. Ritesh Chopra is not disqualified from being appointed as Directors in terms of Section 164 of the Act. As per the recommendation of the Nomination and Remuneration Committee the Board is considering the regularization of appointment of Mr. Ritesh Chopra (DIN: 08194656) from Additional Independent Director to Independent Director of the Company for a period of five years w.e.f.28<sup>th</sup> September, 2018.

The Company has also received a declaration from Mr. Ritesh Chopra declaring that he meets the criteria of independence as provided under the provisions of Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Ritesh Chopra fulfills the conditions required to be fulfilled for being appointed as an Independent Director of the Company as per the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

The Board places the above resolution before the Members for their approval as being the Ordinary Resolution.



## ANNEXURE I

### DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER REGULATION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015:

#### **1. Mr. Ashwin Jain**

Mr. Ashwin Jain has been actively associated with Investment Companies and NBFC Company for almost two decades.

Mr. Ashwin Jain became the Director of M/s. Shreenath Investment Company Limited dated 31/03/2002 and has been participating in making various policies and regulation of M/s. Shreenath Investment Company Limited. Mr. Ashwin plays an important role in guiding the Security Market activities of M/s. Shreenath Investment Company Limited.

There is no relationship between Mr. Ashwin Jain and any of the Directors of the Company.

Mr. Ashwin Jain does not hold any shares in the Company.

#### **NAMES OF COMPANIES IN WHICH THE PERSON ALSO HOLDS DIRECTORSHIP AND THE MEMBERSHIP OF THE COMMITTEES OF THE BOARD:**

<b>Name</b>	<b>Name of Companies</b>	<b>Directorship</b>	<b>Committee Member</b>
1	Shreenath Investment Company Limited	Director	-
2	Profitex Shares & Securities Private Limited	Director	-
3	Parag Plastics Industries Private Limited	Director	-
4	VA Friendship Solar Park Private Limited	Director	-

5	Asami Farmer Finance Private Limited	Director	-
6	Enam Infrasture Fund Management Company Private Limited	Director	-
7	Perihelion General Finance Private Limited	Director	
8	Auxilo Finserve Private Limited	Director	

## 2. Ms. Renu Jain:

Ms. Renu Jain has completed her graduation from ETHIRAJ College Chennai. She is passionate about furthering philanthropy through sustainable social impact & community development initiatives.

Her core competencies lie in planning and strategy implementation among philanthropy activity. She is also responsible for developing innovative approach for a cost effective delivery of the program.

There is no relationship between Ms. Renu Jain and any of the Directors of the Company.

Ms. Renu Jain does not hold any shares in the Company.

## **NAMES OF COMPANIES IN WHICH THE PERSON ALSO HOLDS DIRECTORSHIP AND THE MEMBERSHIP OF THE COMMITTEES OF THE BOARD:**

<b>Name</b>	<b>Name of Companies</b>	<b>Directorship</b>	<b>Committee Member</b>
1	Shreenath Investment Company Limited	Director	-

### 3. Mr. Ritesh Chopra

Mr. Ritesh Chopra is alumni of Rajasthan University of Jaipur as a Master in Business Administration (MBA). He has been a pillar in the fields of administration, compliance, legal affairs, taxation, accounting and finance. He has a large number of relationships in the fields of his expertise.

He has expertise of more than 10 years as an Institutional dealer in Capital Markets. He has completed his graduation from Jai Narain Vyas university of Jodhpur.

There is no relationship between Mr. Ritesh Chopra and any of the Directors of the Company.

Mr. Ritesh Chopra does not hold any shares in the Company.

#### **NAMES OF COMPANIES IN WHICH THE PERSON ALSO HOLDS DIRECTORSHIP AND THE MEMBERSHIP OF THE COMMITTEES OF THE BOARD:**

<b>Name</b>	<b>Name of Companies</b>	<b>Directorship</b>	<b>Committee Member</b>
1	Shreenath Investment Company Limited	Director	-

#### **By order of the Board of Directors**

**For Shreenath Investments Company Limited**

**Sd/-**

**Priya Niraj Dhanuka**

Company Secretary & Compliance Officer

Membership No. A34564

**ADDRESS:-** B/403, Abrol Vastu Park CHS Ltd,

Evershine Nagar, Near Ryan International School, Malad (West),

Mumbai - 400 064, Maharashtra

Place: Mumbai

Date: 14<sup>th</sup> August, 2018

**Form No. MGT 11**

**Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies*

*(Management and Administration) Rules, 2014]*

**CIN:L67120MH1979PLC022039**

**Name of the Company:** Shreenath Investment Company Limited

**Registered office:** 801-802, Dalamal Towers, Nariman Point, Mumbai-400021

Name of the Member (s) :

Registered address:

E-mail Id :

Folio No/Client ID:

DP ID:

I/We being the member (s) of ..... shares of the above named Company, hereby appoint

<b>Sr. no</b>	<b>Name</b>	<b>Address</b>	<b>E-mail Id</b>	<b>Signature</b>
1				
2				
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the

.....Annual general meeting/~~Extraordinary general meeting~~ of the company, to be held on the Friday, 28<sup>th</sup> September, 2018, At 12.30 p.m. at 801-

802, Dalamal Towers, Nairman Point, Mumbai-400 021 and at any adjournment thereof in respect of such resolutions as are indicated below :

**Resolution No:**

**Ordinary Business:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2018 along with the Reports of the Directors and Auditors thereon;
2. To appoint Director in place of retiring Director by rotation who offer himself for reappointment;
3. To ratify the appointment of Statutory Auditor of the Company;

**Special Business:**

4. Regularization of appointment of Ms. Renu Jain from Additional Independent director to Inedependent Director.

5. Regularization of Appointment of Mr. Ritesh Chopra from Additional Independent director to Inedependent Director.

**Signed this..... day of..... 20....**

**Signature of shareholder**

**Signature of Proxy holder(s)**

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**

**Attendance Slip**

Registered Folio / DP ID & Client ID	
Name	
Address of Shareholder	
No. of Shares held	

I/We hereby record my/our presence at the Annual General Meeting of the Company at 801-802, Dalamal Towers, Nariman Point, Mumbai-400021, Maharashtra, India on \_\_\_\_\_ at \_\_\_\_\_

Signature of Shareholder / Proxy Present.....

**Note: 1.**

1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy please bring copy of notice and annual report for reference at the meeting



# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

## Director's Report

To,

The Members

## Shreenath Investment Company Limited

Your Directors are pleased to present herewith 38<sup>th</sup> Annual Report on the business and operation of the Company together with the Audited Financial Statement of your Company for the Financial Year ended 31<sup>st</sup> March, 2018.

### The State of the Company's Affairs

#### 1. KEY FINANCIAL HIGHLIGHT

Particulars	For the Year ended 31 <sup>st</sup> March, 2018 (Rs. In lacs)	For the Year ended 31 <sup>st</sup> March, 2017 (Rs. in lacs)
Income	76.51	1793.31
Expenditure	54.56	201.33
Profit/(Loss) before Depreciation and Tax	21.95	1591.98
Depreciation	0.68	1.37
Profit/(Loss) before Tax	21.27	1590.61
Deferred Tax/Current Tax	-8.44	303.94
<b>Profit/(Loss) after Tax</b>	<b>29.71</b>	<b>1286.67</b>

During the year under review your Company has reported a Net Income of Rs. 29.71/- which has decreased by Rs.1256.96/- as compared to previous financial year.

#### 2. DIVIDEND:

With a view to plough back the profits of the Company for future growth, your Directors do not recommend dividend for the year ended 31<sup>st</sup> March, 2018.



**3. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (SECTION 134 (3) (m) OF THE COMPANIES ACT,2013:**

With the kind of activities carried out by the Company, it has not spent any substantial amount on conservation of energy and technology absorption stipulated under Section 134(m) of the Companies Act, 2013.

**4. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange Outgo in terms of actual outflows is NIL.

**5. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

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.

**6. REVISION OF THE FINANCIAL STATEMENT OF THE COMPANY/THE REPORT OF THE BOARD:**

The Financial Statement of the Company/Board Report has not been revised during The Financial Year 2017-2018 as per section 131 of Companies Act, 2013.

**7. ANNUAL - RETURN EXTRACTS:**

Extracts of the Annual Return as provided in Section 92(3) of the Companies Act, 2013 In MGT-9 is attached as **Annexure-I**.

**8. DETAILS OF NEW SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANIES :**

Sr. No.	Name of the Company	Subsidiary / Joint Ventures / Associate Company	Date of becoming of Subsidiary / Joint Ventures / Associate Company
N.A.	N.A.	N.A.	N.A.

**9. DETAILS OF THE COMPANY WHICH CEASED TO BE ITS SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES:**

Sr. No.	Name of the Company	Subsidiary / Joint Ventures / Associate Company	Date of cessation of Subsidiary / Joint Ventures / Associate Companies
N.A.	N.A.	N.A.	N.A.

**10. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATIONS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

Sr. No.	Name of the Authority who has issued an order.	Date of Order.	Particulars of order.
N.A.	N.A.	N.A.	N.A.

**11. DEPOSITS:**

During the year, the Company has not accepted any deposits covered under section 73 to 76 under the Companies Act, 2013.

## 12. INTERNAL FINANCIAL CONTROL:

The Board of Directors is responsible for ensuring that internal financial controls have been laid down in the Company and that such controls are adequate and is functioning effectively. Shreenath Investment Company has policies, procedures, control frameworks and management systems in place that map into the definition of Internal Financial Controls. These have been established at the entity and process levels and are designed to ensure compliance internal control requirements, regulatory compliance and appropriate recording of financial and operational information. The company has adequate internal control system in place on the basis of which financial accounting is done and periodically financial statements are prepared. Such internal control systems are adequate operating effectively.

## 13. BOARD MEETINGS:

The Board met Five times during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of which are given below:

<b>Sr.No.</b>	<b>Date of Meetings</b>	<b>Directors Present</b>	<b>Venue</b>	<b>Leave of Absence</b>
01	30/05/2017	Mr. Vikas Mapara Mr. Ashwin Jain Mr. Mukul Goyal	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Ms. Shubhada Jahagirdar
02	24/08/2017	Mr. Vikas Mapara Mr. Ashwin Jain Mr. Mukul Goyal Ms.Shubhada Jahagirdar	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	NA
03	13/12/2017	Mr. Vikas Mapara Mr. Ashwin Jain Mr. Mukul Goyal	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Ms. Shubhada Jahagirdar
04	14/02/2018	Mr. Ashwin Jain Mr. Mukul Goyal Ms.Shubhada Jahagirdar	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr. Vikas Mapara

#### **14. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Change in Directors and Key Managerial Personnel are as follows:

<b>Sr. No.</b>	<b>Name of the Director/ Key Managerial Personnel</b>	<b>Particulars</b>	<b>Date of Appointment/ Resignation</b>
<b>1</b>	Mr. Mukul Goyal	Re-appointment of Independent Director	30.10.2017*
<b>2</b>	Ms. Renu Jain	Appointment of Additional Independent Director	16.02.2018

Mr. Ashwin Jain retires by rotation and being eligible, offered himself for re-appointment in the previous Annual General Meeting of the Company.

\*Mr. Mukul Goyal has been reappointed as Independent Director of the Company w.e.f from 30.10.2017 and the special resolution has been passed for the same on 29.09.2017.

#### **15. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE COMPANIES ACT, 2013:**

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013. In view of the above provisions, your Company has following Independent Directors:

<b>Sr.no</b>	<b>Name of the Independent Director</b>	<b>Date of Appointment/re appointment</b>	<b>Date of passing of special resolution/Ordinary resolution (if any)</b>
1	Mr. Mukul Goyal	30/10/2017	29/09/2017
2	Ms. Shubhada Jahagirdar	18/09/2015	18/09/2015
3	Ms. Renu Jain	16/02/2018	NA

#### **16. CHANGE IN THE NATURE OF BUSINESS:**

There is no change in the nature of Business by the Company during the period under review.

## 17. NOMINATION AND REMUNERATION COMMITTEE:

### **Composition:**

The “Nomination and Remuneration Committee” consists of three Directors with the Chairman being the Independent Director. The committee acts in accordance with the terms of reference as approved and adopted by the Board in its Nomination and Remuneration Policy.

### **The Composition of the Committee is as under:**

**Chairman:** Mr. Mukul Goyal

**Members:** Ms. Shubhada Jahagirdar  
Mr. Vikas Mapara

### **Meeting and attendance**

The nomination and remuneration committee met two times in a year ended on 31<sup>st</sup> March 2018. The necessary Quorum was present for the meeting.

<b>Sr. No.</b>	<b>Date and time of Meetings</b>	<b>Venue</b>	<b>Committee Members Attendance/ Present</b>	<b>Leave of Absence</b>
1.	24/08/2017	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr. Mukul Goyal Mr. Vikas Mapara Ms.ShubhadaJahagirdar	NA
2.	14/02/2018	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr. Mukul Goyal Ms.ShubhadaJahagirdar	Mr. Vikas Mapara

### **Nomination and Remuneration Policy**

The Nomination and Remuneration Policy for Director’s, Key Managerial Personnel And other employees are annexed as “**Annexure II**” to the Directors Report. Further, the Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors. The Company’s Nomination and Remuneration Policy is directed towards rewarding performance based on review of achievements periodically. The Nomination and Remuneration Policy is in consonance with the existing industry practice.

## 18. AUDIT COMMITTEE:

In accordance with the provisions of section 177 of the Companies Act, 2013 your Company has constituted an "Audit Committee" comprising of minimum three directors consisting of two Non- Executive Independent Directors and one Executive Director with the Chairman being the Independent Director. The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing.

### **The Composition of the Committee is as under:**

**Chairman:** Mr. Mukul Goyal

**Members:** Ms. Shubhada Jahagirdar  
Mr. Vikas Mapara

### **Meeting and Attendance:**

The Audit Committee met four times in a year for the year ended 31<sup>st</sup> March 2018.

The necessary quorum was present at the meeting.

<b>Sr. No.</b>	<b>Date and Time of Meetings</b>	<b>Venue</b>	<b>Committee Members Attendance/ Present</b>	<b>Leave of Absence</b>
1.	30/05/2017	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr.Mukul Goyal Mr.Vikas Mapara	Ms. Shubhada Jahagirdar
2.	24/08/2017	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr.Mukul Goyal Mr.Vikas Mapara Ms.Shubhada Jahagirdar	NA
3.	13/12/2017	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr. Mukul Goyal Ms. Shubhada Jahagirdar	Mr. Vikas Mapara
4.	14/02/2018	801-802, DALAMAL TOWER, NARIMAN POINT, MUMBAI 400 021	Mr.Mukul Goyal Ms.Shubhada Jahagirdar	Mr. Vikas Mapara

### **The Terms of Reference of the Audit Committee are broadly stated as under:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report;
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  - a. The vigil mechanism under sub-section (9) of Section 177 of Companies Act, 2013, shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.



22. The Audit Committee shall have powers, which should include the following:

- a. To investigate any activity within its terms of reference.

The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of Companies Act, 2013, or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;

- b. To seek information from any employee;

- c. To obtain outside legal or other professional advice;

- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

23. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc.), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Member to enable the Committee to take informed decisions.

The Minutes of the Meetings of the Committee are circulated through email to all the Members and confirmed at the subsequent Meeting.

#### **19. STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Committee has the mandate to review, redress shareholders grievances and to approve all the share transfers. The Composition of the Stakeholders Relationship Committee as on 31<sup>st</sup> March, 2018 is as under:-

The function of Stakeholder Relationship Committee includes the following:

- Transfer /Transmission of shares;
- Issue of duplicate share certificates;
- Review of shares dematerialized and all other related matters;
- Monitors expeditious redressal of investors' grievances;
- Non receipt of Annual Report and declared dividend;

<u>NAME OF THE DIRECTOR</u>	<u>CATEGORY</u>	<u>DESIGNATION</u>
Mr. Mukul Goyal	Non-Executive Independent Director	Chairperson
Mr. Ashwin Jain	Executive Director	Member
Mr. Vikas Mapara	Executive Director	Member

## **20. CSR COMMITTEE**

In current year your Company was required to constitute CSR Committee pursuant to Section 135 of the Companies Act, 2013 read with rule thereunder.

The Corporate Social Responsibility Committee formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by company as specified in Schedule VII of the Companies Act, 2013 and amount of expenditure to be incurred on the activities suggested as per CSR Policy. During the year CSR Committee meeting held on 29th June, 2017.

The Annual Report on CSR Activity is annexed as **Annexure- III**.

## **21. VIGIL MECHANISM:**

Pursuant to Section 177(9) of the Companies Act, 2013, the company has established a 'Whistle Blower Policy and Vigil Mechanism' is annexed as "**Annexure IV**" to the Director's Report, for directors and employees to report their genuine concerns to the company. The company oversees this 'Vigil Mechanism' through the Audit Committee of the Board.

## **22. QUALIFICATION GIVEN BY THE AUDITORS:**

There are no qualifications, reservation or adverse remarks or disclaimers made by the Statutory Auditors of the Company in their Report.

## **23. SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the rules made thereunder, the company has appointed M/s. Pramod shah & Associates, a firm of

Company Secretaries in Practice (C.P.No.3804) to undertake Secretarial audit of the Company. The Secretarial Audit Report is included as “**Annexure V**”

And it forms an integral part of this report.

Following Observation made by Secretarial Audit Report:

Sr. No.	<u>Observation of Secretarial Auditor</u>	<u>Board Explanation or Comments</u>
1	As per Section 178 of the Companies Act, 2013, the Composition of Nomination and Remuneration Committee comprises of three or more Non-Executive Directors. However, Nomination and Remuneration Committee comprises one Director as Executive Director	Management has informed that they have reconstituted the Committee having all Non-Executive Directors with effect from 30 <sup>th</sup> May, 2018.

#### **24. LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:**

The company has not given any loan or guarantee or provided any security in connection with a loan to any other body corporate or to any person during the year.

However, Company has made Investment in Mutual Fund. Further, Company had set a limit of Rs. 1000 crore under section 186 of the Companies Act, 2013 by passing Special Resolution on 29.09.2017

#### **25. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES :**

The company has entered into transactions with the related party and the particulars of contracts and arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies act, 2013, is appended as **Annexure - VI**.

#### **26. PERFORMANCE EVALUATION:**

The company has in its place a policy on performance evaluation of independent directors, board, committees and individual directors. The Board of Directors evaluates its own performance in terms of operations of the company, financial results etc. The performance of committee(s) is evaluated by the board based on the effectiveness of

individual director(s) based on the contribution of individual director to be the board/ committee meetings, participation in discussions, inputs given in the meeting.

As required under the section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of Conduct for Independent Directors, a comprehensive exercise for the evaluation of the performances of every individual director, of the Board as a whole and its Committees and the Chairperson of the Company has been carried by your company during the year under the review as per the evaluation criteria approved by the Board and based on the Guidelines given in Schedule IV to the companies act, 2013.

For the purpose of carrying out performance evaluation exercise, four types of Evaluation forms were devised in which the evaluating authority has allotted to the individual directors, the Board as a whole, its Committees and the Chairperson appropriate grading from 1 to 5 and in which rating 1 would be considered a highest rating depending upon the performance.

Such evaluation exercise has been carried out:-

- (i) of Independent Directors by the Board;
- (ii) of Non-Independent Directors by all Independent Directors in separate meeting held for the purpose on 14<sup>th</sup> February, 2018
- (iii) of the Board as a whole and its Committees by all the Independent Directors in separate meeting held for the purpose on 14<sup>th</sup> February, 2018
- (iv) of the Chairperson of the Company by the independent Directors in separate meeting held on 14<sup>th</sup> February, 2018 after taking into account the views of the Executive/ Non-Executive Directors;
- (v) of individual directors by Nomination and Remuneration Committee;
- (vi) of the Board itself;

Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

## **27. AUDITORS:**

M/s. Kamdar Dalal & Associates, Firm Registration no (129596W) Chartered Accountants, Statutory Auditors, were appointed on September 29, 2017, for a period of 5 Years subject to ratification in the every Annual General Meeting of the Company. Your Directors recommending their ratification in the ensuing Annual General Meeting of the Company.

**28. DISCLOSURE AS PER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

Disclosures with respect to the remuneration of Directors, KMP and employees as required under Section 197(12) of the Companies Act, 2013, read with rule (5)(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in ANNEXURE-VII

**29. PARTICULARS OF EMPLOYEES:**

There are no employees in the Company and therefore details' pertaining to rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company during the year 2017-18.

**30. LISTING ON STOCK EXCHANGES:**

Your company's equity shares are listed on The Bombay Stock Exchange, Mumbai (BSE). The company has paid the listing fees to the stock exchanges for the financial year 2018-2019.

**31. MANAGEMENT DISCUSSION ANALYSIS REPORT:**

The Management Discussion and Analysis report are provided under ANNEXURE -- VIII.

**32. CORPORATE GOVERNANCE REPORT:**

The Company has adopted Indian Accounting Standard (IND AS) with effect from April 1, 2017 and accordingly financial statement prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015. Hence, company is required to give CG Report which is attached as an Annexure-IX.

### **33. RISK MANAGEMENT:**

Your Director have enlarged mandate of Audit Committee to include responsibility to assist the Board in

- a) Overseeing and approving the Company's enterprise wide risk management framework; and
- b) Periodic appraisal to access any change needed in the context of changing business environment.

### **34. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (5) of Section 134 of Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained/ received from the operating management, your Directors make the following statement and confirm 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 judgements 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 profit of the company for the period;
- (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;
- (e) The directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively;
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and with laid down internal financial controls to be followed by the company and those systems were adequate and operating effectively.

**35. SEXUAL HARASSMENT:**

Your Company has always believed in providing a safe and harassment free workplace for every individual through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. During the year ended March 31, 2018, no complaints have been received pertaining to sexual harassment.

**36. REVOCAION OF SUSPENSION:**

The Company's Shares are listed on BSE Ltd. on January 18, 1999. BSE Ltd has suspended the trading in the Company's shares on account of non-compliance with Listing Agreement with BSE Ltd. Company had filed application for revocation of suspension with BSE Ltd and made the default good.

Company has paid re-instatement fees of Rs. 32,40,000 dated 3<sup>rd</sup> November, 2017 and submitted all the documents for obtaining In-Principal approval from BSE.

Company has received In-principle approval from BSE pertaining to revocation of suspension in Trading of Equity Shares w.e.f. December 29, 2017. Pursuant to In-principle approval shares of promoters and promoters group has been locked in upto 31<sup>st</sup> March,2018.

**ACKNOWLEDGEMENT:**

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation of the Company has received from all stakeholders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

**For and on Behalf of the Board**

**Vikas Mapara- Managing Director**

**DIN:** 00211580

**Address:** B/7 Sitaram Society,  
Devi Dayal Road, Mulund (w)  
Mumbai-400080

**Date:** 14<sup>th</sup> August, 2018

**Place:** Mumba

**Ashwin Jain- Director**

**DIN:** 00173983

**Address:** B-3-246, Kasturi  
Plaza, Manpada Road,  
Dombivali(E),  
Mumbai-421201

# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

## Annexure I to the Directors' Report

### FORM MGT 9

#### EXTRACT OF ANNUAL RETURN AS AT MARCH 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i)	CIN	L67120MH1979PLC022039
ii)	Registration Date	26/12/1979
iii)	Name of the Company	Shreenath Investment Company Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered office and contact details	801-802 Dalamal Tower, Nariman Point, Mumbai-400021. Tel : 022-6638-1800 Fax : 022-6638-1818
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Corporate Office Address: Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032. Contact Details: Tel No: 040 67162222 Fax no: 040 23001153, Email: varghese@karvy.com, Website: www.karvycomputershare.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company:

Sr. No.	Name and Description of main product / service	NIC Code of the product / service	% to total turnover of the Company
01	-	-	--

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN	Holding / Subsidiary	% of Shares held	Applicable Section
01	N.A.	N.A.	N.A.	N.A.	N.A.



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	136550	0	136550	54.62%	136550	0	136550	54.62%	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	35500	0	35500	14.2%	35500	0	35500	14.2%	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	172050	0	172050	68.82%	172050	0	172050	68.82%	0
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
a) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	172050	0	172050	68.82%	172050	0	172050	68.82%	0

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
a) Bodies Corp	0	-	-	-	-	-	-	0	0
i) Indian	11900	34550	46450	18.58%	11900	34550	46450	18.58%	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	-	-	-	-	-	-	-	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	31500	31500	12.60%	-	31500	31500	12.60%	0

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
--	---	---	---	---	---	---	---	---	---

c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	11900	66050	77950	31.18%	11900	66050	77950	31.18%	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	11900	66050	77950	31.18%	11900	66050	77950	31.18%	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	183950	66050	250000	100%	183950	66050	250000	100%	0

## (ii) Shareholding of Promoters

Sr. No	Shareholders Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No of Shares	% of total shares of Company	% of Shares Pledged / Encumbered to total shares	No of Shares	% of total shares of Company	% of Shares Pledged / encumbered	
01	Mangal Bhanshali	24,700	9.88	-	30700	12.28	0	2.40
02	Akash Bhanshali	12,175	4.87	-	12,175	4.87	0	0
03	Lata Bhanshali	12,050	4.82	-	12,050	4.82	0	0
04	Meenu Bhanshali	11,950	4.78	-	11,950	4.78	0	0
05	Suraj Bhanshali	11,500	4.60	-	11,500	4.60	0	0
06	Ruchi Bhanshali	6,000	2.40	-	NIL	NIL	0	-2.40
07	Abha Bhanshali	5,000	2.00	-	5,000	2.00	0	0
08	Rekha Shah	12,000	4.80	-	12,000	4.80	0	0
09	Kavita Shah	10,725	4.29	-	10,725	4.29	0	0
10	Ketan Shah	10,600	4.24	-	10,600	4.24	0	0
11	Krutarth Shah	10,100	4.04	-	10,100	4.04	0	0
12	Shantilal Shah HUF	9,750	3.90	-	9,750	3.90	0	0
13	Advance Compuflow Pvt Ltd	12,000	4.80	-	12,000	4.80	0	0
14	Blue Daimond Properties Pvt Ltd (Talma Chemical Ind pvt ltd merged into Blue Diamond Properties Pvt ltd)	11,500	4.60	-	11,500	4.60	0	0
15	Shamyak Investment Pvt ltd (Change in name in Amrit Petroleum Pvt Ltd)	12,000	4.80	-	12,000	4.80	0	0

**(III) CHANGE IN PROMOTERS' SHAREHOLDING**

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	<b>At the beginning of the year</b>				
01	Mangal Bhanshali	24700	9.88	24700	9.88
02	Akash Bhanshali	12,175	4.87	36875	14.75
03	Lata Bhanshali	12,050	4.82	48925	19.57
04	Meenu Bhanshali	11,950	4.78	60875	24.35
05	Suraj Bhanshali	11,500	4.60	72375	28.95
06	Ruchi Bhanshali	6,000	2.40	78375	31.35
07	Abha Bhanshali	5,000	2.00	83375	33.35
08	Rekha Shah	12,000	4.80	95375	38.15
09	Kavita Shah	10,725	4.29	106100	42.44
10	Ketan Shah	10,600	4.24	116700	46.48
11	Krutarth Shah	10,100	4.04	126800	50.72
12	Shantilal Shah HUF	9,750	3.90	136550	54.62
13	Advance Compuflow Pvt Ltd	12,000	4.80	148550	59.42
14	Blue Daimond Properties Pvt Ltd	11,500	4.60	160050	64.02
15	Shamyak Investment Pvt Ltd	12,000	4.80	172050	68.82
	<b>Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease e.g. allotment / transfer / bonus/ sweat equity etc):</b>	<b>Transmission Date : 23<sup>th</sup> June,2017</b> Number of shares Transmitted : 6000 shares from Ms. Ruchi Bhanshali to Mangal Bhanshali <b>reasons for increase : Unilateral Transmission</b>			
	<b>At the end of the year</b>				
01	Mangal Bhanshali	30,700	12.28	30,700	12.28
02	Akash Bhanshali	12,175	4.87	42875	17.15
03	Lata Bhanshali	12,050	4.82	54925	21.97
04	Meenu Bhanshali	11,950	4.78	66875	26.75
05	Suraj Bhanshali	11,500	4.60	78375	31.35
06	Abha Bhanshali	5,000	2.00	83375	33.35
07	Rekha Shah	12,000	4.80	95375	38.15
08	Kavita Shah	10,725	4.29	106100	42.44
09	Ketan Shah	10,600	4.24	116700	46.48
10	Krutarth Shah	10,100	4.04	126800	50.72
11	Shantilal Shah HUF	9,750	3.90	136550	54.62
12	Advance Compflow Pvt Ltd	12,000	4.80	148550	59.42
13	Talma Chemical Ind Pvt Ltd	11,500	4.60	160050	64.02
14	Amrit Petroleum P Ltd	12,000	4.80	172050	68.82

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
		No. of shares	% of totalshares of theCompany	No. of shares	% of total shares of theCompa ny
	At the beginning of the year				
01	Impact Growth Pvt ltd	12100	4.84	12100	4.84
02	Trupti Petroleum Pvt Ltd	11900	4.76	24000	9.60
03	Optimum Stock Trading Pvt Ltd	11750	4.70	35750	14.30
04	Optimum Securities Pvt ltd	10500	4.20	46250	18.5
05	DurgeshSumatilal Shah	4000	1.6	50250	20.1
06	NatwarlalThakardas Shah	3100	1.24	53350	21.34
07	DushyantNatwarlalDalal	2600	1.04	55950	22.38
08	NimeshSumatilal Shah	2000	0.8	57950	23.18
09	Urmila D Shah	2000	0.8	59950	23.98
10	Mahendra Kumar Balai	1500	0.6	61450	24.58
11	MohalNihalchand	1500	0.6	62950	25.18
12	PulomaDushyantDalal	1500	0.6	64450	25.78
13	RupaBalai	1500	0.6	65950	26.38
14	Shanti Mohanlal	1500	0.6	67450	26.98
10	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease e.g.allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year				
01	Impact Growth Pvt ltd	12100	4.84	12100	4.84
02	Gagandeep Credit Capital Pvt Ltd (Change in Name of Trupti Petroleum)	11900	4.76	24000	9.60
03	Optimum Stock Trading Pvt Ltd	11750	4.70	35750	14.30
04	Optimum Securities Pvt ltd	10500	4.20	46250	18.5
05	DurgeshSumatilal Shah	4000	1.6	50250	20.1
06	NatwarlalThakardas Shah	3100	1.24	53350	21.34
07	DushyantNatwarlalDalal	2600	1.04	55950	22.38
08	NimeshSumatilal Shah	2000	0.8	57950	23.18
09	Urmila D Shah	2000	0.8	59950	23.98
10	Mahendra Kumar Balai	1500	0.6	61450	24.58
11	MohalNihalchand	1500	0.6	62950	25.18
12	PulomaDushyantDalal	1500	0.6	64450	25.78
13	RupaBalai	1500	0.6	65950	26.38
14	Shanti Mohanlal	1500	0.6	67450	26.98

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during theyear	
		No. of shares	% of totalshares of theCompany	No. of shares	% of total shares of theCompany
01					
	At the beginning of the year	1200	0.48%	1200	0.48%
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease e.g.allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	1200	0.48%	1200	0.48%

**V.INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
Addition	NIL	NIL	NIL	NIL
Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:						
Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				TotalAmount
	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	Stock Option	NIL	NIL	NIL	NIL	NIL
	Sweat Equity	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL	NIL
	- others, specify...	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>Total (A)</b>					
	Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

**B. REMUNERATION TO OTHER DIRECTORS:**

Sr. No.	Particulars of Remuneration	Name of Directors		TotalAmount
	1. Independent Director * Fees for attending board / committee Meeting * Commission(s) * Others, please specify	N.A.	N.A.	N.A.
	<b>Total (1)</b>	NIL	NIL	NIL
	2. Other Non-Executive Directors * Fees for attending board / committee Meeting * Commission(s) * Others, please specify	N.A.	N.A.	N.A.
	<b>Total (2)</b>	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary Mrs. Priya Dhanuka	CFO	Total
1	Gross salary a) Salary as per the provisions contained in sections 17(1) of the Income Tax act, 1961; b) Value of perquisites u/s17(2) Income-tax Act, 1961; c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961.	-	2,40,000	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - Others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	2,40,000/-	-	-

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [ RD/ NCLT/ COURT	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

**For and on behalf of the Board**

**Vikas Mapara**  
**Managing Director**  
**DIN:** 00211580  
**Address:** B/7 Sitaram Society,  
 Devi Dayal Road, Mulund (w),  
 Mumbai-400080.

**Ashwin Jain**  
**Director**  
**DIN:** 00173983  
**Address:** B-3-246, Kasturi  
 Plaza, Manpada Road,  
 Dombivali (E) Mumbai-421201

**Date:** 14/08/2018

**Place:** Mumbai



# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

---

## Annexure II- Nomination & Remuneration Policy

### INTRODUCTION:

In terms of Section 178 of the Companies Act, 2013 this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of M/s. Shreenath Investment Company Limited have been formulated by the Nomination and Remuneration Committee. This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

### 1. DEFINITION:

In this policy unless the context otherwise requires:

- ✚ Act means The Companies Act, 2013 and rules made thereunder, as amended from time to time;
- ✚ Company means “**Shreenath Investment Company Limited**”;
- ✚ Board means Board of Directors of M/s. Shreenath Investment Company Limited;
- ✚ Independent Director means a Director referred to in Section 149 (6) of The Companies Act, 2013
- ✚ Committee means “**Nomination and Remuneration Committee**” of the Company as constituted by the Board from time to time;
- ✚ Key Managerial Personnel or KMP means Managing Director, Joint Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other persons who may be deemed to be KMP under the Companies Act, 2013;
- ✚ Senior Management Personnel means personnel of the Company comprising of all members of management one level below the executive directors including the functional heads. The designation and categories of such Personnel will be determined by the Company based on the functional and reporting structure;

The words and expressions used but not defined herein, but defined under the Companies Act, 2013 shall have the meaning assigned therein.

**2. APPLICABILITY:**

- a) Directors (Executive and Non Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel
- d) Other Employees

**3. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE:**

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with other policies and applicable statutory requirements. This is in line with the requirements of the Companies Act, 2013 ("Act").

**4. KEY OBJECTIVES OF THE COMMITTEE:**

- a) To guide the Board in relation to the appointment and changes in Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation;
- c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- d) To develop a succession plan for the Board and to regularly review the plan;
- e) To determine remuneration based on Company's financial position, trends and practices on remuneration prevailing in the industry;
- f) Consider any other matters as may be requested by the Board.

**5. MEETINGS:**

The meeting of the Committee shall be held at regular intervals as deemed fit and appropriate.

The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend general meetings of the Company.

**6. COMMITTEE MEMBERS INTEREST:**

A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated.

**7. APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT - CRITERIA & QUALIFICATION:**

The appointment of Director, Key Managerial Personnel and Senior Management will be based on the outcome of strategic planning.

The Committee shall consider the standards of qualification, expertise and experience of the candidates for appointment as Director, Key Managerial Personnel and Senior Management and accordingly recommend to the Board his/her appointment.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

**8. TERM/ TENURE:**

**a) Managing director/whole-time director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time.

**b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

**9. EVALUATION:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**10. REMOVAL:**

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations

**11. RETIREMENT:**

The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion in retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

**12. AMENDMENTS TO THE NOMINATION AND REMUNERATION POLICY:**

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee may amend this policy, as deemed fit from time to time.

**For and on behalf of the Board**

**Vikas Mapara**  
**Managing Director**  
**DIN:** 00211580  
**Address:** B/7 Sitaram Society,  
Devi Dayal Road, Mulund (w),  
Mumbai- 400080.

**Ashwin Jain**  
**Director**  
**DIN:** 00173983  
**Address:** B-3-246, Kasturi  
Plaza, Manpada Road,  
Dombivali (E) Mumbai-421201

**Date:** 14/08/2018

**Place:** Mumbai

# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

---

## Annexure III- Annual Report on CSR Activities

### **1. A Brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken:**

In accordance with the requirements of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee had framed a Policy on Corporate Social Responsibility and the same was adopted by the Board.

#### **BRIEF FEATURES OF CSR POLICY**

a) The Company would spend not less than 2% of the average Net Profits of the Company, calculated in accordance with Section 198 of the Companies Act, 2013, made during the three immediately preceding financial years ;

b) CSR activities shall be undertaken by the Company, as projects/programs of activities (either new or ongoing) as prescribed under Schedule VII of the Companies Act, 2013 excluding the activities undertaken in pursuance of its normal course of business by the Company;

c) The Board may decide to undertake the Activities either by itself or through a registered trust or a registered society or a company established by the Company, or its holding or subsidiary or associate company under Section 8 of the Act or otherwise.

### **2. The composition of the CSR committee:**

1. Mr. Mukul Goyal- Chairman
2. Mr. Vikas Mapara- Member
3. Ms. Shubhada Jahagirdar- Member

### **3. Average Net Profit of the Company for last three financial years, as per Section 198 of the Companies Act, 2013:**

Rs. 58,32,319.66/-

### **4. Prescribed CSR Expenditure (Two percent of the amounts as in item 3 above):**

Rs. 1,16,646/-

**5. Details of CSR spend for the financial year:**

- a) Total amount to be spent for the financial year: Rs. 1,16,646/-
- b) Amount unspent, if any: Rs. 1,16,646/-
- c) Manner in which the amount spent during the financial year - NIL

**6. In case the Company has failed to spend the two per cent of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report -**

The Company has been consistently trying to explore feasible projects for sustenance of object specific CSR activities. However, company was unable to identify suitable projects as per its CSR Policy where it could spend full amount i.e. 2% of average net profits of the last 3 financial years.

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the company**

- a) That the Company had framed its CSR Policy in pursuance of the Companies Act, 2013 and the Rules made thereunder.
- b) Implementation of CSR Project/avenues will be in compliance with CSR objectives and policy of the company.

**Vikas Mapara**  
**Managing Director**  
DIN: 00211580

-

**Mukul Goyal**  
**Chairman of CSR Committee**  
DIN: 00173983

## Annexure IV

### **Vigil Mechanism / Whistle Blower Policy**

**(Pursuant to Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014)**

#### **I. PREFACE:**

1. The Company believes in conducting its business affairs in fair and transparent manner by adherence to high standard of professionalism, integrity, honesty, prudence and ethical behavior. The company is committed to create a culture where its director or employees feel safe in reporting of any unethical practices or event of fraud, misconduct or violations.
2. Section 177 of the Companies Act, 2013 (“the Act”) and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, inter alia, provides for establishment of a mechanism called 'Vigil Mechanism' for Directors and Employees to report their genuine concerns or grievances, such as instances of unethical behavior, actual or suspected, fraud or violation of the code for Directors and Employees. The Act further requires every listed Company, to establish such vigil mechanism.
3. The objective of this policy is to encourage employees to bring ethical and legal violations they are aware of to an internal authority so that action can be taken immediately to resolve the problem. This policy provides a framework to promote responsible and secure whistle blowing.
4. A vigil mechanism not only helps to detect fraud in organizations, but is also used as a corporate governance tool, which prevents and deters fraudulent activity.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation or vendetta.

This policy should be read in conjunction with applicable laws and regulations.

#### **II. DEFINITIONS**

“**Act**”: means Companies Act, 2013;

“**Company**”: means Shreenath Investment Company Limited.

“**Employees**”: means every employee of the Company (whether working in India or abroad) and includes director of the Company;

**“Protected Disclosure”:** means a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature;

**“Subject”:** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation;

**“Whistle Blower”:** means a Director or an employee making Protected Disclosure under this policy;

### **III. SCOPE & PROCEDURE**

The Whistle Blower Policy shall be operated and administered by Mr. Mukul Mohandas Goyal – Chairman of the Audit Committee, to whom employees may report their concerns. The Director nominated to administer this Policy may issue necessary guideline/timeline for operation of this Policy. In case of repeated frivolous complaints being filed by the employees, the Member of the Audit Committee may take suitable action against the concerned employee including reprimand.

The Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company. The role of Whistle Blower’s is of reporting party with reliable information.

All Protected Disclosures shall be addressed to the Director nominated to operate and administer this Policy. Protected disclosure shall be made in writing under the covering letter signed by the complainant within 30 days of the occurrence of the concern/event or before occurrence to the chairman of the Audit Committee by hand delivery or Speed/Regd. post or Fax or Email. The Contact details of the Director so nominated are as follows:

- Name and Address – Mr. Mukul Mohandas Goyal – Chairman (Audit Committee)  
F/4 Jolly High Rise Apartments, Pali Mala Road  
Bandra (West), Mumbai-400050  
Maharashtra, India  
Contact: 6638 1800
- Name and Address – Mr. Vikas Harilal Mapara- Member (Audit Committee)  
B/7 Sitaram Society, Devidayal Road,  
Mulund(w), Mumbai-400080  
Maharashtra, India.  
Contact:6638 1800

Care must be taken to keep the identity of Whistle Blower confidential. Unfair treatment will not be meted out to a Whistle Blower because of reporting a Protected Disclosure under this Policy. The identity of the Whistle Blower shall be kept confidential to the extent possible as permitted under law.

On receipt of the protected disclosure, the Chairman, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not.



#### **IV. DISQUALIFICATION**

Employees of the company shall be protected from any kind of unfair treatment after making the Protected Disclosures, however, any misuse of this mechanism will warrant disciplinary action. Protection under this Policy would not mean protection from disciplinary action arising out of careless or false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fid intention. Policy should not be used for raising malicious or unfounded allegations against colleagues.

#### **V. INVESTIGATION**

All Protected Disclosures reported under this Policy shall be investigated by the Concerned Director. Where initial inquiry indicates that the concern has no basis or it is not a matter to be investigated under this Policy, then it may be dismissed at this stage and no further investigation shall be carried on. If initial inquiry indicates that further investigation is necessary, then detailed investigation shall be conducted. The concerned Director may take the help of outside expert for assistance.

Subject will normally be informed regarding allegations made against him and have opportunities for providing his inputs to facilitate the investigation. Subject shall be given the opportunity to respond to findings contained in the investigation report, unless there are compelling reasons not to do so. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

Investigators shall take all requisite steps including technical & other resources for fact-finding and analysis of the Protected Disclosure. Investigators shall act independently and unbiased. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of legal and professional standards.

After investigation of the Protected Disclosure if it is found that an improper or unethical act has been committed, the concerned Director shall recommend to the management of the Company to take such disciplinary or corrective action as the concerned Director may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable employee or personnel conduct and disciplinary procedures.

#### **VI. CONFIDENTIALITY**

The Whistle Blower, the Subject, the Whistle Officer, the Investigator, and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not to keep the papers unattended anywhere at any time
- c. keep the electronic mails/files under password
- d. not to discuss the matter in any informal/social gatherings/ meetings

- e. discuss only to the extent or with the persons required for the purpose of completing the process and investigations

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

## **VII. RETENTION OF DOCUMENTS**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of five years.

## **VIII. REVIEW / AMENDMENT**

The Board may review this Policy as and when it deems appropriate. The Company reserves t the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and directors unless the same is notified to the Employees and directors in writing.

If due to subsequent amendment in the laws, this policy or any part hereof becomes inconsistent with the law, the provisions of law shall prevail and this policy shall be deemed to be amended to that extent.

### **For and on behalf of the Board**

**Vikas Mapara**  
**Managing Director**  
**DIN:** 00211580  
**Address:** B/7 Sitaram Society,  
Devi Dayal Road, Mulund (w),  
Mumbai- 400080.

**Ashwin Jain**  
**Director**  
**DIN:** 00173983  
**Address:** B-3-246, Kasturi  
Plaza, Manpada Road,  
Dombivali (E) Mumbai-421201

**Date:** 14/08/2018

**Place:** Mumbai

# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

---

## Annexure – V- Secretarial Audit Report

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Shreenath Investment Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shreenath Investment Company Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Shreenath Investment Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period)**;

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable to the Company during the Audit Period**;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company during the Audit Period)**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.

We have also examined compliance with the applicable clauses of:

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (ii) The Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

*As per Section 178 of Companies Act, 2013, The Board of Directors of every Listed Company and such other class or classes of Companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more Non-Executive Directors out of which not less than one-half shall be independent directors The Nomination and Remuneration Committee of the Company consists of one Executive Director during the year which is not in accordance with Section 178.*

*However, the Management has informed that they have reconstituted Committee having all Non-Executive Directors with effect from 30<sup>th</sup> May, 2018.*

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were carried unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure I.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (As mentioned above and listed in Annexure I).

**We further report that** during the audit period there were no specific events/ actions having a major bearing on the Company's affairs.

Pramod S. Shah & Associates  
(Practising Company Secretaries)

**Place: Mumbai**  
**Date: 14/08/2018**

Bharat Sompura-Partner  
Pramod S. Shah & Associates  
Membership No.: 10540 (ACS)  
C P No.: 5540

## Annexure I

To,  
The Members  
The Shreenath Investment Company Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Pramod S. Shah & Associates  
(Practising Company Secretaries)

**Place: Mumbai**  
**Date: 14/08/2018**

Bharat Sompura-Partner  
Pramod S. Shah & Associates  
Membership No.: 10540 (ACS)  
C P No.: 5540

## Annexure II

1. Employees' Provident Fund Act, 1952 and Rules
2. Professional Tax Act, 1975 and Rules
3. Payment of Gratuity Act, 1972
4. Apprentices Act, 1961
5. Contract Labour (R&A) Act, 1970
6. Employees State Insurance Act, 1947
7. Employees' Provident Fund and Misc Provisions Act, 1952
8. Equal Remuneration Act, 1976
9. Minimum Wages Act, 1948
10. Payment of Bonus Act, 1965
11. Shop and Establishment Act, 1948
12. Income Tax Act, 1961
13. Finance Act, 2015

Pramod S. Shah & Associates  
(Practising Company Secretaries)

**Place: Mumbai**  
**Date: 14/08/2018**

Bharat Sompura-Partner  
Pramod S. Shah & Associates  
Membership No.: 10540 (ACS)  
C P No.: 5540

**For and on behalf of the Board**  
**Vikas Mapara**  
**Managing Director**  
**DIN: 00211580**  
**Address: B/7 Sitaram Society,**  
**Devi Dayal Road, Mulund (w),**  
**Mumbai- 400080.**

**Ashwin Jain**  
**Director**  
**DIN: 00173983**  
**Address: B-3-246, Kasturi**  
**Plaza, Manpada Road,**  
**Dombivali (E) Mumbai-421201**

**Date: 14/08/2018**  
**Place: Mumbai**



# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

Annexure - VI-Form AOC 2

Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies  
(Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

**1. Details of material contracts or arrangements or transactions not at arm's length basis: NIL**

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship: **M/s. Visual Percept Solar Private Limited. Key Managerial Personnel having significant influence.**

(b) Nature of contracts/arrangements/transactions: **Leasing of Property**

(c) Duration of the contracts / arrangements/transactions: **3 Year**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Giving office premises on lease, for a period of 36 months, Rs. 10,02, 600/-**

(e) Date(s) of approval by the Board, if any: **25/10/2016 Special Resolution passed on 29/09/2017**

(f) Amount paid as advances, if any: **NIL**

**For and on behalf of the Board**

**Vikas Mapara**

**Managing Director**

**DIN: 00211580**

**Address: B/7 Sitaram Society,  
Devi Dayal Road, Mulund (w),  
Mumbai- 400080.**

**Ashwin Jain**

**Director**

**DIN: 00173983**

**Address: B-3-246, Kasturi  
Plaza, Manpada Road,  
Dombivali (E) Mumbai-421201**

**Date: 14/08/2018**

**Place: Mumbai**

# Shreenath Investment Company Limited

CIN: L67120MH1979PLC022039

## ANNEXURE-VII

Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 16-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP	Designation	Remuneration of Director/KMP for the Financial Year 2017-18 (Excluding perquisite value of ESOPs exercised)	Remuneration of Director / KMP for the Financial Year 2017-18 (Including perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2017-18 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2017-18 (Including perquisite value of ESOPs exercised)	Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year	Comparison of the Remuneration of the KMP against the performance of the Company (Excluding perquisite value of ESOPs exercised)	Comparison of the Remuneration of the KMP against the performance of the Company (Including perquisite value of ESOPs exercised)
1	Priya Dhanuka	Company Secretary	2,40,000	2,40,000	NIL	NIL	0	0	0

**For and on behalf of the Board**

**Vikas Mapara**

**Managing Director**

**DIN:** 00211580

**Address:** B/7 Sitaram Society,  
Devi Dayal Road, Mulund (w),  
Mumbai- 400080.

**Date:** 14/08/2018

**Place:** Mumbai

**Ashwin Jain**

**Director**

**DIN:** 00173983

**Address:** B-3-246, Kasturi  
Plaza, Manpada Road,  
Dombivali (E) Mumbai-421201

# **Shreenath Investment Company Limited**

CIN: L67120MH1979PLC022039

---

Annexure - VIII-

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **Industry Structure and Developments:**

The world is witnessing improved economic activity across countries and regions especially in the areas of investments, manufacturing and trade.

The Economic Survey 2017-18, was tabled in the Parliament on January 29, 2018, by Mr. Arun Jaitley, Union Minister for Finance, Government of India. The Survey forecasts a growth rate of 7 to 7.5 per cent for Financial Year 2019, as compared to the expected growth rate of 6.75 per cent in Financial Year 2018. Focus on private investments and exports, two truly sustainable engines of economic growth, will be crucial in improving the climate for rapid economic growth.

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19. With the improvement in the economic scenario, there have been various investments in various sectors of the economy.

India has become the most attractive emerging market for global partners (GP) investment for the coming 12 months, as per a recent market attractiveness survey conducted by Emerging Market Private Equity Association (EMPEA). The industry's long pending demand of Goods and Services Tax (GST) was implemented last year in a bid to simplify the tax system. A little before that, the government had shaken the economy by demonetising the high value currencies.

In India, investment opportunities are huge. The Government's focus is on development and inclusive growth. With seamless execution, focus on process improvement, providing end to end

solutions to customer and quality operation, the company continues to deliver in its focus areas of holding of investment and finance activities.

### **Opportunities and Threats:**

According to The World Bank, the Indian economy will likely grow at 6.7% per cent in 2017-18, followed by further acceleration to 7.3 per cent in 2018-19 and 7.5 per cent in 2019-20 bottoming out from the impact of demonetisation and GST. A top World Bank official said India's economy is robust, resilient and has potential to deliver sustained growth.

The Government of India has set up Invest India as the national investment promotion and facilitation agency under the initiative. In addition, a full-fledged Investment Facilitation Cell has been set-up primarily to support all investment queries as well as to handhold and liaise with various agencies on behalf of potential investors.

The primary reason for growth in the investment industry can be attributed to increasing trade reforms in Government Policy, increased Government spending on investment sector and rise in domestic consumption. The company has successfully implemented the growth strategy and expansion. The change in the political and social conditions, the monetary and interest rate policies of India and other countries have also helped in maintaining the momentum in the investment activities of the Company.

Constant fluctuations due to interest rate fluctuations, downstream in business cycle, economic recession and other economic factors which are beyond the control has placed some threat on the Company policies in Investment Sector. Frequent updates in regulatory market and law are constant challenge for smooth operations of the Company. Further, opportunities bring itself competition. The different levels of competition have led to the price cutting as well.

During the year under review Company has paid re-instatement fees of Rs. 32,40,000 dated 3<sup>rd</sup> November, 2017 and submitted all the documents for obtaining In-Principal approval from BSE.

Company has received In-principle from approval BSE pertaining to revocation of suspension in Trading of Equity Shares w.e.f. December 29, 2017. Pursuant to In-principle approval shares of promoters and promoters group has been locked in upto 31<sup>st</sup> March, 2018.

### **Segment-wise or product-wise performance:**

The Core Business of the Company is to hold long term Investments. So far as with respect to handling Long Term Investment, the Company has long term and Current Investment.

Company Financials for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the periods upto and including the period ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2006 (Indian GAAP). For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - "First time adoption of Indian Accounting Standards", with April 01, 2016 as the transition date and Indian GAAP as the previous GAAP.

As compared to the previous reporting period, there is decrease in the income of the company in the current reporting period.

The Company, with superior Investment idea, will focus on positioning the revenues and lead towards high growth path in future.

### **Outlook, Risks and Concerns:**

India's GDP growth saw a temporary dip in the last two quarters of 2016-17 and the first quarter of 2017-18 due to demonetisation and disruptions surrounding the initial implementation of GST. According to The World Bank, the Indian economy will likely grow at 6.7% per cent in 2017-18, followed by further acceleration to 7.3 per cent in 2018-19 and 7.5 per cent in 2019-20 bottoming out from the impact of demonetisation and GST. A top World Bank official said India's economy is robust, resilient and has potential to deliver sustained growth. Some economists are of the view that India is the fastest growing economy in major emerging and in terms of economic growth, the fact that India is able to deliver a robust consumption growth, robust investment. All these are good news. The big issue is now that India has a potential to sustain this growth and we are optimistic about India to realise that potential.

### **Internal control systems and their adequacy:**

Your Company ensures that appropriate risk management limits, control mechanisms and mitigation strategies are in place through its efficient and effective Internal Control System and the same completely correspond to its size, scale and complexity of operations. The Company strives to put several checks and balances in place to ensure that confidentiality is maintained. Effective procedures and mechanisms are rolled out by a full-fledge Internal Audit System to ensure that the interest of the Company is safeguarded at all times. In addition to this, the Risk Assessment policy of the organization is reviewed on a quarterly basis by the Audit Committee / Board of Directors of your Company to ensure that its robustness is reinforced in keeping with the requirements of a dynamic business environment.

### **Discussion on financial performance with respect to operational performance:**

Total income achieved during the year under review is INR 76.51 Lakh as against INR 1793.31 Lakh in the previous year. After all Expenses, Depreciation and Taxation, the net profit of the Company is INR 29.71 Lakh as against the profit after tax of INR 1286.67 Lakh in the previous year. Total PAT is 38.83% on total income as compared to 71.74% in last year.

## **Cautionary Statement:**

Your Company endeavours to perform and attempt to deliver the best at all times. However, the statements made in this report describing the Company's objectives, expectations or predictions shall be read in conjunction with the government policies as issued and amended from time to time, the micro as well as macroeconomic scenario prevailing at that time, global developments and such other incidental factors that may extend beyond the control of the Company and Management.

Keeping this in view, the actual results may materially vary from those expressed in the statement.

## **Material developments in Human Resources / Industrial Relations front, including number of people employed:**

The Company continuously strives to attract and retain the best talent from the local markets, clearly define their roles and responsibilities, create an inspiring and rewarding work environment, imparting training to them and creating development opportunities for increasing employee knowledge and efficiency to make them future ready and create career opportunities within.

The Company is committed in ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. In strongly believes in maintaining the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

### **For and on behalf of the Board**

**Vikas Mapara**  
**Managing Director**

**DIN:** 00211580

**Address:** B/7 Sitaram Society,  
Devi Dayal Road, Mulund (w),  
Mumbai- 400080.

**Ashwin Jain**

**Director**

**DIN:** 00173983

**Address:** B-3-246, Kasturi  
Plaza, Manpada Road,  
Dombivali (E) Mumbai-421201

**Date:** 14/08/2018

**Place:** Mumbai

# Shreenath Investment Company Limited

---

CIN: L67120MH1979PLC022039

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-2018

### (As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors provides the Company's Report on Corporate Governance for the financial year 2017-2018.

#### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level.

The Corporate Governance philosophy of Shreenath Investment Company Limited is based on the following principles:

1. Management must have the executive freedom to drive the enterprise forward without undue restraints and Management is the trustee of the shareholders capital and not the owner. This freedom of management should be exercised within a framework of effective accountability.
2. Provide an enabling environment to harmonize the goals of maximizing stakeholder value and maintaining a customer centric focus.
3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal conveniences and corporate resources.

6. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.
8. Our philosophy on Corporate Governance is thus concerned with the ethics, values and morals of Shreenath Investment Company Limited and its Directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

## **2 BOARD OF DIRECTORS:**

The Board of Directors and its Committees play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its Members and other stakeholders and the utilization of resources for creating sustainable growth and societal wealth.

Shreenath Investment Company Limited has a very balanced and diverse Board of Directors, who actively participates at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and plays a critical role on strategic issues.

### **a. Composition of the Board of Directors:**

The name and category of Director on the Board, the number of Directorship held by them in other Company and numbers of the Committees in which they are the Member or Chairman are given herein below:

Sr. No.	Name of the Director	Category of the Director	No. of Directorships in each Companies		No. of Membership/ Chairmanship of other Board Committee	
			Public	Private	Member	Chairman
1	Mr. Vikas Mapara	Managing Director	-	6	-	-



2	Mr. Ashwin Jain	Director	-	7	-	-
3	Mr. Mukul Goyal	Independent Director	-	5	-	-
4	Ms. Shubhada Jahagirdar	Independent Director	1	-	-	-
5	Ms. Renu Jain	Additional Independent Director	-	-	-	-

**b. Number and dates of Meetings along with the attendance of the Directors in the Board Meetings and the Annual General Meeting:**

The following are the details of the Meetings of the Board and Annual General Meeting held during the financial year 2017-2018:

Sr. No.	Name of the Director	Attendance at the Board Meetings held on				Attendance at the Annual General Meeting held on 29.09.2017
		30.05.2017	24.08.2017	13.12.2017	14.02.2018	
1	Mr. Vikas Mapara	√	√	√	×	√
2	Mr. Ashwin Jain	√	√	√	√	√
3	Mr. Mukul Goyal	√	√	√	√	√
4	Ms. Shubhada Jahagirdar	×	√	×	√	×
5	Ms. Renu Jain	NA	NA	NA	NA	NA

**c. Relationship between the Directors inter-se:**

None of the Directors are related to each other.

**d. Number of shares and convertible instruments held by the Non-Executive Director in the Company:**

None of the Non-Executive Directors of the Company hold any securities in the Company.

**e. Familiarization programmes imparted to Independent directors:**

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of Interest in the decision making.

At the time of appointing a Director, a formal letter of appointment is given to him/her and the details pertaining to their roles, responsibilities, functions and the Board's expectation are explained in the Meeting.

In furtherance to the above, the Company holds Business Review Meeting every quarter to explain the details of the performance of the Company. Further, Directors' Vision Meeting is held annually to set the strategic directions of the Company.

The details of Familiarization programs imparted to Independent directors are as follows:

<b>Number of programs attended by Independent Director</b>	<b>Number of hours spent by Independent Director during the year (Business Review Meetings and Vision and Strategy Meeting.)</b>	<b>Number of hours spent by Independent Director on cumulative basis till date</b>
27.04.2016	1 hour	1 hour
28.07.2016	2 hours	3 hours
08.11.2016	1 hour and 30 minutes	4 hours and 30 minutes
02.02.2017	1 hour and 30 minutes	6 hours
21.06.2017	1 hour and 30 minutes	7 hours and 30 minutes
21.12.2017	1 hour and 30 minutes	9 hours

**f. Board's Functioning & Procedures:**

The Board has complete access to any information within the Company. At Meetings of the Board, it welcomes the presence of Senior Management who can provide additional insights into the items being discussed.

The items placed at the Meeting of the Board include the following:-

- i. Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed, for consideration and approval;
- ii. Minutes of Meetings of Audit Committee, Stakeholders Relationship Committee/Shareholders Grievance Committee and Nomination and Remuneration Committee;
- iii. Abstracts of circular resolutions passed;
- iv. General notices of interest;
- v. Sale and/or purchase of investments, fixed assets;
- vi. Review compliance of all laws applicable to the Company including the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and steps taken by the Company to rectify instances of non-compliances, if any;
- vii. Related party transactions;
- viii. Reviewing the Company's Financial and Risk Management policies;
- ix. Reviewing the business plan and strategy of the Company.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial /business plans and financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions. The Minutes of the Meetings of the Board are circulated through email to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee/ Shareholders' Grievance Committee are also circulated through email to all Members and thereafter tabled for discussion at the subsequent Board Meeting.

### **3. COMMITTEES OF THE BOARD:**

The Company has developed all the necessary Committees of the Board namely:

- a. Audit Committee;
- b. Nomination & Remuneration Committee;
- c. Stakeholders Relationship Committee/ Shareholders' Grievances Committee.
- d. Corporate Social Responsibility Committee

The constitution, terms of reference and the functioning of the above mentioned Committees of the Board is explained herein.

The Board reviews the functioning of these committees from time to time. The Chairman of these Committees conducts the Meetings and also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings sent to all Directors are tabled at the respective Board / Committee Meetings.

#### **I. AUDIT COMMITTEE:**

Audit committee acts as a link between the Statutory Auditors, Internal Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the Management's Financial Reporting process with a view to ensure accurate, timely and proper disclosures.

##### **i. Composition of the Audit Committee:-**

The Audit Committee of the Company constituted in line with provisions of Section 177 of the Companies Act, 2013 and is in line with SEBI (LODR) Regulations, 2015.

The Audit Committee is duly formed and meets the requirement of the Companies Act, 2013 and also the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Audit Committee as at 31.03.2018 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Category	Attendance at the Audit Committee Meetings held on			
			30.05.2017	24.08.2017	13.12.2017	14.02.2018
1	Mr. Mukul Goyal	Chairman-Non-executive Independent Director	√	√	√	√
2	Ms. Shubhada Jahagirdar	Member-Non-executive Independent Director	×	√	√	√
3	Mr. Vikas Mapara	Member-Executive Director	√	√	×	×

All the Members on the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and Internal Control.

As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the Annual General Meeting of the Company.

**ii. Terms of Reference of the Audit Committee are as follows:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular

reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report;
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal

audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
  - a. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  - b. The vigil mechanism under sub-section (9) of Section 177 of Companies Act, 2013, shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

21. The Audit Committee shall have powers, which should include the following:
- a. To investigate any activity within its terms of reference.  
The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of Companies Act, 2013, or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
  - b. To seek information from any employee;
  - c. To obtain outside legal or other professional advice;
  - d. To secure attendance of outsiders with relevant expertise, if it considers necessary.
22. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc.), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Member to enable the Committee to take informed decisions.

The Minutes of the Meetings of the Committee are circulated through email to all the Members and confirmed at the subsequent Meeting.



## **II. NOMINATION AND REMUNERATION COMMITTEE:**

The purpose of the Committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Executive Directors.

### **i. Composition of the Nomination and Remuneration Committee:-**

The Company has framed Nomination and Remuneration Committee according to Section 178 of the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015.

The composition of the Nomination and Remuneration Committee as at 31.03.2018 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Category	Attendance at the Nomination and Remuneration Committee Meeting held on	
			24.08.2017	14.02.2018
1	Mr. Mukul Goyal	Chairman- Non-executive Independent Director	√	√
2	Ms. Shubhada Jahagirdar	Member-Non-executive Independent Director	√	√
3	Mr. Vikas Mapara*	Member- Executive Director	√	×

\*Board has reconstituted the Committee w.e.f from 30<sup>th</sup> May, 2018 with all 3 Non-executive Director i.e. 1) Mukul Goyal - Chairman 2) Shubhada Jahagirdar-Member and 3) Renu Jain-Member

### **ii. Terms of Reference of the Nomination and Remuneration Committee are as follows:**

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. To identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
3. To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
4. To review the ongoing appropriateness and relevance of the remuneration policy;
5. To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
6. To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the Directors, Key Managerial Personnel and other employees.

**iii. Criteria for the Performance Evaluation of the Independent Directors Meeting:**

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 and also the Regulations of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried out by your company.

For the purpose of carrying out performance evaluation exercise, three types of Evaluation forms were devised in which the evaluating director has allotted to the individual Director, the Board as a whole, its Committees and the Chairperson appropriate rating on the scale of five.

Such evaluation exercise has been carried out:

- i. of Independent Directors by the Board;
- ii. of Non-Independent Directors by all the Independent Directors in separate meeting held for the purpose;
- iii. of the Board as a whole;
- iv. of the Committees;
- v. of the Chairperson of your Company by the Independent Directors in separate meeting after taking into account the views of the Executive/ Non-Executive Directors;
- vi. Managing Director and Chairman of the Company.

Having regard to the industry, size and nature of business your company is engaged and the evaluation methodology adopted is in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

The Independent Directors of the Company are evaluated by the Non-Executive Directors and the other Directors of the Board. The criteria for the evaluation of the Independent Directors are:

- a. Attendance record;
- b. Possesses sufficient skills, experience and level of preparedness which allows the person to clearly add value to discussions and decisions;
- c. Able to challenge views of others in a constructive manner;
- d. Knowledge acquired with regard to the company's business/activities;
- e. Understanding of industry and global trends;
- f. Any qualitative comments and suggestions for improving effectiveness.

### **III. STAKEHOLDERS' RELATIONSHIP COMMITTEE / SHAREHOLDERS' GRIEVANCE COMMITTEE MEETING:**

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers.

#### **i. Size and Composition:-**

The Company had duly constituted Stakeholders Relationship Committee/ Shareholders Grievance Committee w.e.f., 1<sup>st</sup> April, 2017 to specifically look into the redressal of the shareholder's grievances and also the share transfers and other investor related matters.

The composition of the Stakeholders Relationship Committee/ Shareholders Grievance Committee as on 31.03.2018 is as under:-

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Category</b>
1	Mr. Mukul Goyal	Non-Executive Independent Director
2	Mr. Ashwin Jain	Executive Director
3	Mr. Vikas Mapara	Executive Director

**ii. Meeting of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings:-**

During the financial year 2017 - 2018, 1 (One) Meetings of the Stakeholder's Relationship Committee / Shareholders' Grievance was held on 29.06.2017.

**iii. The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings include the following:-**

1. Transfer /Transmission of shares;
2. Issue of duplicate share certificates;
3. Review of shares dematerialized and all other related matters;
4. Monitors expeditious redressal of investors' grievances;
5. Non receipt of Annual report and declared dividend,
6. All other matters related to shares.

**iv. Investor Grievance Redressal:**

Number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of complaint	No. of complaints
Non Receipt of Annual Reports	0
Non Receipt of Dividend Warrants	0
Non Receipt of Shares lodged for Transfer/Exchange	0
Non Receipt of Certificates	0
Others (Duplicate/Transmission/Procedure etc.)	1*
<b>Total</b>	<b>1</b>

\*Procedure for Transmission of Shares received from one of the Shareholder. Company has given reply for the same

All valid share transfers received during the accounting year ended 31.03.2018 have been acted upon. There were no share transfers pending as on 31.03.2018, for more than 30 days.

The Stakeholder's Relationship Committee/Shareholder's Grievance Committee Meetings attends the matters related to Share Transfers, Deletion and Transmission.

#### **4. REMUNERATION PAID TO THE DIRECTORS OF THE COMPANY:**

During the year, Non-executive and Independent Directors are not paid any remuneration. No sitting fees are paid for attending Board Meetings/Audit Committee Meetings/ Nomination and Remuneration Committee Meetings. No Sitting fees are paid for the Stakeholders Relationship Committee/ Shareholders' Grievance Committee Meetings.

Details of remuneration paid to Directors during the financial year ended 31.03.2018 is as under:

(Amount in lakhs)						
Name of the Director	Salary and Commission	Contribution to P.F. Gratuity and Superannuation Fund	Perquisites	Performance Pay	Sitting fees	Total
Mr. Vikas Mapara	–	–	–	–	–	–
Mr. Ashwin Jain	–	–	–	–	–	–
Mr. Mukul Goyal	–	–	–	–	–	–
Ms. Shubhada Jahagirdar	–	–	–	–	–	–
Ms. Renu Jain	–	–	–	–	–	–

#### **5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The main purpose of the CSR Committee is to formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by company as specified in Schedule VII of the Companies Act, 2013 and amount of expenditure to be incurred on the activities suggested as per CSR Policy. During the year CSR Committee meeting held on 29th June, 2017.

**i. Composition of the Corporate Social Responsibility Committee:-**

The Board constituted Corporate Social Responsibility Committee of Directors on 30.05.2017.

The composition of the Corporate Social Responsibility Committee as at 31.03.2018 and dates and details of the Members participation at the Meetings of the Committee are as under:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Category</b>
1	Mr. Mukul Goyal	Non-Executive Independent Director
2	Ms. Shubhada Jahagirdar	Non-Executive Independent Director
3	Mr. Vikas Mapara	Executive Director

**ii. Role/Responsibility of CSR Committee include:**

1. Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act and have oversight over its implementation;
2. Recommend the amount to be spent on CSR activities referred in clause (1);
3. Ensure that in each financial year Company spends at least 2% of average net profit (if company falls under criteria which is specified under section 135 of the companies act,2013) made during the three immediately preceding financial year and if not spent during the year then same should be reported in Directors Report along with reason for not spending the amount;
4. Monitor the CSR policy of the company from time to time;
5. Institute a transparent monitoring mechanism for implementation of the CSR projects and programme;
6. Monitor the Company's CSR activity on quarterly basis.

## 6. GENERAL BODY MEETING:

a. The particulars of the last three Annual General Meetings are as under:

Financial Year	Day and Date of the Annual General Meeting	Location of the Annual General Meeting	Time of the Annual General Meeting	Special /Ordinary resolution passed
2014-15	Friday, 18.09.2015	801-802, Dalamal Towers, Nariman Point, Mumbai - 400 021	4.30 P.M	Regularization of appointment of Ms. Shubhada Jahagirdar
2015-2016	Friday, 30.09.2016	801-802, Dalamal Towers, Nariman Point, Mumbai - 400 021	12:30 P.M	<p>1 Change in designation of Mr. Vikas Mapara from Director to Managing Director.</p> <p>2. To Maintain and keep Company's registers required to be maintained under section 88 of the Companies Act, 2013 and copies of annual return filed under section 92 of the Companies act, 2013 or any of them at a place other than the Company's Registered office.</p>
2016-2017	Friday, 29.09.2017	801-802, Dalamal Towers, Nariman Point, Mumbai - 400 021	12:30 P.M	<p>1. Adopt new set of Articles of Association as per Companies Act, 2013.</p> <p>2 Adopt new set of Memorandum of Association as per Companies Act,</p>

				<p>2013.</p> <p>3. Approve related party transaction entered by company with M/s Visual Percept Solar Projects Private Limited for giving its office premises on leave and license basis.</p> <p>4. Re-appointment of Mr. Mukul Goyal as an Independent Director.</p> <p>5. Ratify &amp; approve the investment made by the Company u/s 186 of Companies Act, 2013.</p> <p>6. Authorise for inter-corporate loan &amp; investment or Gurantee or security not exceeding Rs.1000 crores.</p>
--	--	--	--	---

**b. Details of the Special Resolution passed through Postal Ballot:**

During the year under review, no resolution has been passed through the exercise of postal ballot.

**7. DISCLOSURE:**

- During the year under review, there are no materially significant related party transactions of the Company which have potential conduct with the interests of the Company at large.
- The Company has complied with the requirements of the Bombay Stock Exchange (BSE), the Securities and Exchange Board of India (SEBI) and



Statutory Authorities on all matters related to Capital Markets

- However, BSE Ltd had suspended the trading in the Company's shares on account of non-compliance with Listing Agreement. Company had filed application for revocation of suspension with BSE Ltd and made the default good.
- Company has paid re-instatement fees of Rs. 32,40,000 dated 3rd November, 2017 and submitted all the documents for obtaining In-Principal approval from BSE.
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior.
- During the year the following amounts were transferred to the Investors Education and Protection Fund:

<b>Particulars</b>	<b>Date of Transfer</b>	<b>Amount (INR)</b>
Matured Deposits	NIL	NIL
Interest on Matured Deposits	NIL	NIL
Unpaid Dividend	NIL	NIL

#### **8. MEANS OF COMMUNICATION:**

- The quarterly, half yearly and annual results are communicated to all the members of the Company by publishing in English and Marathi National dailies namely Free Press Journal and Navshakti respectively. The Financial Statements are also displayed on the website of the Company [www.shreenathinvestment.in](http://www.shreenathinvestment.in)
- The Management Discussion and Analysis Report forms a part of this Annual report, which is sent to each member by post, courier or email.
- The Company informs the Stock Exchange all price sensitive matters or such other matters which are material and of relevance to the shareholders.

## **9. GENERAL SHAREHOLDERS INFORMATION:**

### **I. Details of the Annual General Meeting for the financial year 2017-2018:**

Date: 28.09.2018

Day: Friday

Time: 12:30 P.M.

Venue: 801-802, Dalamal Towers, Nariman Point, Mumbai – 400 021.

### **II. Financial Calendar 2018- 2019:**

<b>Name of the Quarter/ Half year</b>	<b>Due date for the compliance</b>
Quarter ending 30.06.2018	On or before 14.08.2018
Quarter/Half year ending 30.09.2018	On or before 14.11.2018
Quarter ending 31.12. 2018	On or before 14.02.2019
Quarter/Year ending 31.03.2019	On or before 30.05.2019

### **III. Dividend:**

Company recommends Nil dividend.

Date of Book Closure: 21<sup>st</sup> September, 2018 to 27<sup>th</sup> September, 2018 (both days inclusive).

### **IV. Details of the Stock Exchange in which the Company is listed:**

- Name of the Stock exchange: The Bombay Stock Exchange Limited
- Listing fee for the year 2017-18 has been paid to the Stock Exchange.
- Stock Code- Physical : 503696 on The Bombay Stock Exchange Limited
- ISIN No. NSDL & CDSL : INE475V01012

- Market Price Data : High / Low price during each Month of 2017-18 on The Bombay Stock Exchange Limited and BSE Sensex –

**NOTE: COMPANY HAS RECEIVED IN-PRINCIPAL APPROVAL FROM BSE ON 29<sup>TH</sup> DECEMBER, 2017 PERTAINING TO REVOCATION OF SUSPENSION IN TRADING OF EQUITY SHARES OF THE COMPANY. HOWEVER, THERE WAS NO TRADING COMMENCED AFTER GETTING APPROVAL FROM BSE. THEREFORE COMPARISON WITH BSE SENSEX IS NOT APPLICABLE TO OUR COMPANY.**

#### **V. Share Transfer System and other related matters:**

- Registrar and Share Transfer Agent :

For both physical & demat segments:

Corporate office:

Karvy Computershare Private Limited.

Sant Dynaneshwar Marg,

Opp. Guru Nanak Hospital,

Off. Bandra Kurla Complex, Bandra (E),

Mumbai – 400 051

Tel No: 6149 1635

Email: [support@karvy.com](mailto:support@karvy.com)

- Share Transfer System:

The shares lodged for transfer are processed by the Registrar and Share Transfer Agent and are approved by Stakeholder's Relationship Committee /Shareholders' Grievance Committee. Shares sent for transfer in physical form are registered and returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects. Similarly, all requests for demat are received and processed by the Registrar and Transfer Agent and confirmations given to the depositories within the prescribed time limit.

- Nomination Facility for Shareholding:

As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.

- Payment of Dividend through Electronic Clearing Service:

The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.

- Unclaimed Dividends:

Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Ms. Priya Dhanuka, Compliance Officer, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per sections 205A and 205C of the Companies, Act, 1956 and Section 123 & other applicable provisions of the Companies Act, 2013, read with the relevant rules, be transferred to the Investor Education and Protection Fund.

- Correspondence regarding Change in Address:

Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Sant Dynaneshwar Marg, Opp. Guru Nanak Hospital, Off. Bandra Kurla Complex, Bandr(E), Mumbai - 400 051

Tel No: 6149 1635, Email: [support@karvy.com](mailto:support@karvy.com)

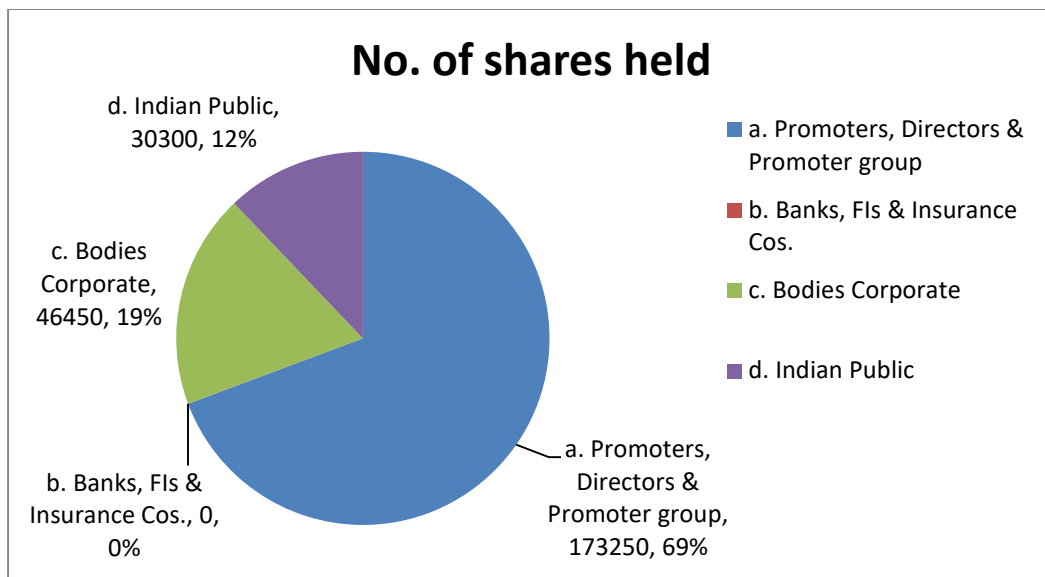
- Distribution of Shareholding as on 31.03.2018:

No. of Equity Shares held	No. of Share-holders	% of Shareholders	No. of shares held	% of share holding
1 - 50	16	22.85	800	0.32
51 - 100	7	10.00	700	0.28
101 - 200	12	17.15	2400	0.96
201 - 300	0	0	0	0
301 - 400	1	1.43	400	0.16
401 - 500	0	0	0	0
501 - 1000	5	7.14	5000	2
1001 AND ABOVE	29	41.43	240700	96.28
<b>TOTAL</b>	<b>70</b>	<b>100.00</b>	<b>250000</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2018:**

Category	No. of shares held	Percentage to total (%)
a. Promoters, Directors & Promoter group	173250	69.30
b. Banks, FIs & Insurance Cos.	0	0
c. Bodies Corporate	46450	18.58
d. Indian Public	30300	12.12
<b>Total</b>	<b>250000</b>	<b>100.00</b>

**SHAREHOLDING PATTERN AS ON 31.03.2018**



- Dematerialization of Shares: The shares of the Company can be held and traded in electronic form.  
73.58% (183950 shares) of the Company's shares have been dematerialized as on 31.03.2018.
- Outstanding ADRs/ GDRs: Nil/Warrants or any Convertible Instrument, conversion date and likely impact on equity.
- Plant location: Not Applicable.
- Address of the Company: Shreenath Investment Company Limited  
801-802, Dalamal Towers, Nariman Point,  
Mumbai - 400 021  
Tel: 022- 6638 1800  
Fax: 022-6638 1818  
Email:sicl2889@gmail.com  
Website: [www.shreenathinvestment.in](http://www.shreenathinvestment.in)

#### **10. CODE OF CONDUCT:**

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The Code is reviewed from time to time by the Board. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website [www.shreenathinvestment.in](http://www.shreenathinvestment.in)

#### **11. CEO/ CFO CERTIFICATE:**

The Managing Director and the Chief Financial Officer of the Company gives Annual Certification on financial reporting and Internal Controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director and the Chief Financial Officer also gives quarterly certification on financial results before the Board in terms of Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(As annexed in Annexure I).**

## **12. TRADING IN THE COMPANY'S SHARES BY DIRECTORS AND DESIGNATED EMPLOYEES:**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Code of Conduct for Prohibition of Insider Trading.

Mr. Vikas Mapara, Managing director of the Company is responsible for setting policies, procedures for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board. The same is displayed on the website of the Company [www.shreenathinvestment.in](http://www.shreenathinvestment.in)

## **13. DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

1. In accordance with the provisions of Section 152 of the Companies Act, 2013, one-third of the total number of Directors for the time being is liable to retire by rotation. Accordingly one Director of the Company viz. Mr. Ashwin Jain will be retiring by rotation at the ensuing Annual General Meeting of the Company. Mr. Ashwin Jain, being eligible, offers himself for re-appointment.

1. Mr. Ashwin Jain  
**Director**  
**Shreenath Investment Company Limited**

Mr. Ashwin Jain has been actively associated with Investment Companies and NBFC Company for almost two decades. Mr. Ashwin Jain became the Director of M/s. Shreenath Investment Company Limited dated 31/03/2002 and has been participating in making various policies and regulation of M/s. Shreenath Investment Company Limited. Mr. Ashwin plays an important role in guiding the Security Market activities of M/s. Shreenath Investment Company Limited.

a. Disclosure of relationship between directors interse:  
There is no relationship between Mr. Ashwin Jain and any other Directors of the Company.

- b. Name of Listed Company in which Mr. Ashwin Jain holds Directorship and Membership of the Committees of the Board:-

Name of the listed entities in which Director holds Directorship-**NIL**

Name of the listed entities in which Director holds Chairmanship in the Committee-**NIL**

Name of the listed entities in which Director holds Membership in Committee-**NIL**

- c. Shareholding in the Company – Mr. Ashwin Jain does not hold any shares in the Company.

## **2. Ms. Renu Jain:**

Ms. Renu Jain has completed her graduation from ETHIRAJ College Chennai. She is passionate about furthering philanthropy through sustainable social impact & community development initiatives.

Her core competencies lie in planning and strategy implementation among philanthropy activity. She is also responsible for developing innovative approach for a cost effective delivery of the program.

- a. Disclosure of relationship between directors interse:  
There is no relationship between Ms. Renu Jain and any other Directors of the Company.
- b. Name of Listed Company in which Ms. Renu Jain holds Directorship and Membership of the Committees of the Board:-
- Name of the listed entities in which Director holds Directorship-**NIL**
- Name of the listed entities in which Director holds Chairmanship in the Committee-**NIL**
- Name of the listed entities in which Director holds Membership in Committee-**NIL**
- c. Shareholding in the Company – Ms. Renu Jain does not hold any shares in the Company.



### 3. Mr. Ritesh Chopra

Mr. Ritesh Chopra is alumni of Rajasthan University of Jaipur as a Master in Business Administration (MBA). He has been a pillar in the fields of administration, compliance, legal affairs, taxation, accounting and finance. He has a large number of relationships in the fields of his expertise.

He has expertise of more than 10 years as an Institutional dealer in Capital Markets. He has completed his graduation from Jai Narain Vyas university of Jodhpur.

a. Disclosure of relationship between directors interse:

There is no relationship between Mr. Ritesh Chopra and any other Directors of the Company.

b. Name of Listed Company in which Mr. Ritesh Chopra holds Directorship and Membership of the Committees of the Board:-

Name of the listed entities in which Director holds Directorship-**NIL**

Name of the listed entities in which Director holds Chairmanship in the Committee-**NIL**

Name of the listed entities in which Director holds Membership in Committee-**NIL**

c. Shareholding in the Company – Mr. Ritesh Chopra does not hold any shares in the Company.

### 14. CERTIFICATION ON CORPORATE GOVERNANCE COMPLIANCES:

As required under the Regulations of SEBI (Listings Obligations and Disclosure Requirements) Regulations, 2015, certificate of compliances of Corporate Governance issued by M/s. Pramod S. Shah & Associates, Practicing Company Secretaries annexed here as **Annexure II**.

## **15. OTHER DISCLOSURE:**

- a) There are no materially significant related party transactions that may have potential conflict with the interest of the listed entity at large;
- b) The Company is fully complied with the applicable regulations and hence there are no penalties imposed upon the Company by any of the Authority. However, BSE Ltd had suspended the trading in the Company's shares on account of non-compliance with Listing Agreement. Company had filed application for revocation of suspension with BSE Ltd and made the default good. Company has paid re-instatement fees of Rs. 32,40,000 dated 3<sup>rd</sup> November, 2017 and submitted all the documents for obtaining In-Principal approval from BSE. Company got the In-principle approval from BSE of revocation of suspension w.e.f 29<sup>th</sup> December, 2017.
- c) The Vigil Mechanism and the Whistle Blower policy are duly established and none of the personnel have been denied to access to the Audit Committee for any of their grievances.
- d) The Material Related Party policy of the Company is hosted on the website of the Company viz. [www.shreenathinvestment.in](http://www.shreenathinvestment.in)
- e) The website of the Company is duly updated as per the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- f) All the mandatory requirements are duly complied with.

## ANNEXURE I

### CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Vikas Mapara, Managing Director and Mayur Kadakia, Chief Financial Officer, of **SHREENATH INVESTMENT COMPANY LIMITED**, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2018 and to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or any omitted material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit committee:
1. significant changes, if any, in internal control over financial reporting during the year;
  2. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

- instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours faithfully

Vikas Mapara  
Managing Director

Mayur Kadakia  
Chief Financial officer

Place: Mumbai  
Date: 30/05/2018

## ANNEXURE II

### CERTIFICATE ON CORPORATE GOVERNANCE

**Certificate on compliance with the conditions of Corporate Governance as per the provisions of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Members,

Shreenath Investment Company Limited

We have examined the compliance of conditions of Corporate Governance by Shreenath Investment Company Limited for the financial year ended 31.03.2018 as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, of the Company with stock exchanges unless otherwise stated in Corporate Governance Report.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

**For Pramod S. Shah & Associates**

Practising Company Secretary

Bharat Sompura

Partner

Membership No. 10540

COP No: 5540

Place: Mumbai

Date: 14/08/2018

**DECLARATION REGARDING COMPLIANCE OF BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:**

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company.

As Managing Director of Shreenath Investment Company Limited and as required by Schedule V ( D ) of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and senior management personnel of the Company as identified by the Company considering the requirements in this respect, have affirmed compliance with the Code of Conduct for the financial year 2017-2018.

In accordance with Schedule V of the Listing Regulations with the Stock Exchange, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the code of conduct as applicable to them for the year ended 31<sup>st</sup> March, 2018.

For Shreenath Investment Company Limited

Vikas Mapara  
Managing Director  
Date: 14/08/2018

# **KAMDAR DALAL & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

---

**C-3/2, Khira Nagar, S.V.Road, Santacruz West, Mumbai – 400 054**

**Phones : 022-2661 4713 / 022-2661 5677**

**Email : skkandco@gmail.com**

---

### **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
SHREENATH INVESTMENT COMPANY LIMITED**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Shreenath Investment Company Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income) for the year then ended, the Cash Flow Statement for the year then ended, the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2017. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2018 and its profit, including other comprehensive income, and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2017 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, We give in Annexure A to this Report a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
  - e. on the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this Report;
  - g. with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. the Company does not have any pending litigations which would impact its financial position.
- ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company does not have any derivative contracts.
- iii. there were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

FOR KAMDAR DALAL & ASSOCIATES  
FIRM REGISTRATION NO.: 129596W  
CHARTERED ACCOUNTANTS

S.K.KAMDAR  
PARTNER  
MEMBERSHIP NO.: 032878

MUMBAI : MAY 30, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 1 of our Report of even date)

1. In respect of fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, the assets have been physically verified by the management during the year. There is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
  - c. According to the information and explanations given by the Management, the title deeds of immovable properties included in fixed assets are in the name of the Company.
  
2. In respect of inventories :

The Company did not hold any inventory during the year and, hence, clause 3(ii) of the Order is not applicable to the Company.
  
3. In respect of loans given:

According to the information and explanations given to us, the Company has not given any loans, whether secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Hence clauses 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
  
4. In respect of loans, investments, guarantees and security:

According to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of the investments made by it.

The Company has not granted any loans or provided any loans or provided any guarantees or security to the parties covered under section 185. Therefore, in this respect, clause 3(iv) of the Order is not applicable to the Company.
  
5. In respect of acceptance of deposits:

The Company has not accepted any deposits and, hence, clause 3(v) of the Order is not applicable to the Company.
  
6. In respect of maintenance of cost records:

According to the information and explanations given to us, the Company is not required to maintain cost records under sub-section 1 of section 148 of the Companies Act, 2013.
  
7. In respect of statutory dues :
  - a. According to the information and explanations given to us and the records of the Company examined by us, undisputed statutory Income Tax, Service Tax, Provident Fund, Employee State Insurance, Maharashtra Labour Welfare Fund, Customs Duty, Value Added Tax and other applicable material statutory dues have been deposited regularly with the appropriate authorities. Further, as explained to us, the provisions of Sales Tax, Provident Fund, Employees State Insurance, Customs Duty, Excise Duty Value Added Tax and Cess are not applicable to the Company during the year. As at 31/03/2018, there were no undisputed dues payable for more than six months from the date they became payable.

- b. There were no income tax and service tax / Goods and Service Tax dues as on as on 31/03/2018 which have not been deposited on account of dispute. Further, as explained to us, the provisions of Sales Tax, Provident Fund, Employees State Insurance, Customs Duty, Excise Duty Value Added Tax and Cess are not applicable to the Company during the year.
8. In respect of loans and borrowings from financial institution, etc.:  
According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loans or borrowings from financial institution, bank or Government. The Company has not issued any Debentures. Hence, clause 3(viii) of the Order is not applicable to the Company.
9. In respect of initial public offer / further public offer:  
According to the records of the Company examined by us and the information and explanations given to us, during the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Hence, clause 3(ix) of the Order is not applicable to the Company.
10. In respect of frauds by or on the Company:  
During the course of the examination of the books and records of the Company and the audit procedures performed in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers / employees has been noticed or reported during the year.
11. In respect of managerial remuneration:  
According to the information and explanations given to us, during the year, the Company has not paid or provided managerial remuneration. Hence, section 197 read with Schedule V of the Companies Act, 2013 and clause 3(xi) of the Order are not applicable to the Company.
12. In respect of Nidhi Company:  
According to the information and explanations given to us, the Company is not a Nidhi Company. Hence clause 3(xii) of the Order is not applicable to the Company.
13. In respect of transactions with related parties:  
In our opinion and according to the information and explanations given to us, the Company's transactions with its related parties are in compliance with sections 177 and 188 of the Companies Act 2013, where applicable, and details of related party transactions have been disclosed in the standalone Ind AS financial statements, etc. as required by the applicable Accounting Standards.
14. In respect of preferential allotment / private allotment:  
According to the information and explanations given to us, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence clause 3(xiv) of the Order is not applicable to the Company.
15. In respect of non-cash transactions:  
According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, provisions of section 192 of the Companies Act 2013 and paragraph 3(xv) of the Order are not applicable.

16. In respect of registration under section 45-IA of Reserve Bank of India Act, 1934  
As informed to us, the Company is registered as sub-broker under Securities and Exchange Board of India (Stock Broker and Sub-Broker) Regulation, 1992. Hence, clause 3(xvi) of the Order is not applicable to the Company.

FOR KAMDAR DALAL & ASSOCIATES  
FIRM REGISTRATION NO.: 129596W  
CHARTERED ACCOUNTANTS

S.K.KAMDAR  
PARTNER  
MEMBERSHIP NO.: 032878

MUMBAI : MAY 30, 2018

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHREENATH INVESTMENT COMPANY LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Shreenath Investment Company Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future years are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Explanatory Paragraph**

We have also audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2018 and the related Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information and our Report dated May 30, 2018 expressed an unqualified opinion thereon.

FOR KAMDAR DALAL & ASSOCIATES  
FIRM REGISTRATION NO: 129596W  
CHARTERED ACCOUNTANTS

S.K.KAMDAR  
PARTNER  
MEMBERSHIP NO: 032878

MUMBAI : MAY 30, 2018

**SHREENATH INVESTMENT COMPANY LIMITED**  
**CIN : L67120MH1979PLC022039**  
**BALANCE SHEET AS ON 31.03.2018**

(All amounts in lacs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	4	7.09	7.77	9.14
(b) Financial Assets	5			
(i) Investments	5.1	1,894.36	1,444.59	1,883.32
(ii) Loans and Advances	5.2	6.04	6.04	6.04
(c) Deferred Tax Asset, Net	6	16.97	4.44	4.76
<b>Total non-current assets</b>		<b>1,924.46</b>	<b>1,462.84</b>	<b>1,903.26</b>
<b>(2) Current Assets</b>				
(a) Inventories		-	-	-
(b) Financial Assets				
(i) Investments	7	818.52	807.13	206.50
(ii) Cash and cash equivalents	8	1.70	1.52	1.48
(iii) Loans and Advances	9	-	-	0.38
(c) Current tax assets (net)	10	28.97	28.07	1.68
(d) Other current assets	11	5.12	0.07	0.10
<b>Total current assets</b>		<b>854.31</b>	<b>836.79</b>	<b>210.14</b>
<b>Total Assets</b>		<b>2,778.77</b>	<b>2,299.63</b>	<b>2,113.40</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share capital	12	25.00	25.00	25.00
(b) Other Equity	13	2,752.29	2,272.82	2,086.91
<b>Total equity</b>		<b>2,777.29</b>	<b>2,297.82</b>	<b>2,111.91</b>
<b>(2) Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Other financial liabilities		-	-	-
(b) Other Non-current liabilities		-	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Other financial liabilities	14	1.40	1.76	1.49
(b) Other current liabilities	15	0.08	0.06	-
<b>Total current liabilities</b>		<b>1.48</b>	<b>1.81</b>	<b>1.49</b>
<b>Total Equity and Liabilities</b>		<b>2,778.77</b>	<b>2,299.63</b>	<b>2,113.40</b>

Significant accounting policies and notes to the Ind AS financial statements (Note No. 3)

The explanatory notes referred to above form an integral part of the Ind AS financial statements

As per our report of even date

For and on behalf of the Board of Directors

**FOR KAMDAR DALAL & ASSOCIATES**  
 FIRM REGISTRATION NO. : 129596W  
 CHARTERED ACCOUNTANTS

**SHREENATH INVESTMENT COMPANY LIMITED**

**S.K.KAMDAR**  
 PARTNER  
 MEMBERSHIP NO. : 032878

**VIKAS MAPARA**  
 DIRECTOR  
 DIN: 00211580

**ASHWIN JAIN**  
 DIRECTOR  
 DIN: 00173983

**PRIYA DHANUKA**  
 COMPANY SECRETARY  
 Membership No. A34564

**MAYUR KADAKIA**  
 CHIEF FINANCIAL OFFICER

Mumbai: Dated 30th May, 2018

**SHREENATH INVESTMENT COMPANY LIMITED**  
**CIN : L67120MH1979PLC022039**  
**Statement of Profit and Loss for the year ended March 31, 2018**

(All amounts in lacs, unless otherwise stated)

Particulars	Note No.	2017-18	2016-17
<b>Revenue</b>			
Revenue from Operations		-	-
Other Income	16	76.51	1,793.31
<b>Total revenue</b>		<b>76.51</b>	<b>1,793.31</b>
<b>Expenses</b>			
Employee benefit expenses	17	2.40	1.00
Finance Costs		-	-
Depreciation & amortization	18	0.68	1.37
Other expenses	19	52.16	200.33
<b>Total Expenses</b>		<b>55.24</b>	<b>202.70</b>
<b>Profit / (loss) before tax</b>		<b>21.27</b>	<b>1,590.61</b>
<b>Tax expenses</b>	20		
- Current tax		4.10	306.00
- Tax related to earlier period		-	(2.39)
- Deferred tax		(12.54)	0.32
<b>Total tax expenses</b>		<b>(8.44)</b>	<b>303.94</b>
<b>Net Profit for the year</b>		<b>29.71</b>	<b>1,286.67</b>
<b>Other Comprehensive Income</b>			
<i>Items that will be reclassified subsequently to profit or loss</i>		449.77	235.40
Remeasurement of defined benefit plans		-	-
Deferred tax effect thereon		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>449.77</b>	<b>235.40</b>
<b>Total comprehensive income / (loss) for the period</b>		<b>479.47</b>	<b>1,522.07</b>
<b>Earnings per equity share</b>	21		
<b>Earnings per equity share [nominal value of share Rs. 2/-]</b>			
Basic		11.88	514.67
Diluted		11.88	514.67

**Significant accounting policies and notes to the Ind AS financial statements (Note No.3)**

The explanatory notes referred to above form an integral part of the Ind AS financial statements

**FOR KAMDAR DALAL & ASSOCIATES**  
 FIRM REGISTRATION NO. : 129596W  
 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors  
**SHREENATH INVESTMENT COMPANY LIMITED**

**S.K.KAMDAR**  
 PARTNER  
 MEMBERSHIP NO. : 032878

**VIKAS MAPARA**  
 DIRECTOR  
 DIN: 00211580

**ASHWIN JAIN**  
 DIRECTOR  
 DIN: 00173983

**PRIYA DHANUKA**  
 COMPANY SECRETARY  
 Membership No. A34564

**MAYUR KADAKIA**  
 CHIEF FINANCIAL OFFICER

Mumbai: Dated 30th May, 2018



**SHREENATH INVESTMENT COMPANY LIMITED**  
**CIN : L67120MH1979PLC022039**  
**Cash Flow Statement for the year ended March 31, 2018**

(All amounts in lacs, unless otherwise stated)

Particulars	2017-18	2016-17
<b>Cash flows from operating activities</b>		
Profit /(loss) before tax	21.27	1,590.61
<b>Adjustments:</b>		
Depreciation and amortisation	0.68	1.37
Loss/(Profit) on sale of Equity Shares	-	(1,585.33)
Profit on sale of short term Investments	(2.38)	-
Loss/(Profit) on sale of Units	-	173.80
Dividend Income	(11.06)	(195.86)
Fair Value gain on Mutual Funds	(53.01)	(2.05)
<b>Operating cash flows before working capital changes and other assets</b>	<b>(44.50)</b>	<b>(17.46)</b>
Decrease/ (increase) in financial and other assets	(5.05)	0.41
(Decrease) / increase in financial and other liabilities	(0.33)	0.32
Cash generated from operations	<b>(49.88)</b>	<b>(16.73)</b>
Income taxes refund / (paid), net	(5.00)	(330.00)
<b>Net cash generated from in operating activities</b>	<b>(54.88)</b>	<b>(346.73)</b>
<b>Cash flows from investing activities</b>		
Sale/(Purchase) of Current Investment - Net	44.00	(772.38)
Dividend Income Received	11.06	195.86
Sale/(Purchase) of Non-Current Investment - Net	-	923.29
<b>Net cash generated from investing activities</b>	<b>55.06</b>	<b>346.77</b>
<b>Cash flows from financing activities</b>	-	-
Net cash used in financing activities	-	-
Net increase / decrease in cash and cash equivalents	0.18	0.04
Cash and cash equivalents at the beginning of the period	1.52	1.48
<b>Cash and cash equivalents at the end of the period (refer Note 8)</b>	<b>1.70</b>	<b>1.52</b>

**Notes:**

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

**As per our report of even date**

For and on behalf of the Board of Directors  
**SHREENATH INVESTMENT COMPANY LIMITED**

**FOR KAMDAR DALAL & ASSOCIATES**

FIRM REGISTRATION NO. : 129596W  
 CHARTERED ACCOUNTANTS

**S.K.KAMDAR**  
 PARTNER  
 MEMBERSHIP NO. : 032878

**VIKAS MAPARA**  
 DIRECTOR  
 DIN: 00211580

**ASHWIN JAIN**  
 DIRECTOR  
 DIN: 00173983

**PRIYA DHANUKA**  
 COMPANY SECRETARY  
 Membership No. A34564

**MAYUR KADAKIA**  
 CHIEF FINANCIAL OFFICER

Mumbai: Dated 30th May, 2018

**Shreenath Investment Company Limited**  
**Notes to the financial statements for the year ended 31 March 2018**

**1. Corporate Information**

Shreenath Investment Company Limited (the Company) is a Public Limited Company (Category - Limited by shares and sub-category - Non-Government Company) domiciled in India and is incorporated under the provisions of the Companies Act, 1956 on 26/12/1979. The Corporate Identification Number (CIN) is L67120MH1979PLC022039. The Company operates in India.

**2. Basis of preparation**

**2.1 Statement of compliance responsibility statement**

The financial statements are prepared and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 (“the Act”) read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rule, 2016 and other relevant provisions of the Act.

The financial statements up to and for the period ended 31 March 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2014 and other accounting principles generally accepted in India (IGAAP), notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the company’s first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, *First time adoption of Indian Accounting Standards* has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance of the Company is provided in Note 28.

Details of the accounting policies of the Company are included in Note 3.

**2.2 Functional and presentation currency**

The Financial statements are prepared in Indian Rupees (INR), which is also the Company’s functional currency. These financial statements are presented in Indian Rupees (rounded off to nearest lakhs, unless otherwise stated).

**2.3 Basis of measurement**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, except for the following:

<b>Items</b>	<b>Measurement basis</b>
Non-Current financial assets and liabilities	Fair value as per Ind-AS

## **2.4 Use of judgments, estimates and assumptions**

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively in current and future periods.

### ***Estimates***

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### ***a) Useful lives of property, plant and equipment assets***

The charge in respect of periodic depreciation is derived after estimating the assets expected useful life and the expected residual value at the end of its life. The depreciation method, useful lives and residual values of Company's assets are estimated by Management at the time the asset is acquired and reviewed during each financial year.

#### ***b) Valuation of deferred tax assets***

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note **3.1(h)**

#### ***c) Provisions and contingent liabilities***

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

#### ***d) Taxes***

Significant judgements are involved in determining the provision for income taxes and deferred taxes including the amount expected to be paid or involved expected to be paid or recovered in connection with uncertain tax positions.

#### ***e) Financial assets and Financial liabilities***

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of

**Shreenath Investment Company Limited**  
**Notes to the financial statements for the year ended 31 March 2018**

judgments is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**3.1 Summary of significant accounting policies**

**a. Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**b. Current-non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

Deferred tax assets are classified as non-current assets.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Shreenath Investment Company Limited**  
**Notes to the financial statements for the year ended 31 March 2018**

**c. Foreign exchange transactions**

Foreign currency transactions, if any, are recorded at the rates of exchange prevailing on the dates of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies, if any, as at the balance sheet date are translated at the closing exchange rates on that date, the resultant exchange differences are recognised in the statement of profit and loss.

**d. Property, plant and equipment**

Property, plant and equipment (PPE) are measured at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost of PPE includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of those PPE. Likewise, when a major inspection is performed, its costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss in the year the asset is derecognized.

***Transition to Ind AS***

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as at 01 April 2016, measured as per the IGAAP, and use that carrying value as the deemed cost of such PPE.

***Subsequent measurement***

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. All other repairs and maintenance costs are recognised in statement of profit and loss as incurred.

***Depreciation***

Depreciation is provided on the written down value method over the estimated useful life of the assets, which are equal/lower than the rates prescribed under Schedule II of the Companies Act, 2013. In order to reflect the actual usage of assets, the estimated useful lives of the assets is based on a technical evaluation.

**Shreenath Investment Company Limited**  
**Notes to the financial statements for the year ended 31 March 2018**

<b>Asset category</b>	<b>Estimated useful life (Years)</b>
Buildings	60 years
Furniture and Fixtures	10 years
Office equipment	5 years

Depreciation is charged on a proportionate basis for all assets purchased and sold during the year.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are shown as capital advances under long-term loans and advances and the cost of property, plant and equipment not ready for their intended use before such date are disclosed under capital work-in-progress.

**e. Impairment of assets**

*Impairment of non-financial assets*

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognized.

**f. Employee benefits**

The Company has one employee. The Company is of the opinion that the provisions of the Payment of Gratuity Act, 1972 are not applicable to it. Accordingly, no provision is considered necessary in respect of the same.

In respect of recognition and measurement of short term accumulated compensated absences, the Company's policy is that employee is not entitled to cash payment for unused leave entitlement. Accordingly, no provision is considered necessary in respect of the same.

**g. Revenue recognition**

**Recognition of Income and Expenditure:**

Revenues / Incomes and Costs / Expenditure are generally accounted on accrual basis, as they are earned or incurred.

**Profit on sale of Investments**

Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sales price and carrying value of the investment.

**Dividend Income**

Dividend income on investments is accounted for when the right to receive the payment is established. Profit on sale of Investment is recognised at the time of redemption/sale based on contract note.

**h. Taxation**

Income tax expense comprises current tax and deferred tax charge or credit. Income tax expense is recognized in statement of profit or loss except to the extent that it relates to items recognized in other comprehensive income (OCI) or directly in equity.

*Current tax*

Current tax is the tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous year. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net asset basis.

*Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each balance sheet date and are recognised/ reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

**Shreenath Investment Company Limited**  
**Notes to the financial statements for the year ended 31 March 2018**

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**i. Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**j. Earnings per share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

**k. Provisions and contingent liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**l. Financial Instruments**

***i. Initial recognition of financial instruments:***

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Financial asset and liability not recorded at fair value through profit and loss (FVTPL), is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.



*ii. Subsequent measurement of financial assets:*

*Cash and cash equivalents*

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

*Financial assets at amortized cost*

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

*Financial assets at fair value through other comprehensive income*

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

*Financial assets at fair value through profit or loss*

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

*iii. Subsequent measurement of Financial liability*

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

*iv. De-recognition of financial instruments*

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind-As 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**Shreenath Investment Company Limited**  
**Notes to the financial statements for the year ended 31 March 2018**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

*v. Fair value measurement*

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For all other financial instruments, the carrying amount approximates fair value due to the short maturity of those instruments.

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements (continued)**  
**(All amounts in lacs, unless otherwise stated)**

**4 Property, plant and equipment**

<b>Particulars</b>	<b>Buildings*</b>	<b>Furniture and Fixtures</b>	<b>Office Equipment</b>	<b>Total</b>
<b>As at 'April 01, 2016</b>	34.28	2.72	9.41	46.42
Additions	-	-	-	-
Sale	-	-	-	-
<b>As at 31 March 2017</b>	34.28	2.72	9.41	46.42
Additions	-	-	-	-
Sale	-	-	-	-
<b>As at 31 March 2018</b>	34.28	2.72	9.41	46.42
<b>Accumulated depreciation</b>				
<b>As at 'April 01, 2016</b>	<b>27.65</b>	1.67	7.97	37.28
Depreciation for the year	0.29	0.29	0.79	1.37
Adjustment on sale	-	-	-	-
<b>As at 31 March 2017</b>	27.94	1.96	8.76	38.65
Depreciation for the year	0.28	0.21	0.20	0.68
Adjustment on sale	-	-	-	-
<b>As at 31 March 2018</b>	28.21	2.16	8.95	39.33
<b>Net block</b>				
<b>As at 31 March 2016</b>	<b>6.64</b>	<b>1.05</b>	<b>1.45</b>	<b>9.14</b>
<b>As at 31 March 2017</b>	<b>6.35</b>	<b>0.77</b>	<b>0.66</b>	<b>7.77</b>
<b>As at 31 March 2018</b>	<b>6.07</b>	<b>0.56</b>	<b>0.46</b>	<b>7.09</b>

(\*) Includes 20 shares of Dalamal Tower Premises Co-operative Society Ltd of Rs.50 each aggregating to Rs.1,000

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements**  
**(All amounts in lacs, unless otherwise stated)**

**Non-current assets**

**5.1 Investments**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Investment in equity shares (valued at Fair value through OCI)	1,894.36	1,444.59	1,883.32
Less: Provision for Diminution in value of Shares	-	-	-
<b>Total</b>	<b>1,894.36</b>	<b>1,444.59</b>	<b>1,883.32</b>

**Non-current assets**

**5.2 Loans and Advances**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Deposit - Office	5.48	5.48	5.48
Deposit - Rent	0.17	0.17	0.17
Deposit - BSES	0.40	0.40	0.40
<b>Total</b>	<b>6.04</b>	<b>6.04</b>	<b>6.04</b>

**Non-current assets**

**6. Deferred Tax Asset, Net**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Difference in written down value of fixed assets as per tax books and financial books	16.97	4.44	4.76
<b>Total</b>	<b>16.97</b>	<b>4.44</b>	<b>4.76</b>

**Current Assets**

**7. Investments**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
(Valued at cost, unless otherwise stated)			
HDFC Floating Rate Income Fund-STP W/s Growth	818.52	807.13	-
HDFC CMF- Saving Plan (Daily dividend)	-	-	206.50
<b>Total</b>	<b>818.52</b>	<b>807.13</b>	<b>206.50</b>

**Current Assets**

**8. Cash and cash equivalents**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Cash on hand	0.07	0.06	0.00
<b>Balance with scheduled banks</b>			
in current accounts	1.63	1.47	1.48
Fixed Deposit with maturity less than 3 months	-	-	-
<b>Total</b>	<b>1.70</b>	<b>1.52</b>	<b>1.48</b>

**Current Assets**

**9. Loans and Advances**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Advances for Expenses	-	-	0
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0</b>

**Current Assets**

**10. Current tax assets (net)**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Income tax paid (net of provisions)	28.97	28.07	1.68
<b>Total</b>	<b>28.97</b>	<b>28.07</b>	<b>1.68</b>

**11. Other Current Assets**

Particulars	IND-AS	IND-AS	IND-AS
	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Prepaid Expenses	0.03	0.07	0.10
Balance with Government Authority	5.09	-	-
Others	-	-	-
<b>Total</b>	<b>5.12</b>	<b>0.07</b>	<b>0.10</b>

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements**  
**(All amounts in Lacs, unless otherwise stated)**

**12. Authorised, issued, subscribed and paid-up share capital**

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
<b>Authorised share capital</b>			
Equity share capital			
250,000 (Previous year 250,000) Equity Share of Rs 10 Each Fully Paid up	25.00	25.00	25.00
	<b>25.00</b>	<b>25.00</b>	<b>25.00</b>
<b>Issued, subscribed and paid-up share capital</b>			
250,000 (Previous year 250,000) Equity Shares of Rs. 10 Each Fully Paid up	25.00	25.00	25.00
	<b>25.00</b>	<b>25.00</b>	<b>25.00</b>

**Shareholders holding more than 5% of the shares**

	As at 31st March 2018		As at 31st March 2017	
	% held	Nos	% held	Nos
Shareholders				
Mangal Bhanshali	12.28%	30,700	9.88%	24,700

**Reconciliation of shares**

	As at 31st March 2018	As at 31st March 2017
<b>Equity shares</b>		
Outstanding at the beginning of the year	25.00	25.00
<b>Add:</b> Shares issued during the year	-	-
Outstanding at the end of the year	<b>25.00</b>	<b>25.00</b>

**Rights, Preferences and restrictions attached to each class of shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The holders of equity shares are entitled to interim dividend and dividend, if any, proposed by the Board of Directors and approved by Shareholders at Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**In the last 5 years preceding the balance sheet date,**

No shares have been allotted as fully paid shares without payment being received in cash.  
No shares allotted as fully paid shares by way of bonus shares.  
No calls are unpaid by directors or officers.  
No shares are bought back by the company.

**No shares have been forfeited during the year.**

**SHREENATH INVESTMENT COMPANY LIMITED**

**13. Statement of changes in equity**

(All amounts in lacs, unless otherwise stated)

**A Equity Share Capital**

Particulars	March 31, 2018		March 31, 2017		April 01, 2016	
	Number of Shares	Rs	Number of Shares	Rs	Number of Shares	Rs
<b>Issued, subscribed and paid-up share capital</b>						
Equity shares of INR 10 each						
Opening Balance	250,000	25.00	250,000	25.00	250,000	25.00
Changes in equity share capital during the year					-	-
<b>Closing Balance</b>	<b>250,000</b>	<b>25.00</b>	<b>250,000</b>	<b>25.00</b>	<b>250,000</b>	<b>25.00</b>

**B Other Equity**

Particulars	Retained Earnings	Capital Reserve	Other Comprehensive Income	Total
<b>As at April 01, 2016</b>				
Balance as per previous GAAP	739.82	8.66	-	748.48
<b>Adjustments:</b>				-
<b>Reversal of Provision for Diminution in value of Shares</b>	1.36	-	-	1.36
Fair Value on Equity Shares through OCI	-	-	1,337.08	1,337.08
<b>As at April 01, 2016</b>	<b>741.18</b>	<b>8.66</b>	<b>1,337.08</b>	<b>2,086.91</b>
Profit for the year	1,286.67	-	235.40	1,522.07
Fair Value Gain transferred in profit and loss	-	-	(1,336.16)	(1,336.16)
<b>Balance as at 31 March 2017</b>	<b>2,027.85</b>	<b>8.66</b>	<b>236.32</b>	<b>2,272.82</b>
Profit for the year	29.71	-	449.77	479.47
<b>Balance as at 31 March 2018</b>	<b>2,057.55</b>	<b>8.66</b>	<b>686.08</b>	<b>2,752.29</b>

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements**  
**(All amounts in lacs, unless otherwise stated)**

**Current liabilities**

**14. Other financial liabilities**

Particulars	IND-AS	IND-AS	IND-AS
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Creditors For Expenses	1.40	1.76	1.49
<b>Total</b>	<b>1.40</b>	<b>1.76</b>	<b>1.49</b>

**Current liabilities**

**15. Other current liabilities**

Particulars	IND-AS	IND-AS	IND-AS
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Statutory Dues	0.08	0.06	-
<b>Total</b>	<b>0.08</b>	<b>0.06</b>	<b>-</b>

**Profit and Loss Account**

Particulars	2017-18	2016-17
-------------	---------	---------

**16. Other Income**

**Dividend:**

on Long term Investments	11.06	2.76
on Current Investments	-	193.10
Profit on sale of long term Investments	-	1,585.33
Fair Value gain on Mutual Funds	53.01	2.05
Profit on sale of short term Investments	2.38	-
Rent	10.03	10.03
Interest	0.04	0.04
<b>Total</b>	<b>76.51</b>	<b>1,793.31</b>

**Expenses**

**17 Employee benefits expenses**

Particulars	2017-18	2016-17
Salaries, wages and bonus	2.40	1.00
<b>Total</b>	<b>2.40</b>	<b>1.00</b>

**18 Depreciation**

Particulars	2017-18	2016-17
Depreciation	0.68	1.37
<b>Total</b>	<b>0.68</b>	<b>1.37</b>

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements**  
**(All amounts in lacs, unless otherwise stated)**

**19 Other expenses**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Loss on sale of Current investments	-	173.80
Advertisement	0.43	0.42
Professional Fees	1.11	3.39
Rates & Taxes	0.10	4.06
Society Maintenance Charges	9.83	6.26
Listing Fees	32.88	2.30
Electricity Charges	6.54	7.98
Depository Charges	0.28	0.46
<b>Auditors Remuneration:</b>		
Audit Fees	0.45	0.45
Limited Review Fees	0.34	0.30
Tax Matter Fees	-	0.20
Out of Pocket Expenses	-	0.04
Reimbursement of Service Tax	-	0.14
Miscellaneous Expenses	0.21	0.52
<b>Total</b>	<b>52.16</b>	<b>200.33</b>

**20 Tax Expense**

Current tax (including earlier years)	4.10	303.61
Deferred tax	(12.54)	0.32
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(8.44)</b>	<b>303.94</b>

The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective (MAT) tax rate of the Company at 21.34% and 21.34% respectively and the reported tax expense in the statement of profit or loss are as follows:

**Reconciliation of tax expense and the accounting profit multiplied by tax rate**

Accounting profit before income tax	21.27	1,590.61
At country's statutory income tax (MAT) rate of 21.34% (31 March 2017 : 21.34%)	4.54	339.44

**Tax effect of amounts which are not deductible (taxable) in calculating taxable income:**

Others	(12.97)	(35.50)
	<b>(8.44)</b>	<b>303.94</b>

**21 Earning Per Equity Share**

**Net profit attributable to equity shareholders**

Net profit for the year	29.71	1,286.67
Nominal value of equity share Rs.	10	10
Total number of equity shares outstanding at the beginning of the year	250,000	250,000
Total number of equity shares outstanding at the end of the year	250,000	250,000
Weighted-average number of equity shares	250,000	250,000
Basic	11.88	514.67
Diluted	11.88	514.67



**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements (continued)**  
**(All amounts in lacs, unless otherwise stated)**

**22 Contingent Liabilities**

The Company does not have any contingent liability as on 31.03.2018 (Previous year Rs. Nil)  
 Additional liability, if any, arising pursuant to assessments under various fiscal statutes shall be accounted for in the year of assessment.  
 Contingent liabilities as may arise due to delayed compliance/non-compliance, if any, of various fiscal statutes - amount not ascertainable

**23 Related party transactions**

**Names of related parties and description of relationship:**

Relationship	Name of the related party
Key managerial personnel	Vikas Mapara
Enterprises having common KMP	Visual Percept Solar Projects Private Limited

Rent Received	Year ended 31 March 2018	Year ended 31 March 2017
Visual Percept Solar Projects Private Limited	10.03	10.03
<b>Total</b>	<b>10.03</b>	<b>10.03</b>

No amount in respect of the related parties has been written off / back during the year.  
 Related parties relationship has been identified by the management and relied upon by the Auditors.

**24 Financial Instruments by Category**

i) Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**During the year, the Company has no financial assets and liabilities which are measured at fair value.**

**Fair value hierarchy**

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** inputs other than quoted prices included within Level 1

**Level 3:** unobservable inputs for the asset or liability.

**Fair value of instruments measured at amortised cost:**

Particulars	Level	31-Mar-18	31-Mar-17
Investments	Level 1	1,894.36	1,444.59
Other Financial Assets	Level 3	6.04	6.04
Other financial liabilities	Level 3	-	-

The above disclosures are presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities) represents the best estimate of fair value.

**25 Financial Risk Management**

i) **Financial instruments by category**

**For amortised cost instruments, carrying value represents the best estimate of fair value.**

Particulars	31-Mar-18	31-Mar-17
<b>Financial Assets</b>	<b>Fair Value</b>	<b>Fair Value</b>
Investments	2,712.88	2,251.72
Loans and Advances	6.04	6.04
Cash and cash equivalents	1.70	1.52
<b>Total</b>	<b>2,720.62</b>	<b>2,259.29</b>
<b>Financial Liabilities</b>		
Other financial liabilities	1.40	1.76
<b>Total</b>	<b>1.40</b>	<b>1.76</b>

ii) **Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

**A) Credit risk**

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements (continued)**  
**(All amounts in lacs, unless otherwise stated)**

There is no credit risk in the Company

**B) Liquidity Risk**

There is no liquidity risk in the Company

**C) Market Risk**

Market risk is the risk that change in market prices such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments. Objective of market risk management is to manage and limit exposure of the Company's earnings and equity to losses.

**D) Equity prices**

The company's investment in Equity Shares are carried at Fair Value. They are subject to market risk as defined in Ind AS 107, since the carrying amount of the future cash flows will fluctuate because of a change in market rates.

**26 Capital Management**

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and for the future development of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

The funding requirements are met through equity and operating cash flows generated.

The Company's adjusted net debt to equity ratio is as follows:

<b>Particulars</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>
Total liabilities	1.48	1.81
Less: cash and cash equivalents	1.70	1.52
Adjusted net debt	(0.22)	0.29
Total equity	2,777.29	2,297.82
<b>Adjusted net debt to equity ratio</b>	<b>0.00</b>	<b>0.00</b>

**27 Segment reporting**

The Company primarily operates in single business and geographical segment. Hence, no additional disclosures are required to be given as per Ind AS 108 on Operating Segments, other than those already given in the financial results.

**28 Corporate social responsibility**

Disclosure in respect of Corporate Social Responsibility under section 135 of the Companies Act, 2013 and Rules thereon:  
Gross amount required to be spent by the Company during the year : Rs.1.17 lacs (Previous year Rs.NIL)  
Amount spent during the year Rs.NIL (Previous year Rs.NIL)

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements (continued)**  
**(All amounts in lacs, unless otherwise stated)**

**29 First time adoption of Ind AS**

These financial statements of the Company for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the periods upto and including the period ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2006 (Indian GAAP). For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - "First time adoption of Indian Accounting Standards", with April 01, 2016 as the transition date and Indian GAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 3.1 have been applied in preparing the financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's balance sheet and statement of profit or loss is set out in note 40 B. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out below.

**29A**

Ind AS 101 allows first-time adopters certain exemptions for the retrospective applications of certain requirements under Ind AS. The Company has applied the following exemptions:

**A 1 - Optional exemptions**

**A 1.1 Deemed cost**

Ind AS 101 permits a first time adopter to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of transition after making necessary adjustments for de-commissioning liabilities.

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Indian GAAP financials as deemed cost at the transition date.

**A2 Mandatory exemptions**

**A 2.1 Estimates**

The estimates as at 01 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 01 April 2016, the date of transition to Ind AS and as of 31 March 2017.

**SHREENATH INVESTMENT COMPANY LIMITED**  
**Notes forming part of the Ind AS financial statements (continued)**  
**(All amounts in lacs, unless otherwise stated)**

**29B Reconciliation between Indian GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income for prior periods. The following tables represent the reconciliation from previous GAAP to Ind AS.

**Reconciliation of equity as at 31 March 2017**

	Particulars	Indian GAAP	Effect of transition to Ind AS	Ind AS	Note
<b>ASSETS</b>					
<b>Non-current assets</b>					
(a)	Property, Plant and Equipment	7.77	-	7.77	
(b)	Financial Assets	-	-		
	(i) Investments	1,206.92	237.67	1,444.59	Equity investment Fair value through OCI
	(i) Loans and Advances	6.04	-	6.04	
(c)	Deferred Tax Asset, Net	4.44	-	4.44	
	<b>Total non-current assets</b>	<b>1,225.17</b>	<b>237.67</b>	<b>1,462.84</b>	
<b>Current Assets</b>					
(a)	Inventories				
(b)	Financial Assets				
	(i) Investments	805.08	2.05	807.13	Equity investment Fair value through profit and loss account
	(iii) Cash and cash equivalents	1.52	-	1.52	
	(v) Loans and Advances	-	-	-	
(c)	Current tax assets (net)	28.07	-	28.07	
(d)	Other current assets	0.07	-	0.07	
	<b>Total current assets</b>	<b>834.74</b>	<b>2.05</b>	<b>836.79</b>	
	<b>Total Assets</b>	<b>2,059.91</b>	<b>239.72</b>	<b>2,299.63</b>	
(a)	Equity Share capital	25.00	-	25.00	
(b)	Other Equity	2,033.10	239.72	2,272.82	
	<b>Total equity</b>	<b>2,058.10</b>	<b>239.72</b>	<b>2,297.82</b>	
(a)	Financial Liabilities				
	(i) Borrowings				
	(ii) Other financial liabilities				
(b)	Provisions				
(c)	Other Non-current liabilities				
	<b>Total non-current liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
(a)	Financial Liabilities				
	(i) Borrowings				
	(ii) Trade payables				
	(iii) Other financial liabilities	1.76	0.00	1.76	
(b)	Provisions				
(c)	Liabilities for current tax (net)				
(d)	Other current liabilities	0.06	0.00	0.06	
	<b>Total current liabilities</b>	<b>1.81</b>	<b>0.00</b>	<b>1.81</b>	
	<b>Total Equity and Liabilities</b>	<b>2,059.91</b>	<b>239.72</b>	<b>2,299.63</b>	

**SHREENATH INVESTMENT COMPANY LIMITED**

Notes forming part of the Ind AS financial statements (continued)

(All amounts in lacs, unless otherwise stated)

Reconciliation of total comprehensive income for the year ended 31st March, 2017

	Particulars	Indian GAAP	Effect of transition to Ind AS	Ind AS	Note
	<b>Revenue</b>				
	Revenue from Operations	-	-	-	
	Other Income	1,791.26	2.05	1,793.31	Equity investment Fair value through profit and loss account
	<b>Total revenue</b>	<b>1,791.26</b>	<b>2.05</b>	<b>1,793.31</b>	
	<b>Expenses</b>				
	Employee benefit expenses	1.00	-	1.00	
	Finance Costs	-	-	-	
	Depreciation & amortization	1.37	(0.00)	1.37	
	Other expenses	200.33	(0.00)	200.33	
	<b>Total Expenses</b>	<b>202.70</b>	<b>(0.00)</b>	<b>202.70</b>	
	<b>Profit / (loss) before tax</b>	<b>1,588.55</b>	<b>2.05</b>	<b>1,590.61</b>	
	<b>Tax expenses</b>				
	- Current tax	306.00	-	306.00	
	- Tax related to earlier period	(2.39)	-	(2.39)	
	- Deferred tax	0.32	-	0.32	
	<b>Total tax expenses</b>	<b>303.94</b>	<b>-</b>	<b>303.94</b>	
	<b>Net Profit for the year</b>	<b>1,284.62</b>	<b>2.05</b>	<b>1,286.67</b>	
	<b>Other Comprehensive Income</b>				
	<i>Items that will be reclassified subsequently to profit or loss</i>	0.00	235.40	235.40	Equity investment Fair value through OCI
	Remeasurement of defined benefit plans	0.00	0.00	0.00	
	Deferred tax effect thereon	0.00	0.00	0.00	
	<b>Other Comprehensive Income for the year, net of tax</b>	<b>0.00</b>	<b>235.40</b>	<b>235.40</b>	
	<b>Total comprehensive income / (loss) for the period</b>	<b>1,284.62</b>	<b>237.45</b>	<b>1,522.07</b>	

**SIGNATURES TO NOTES 1 TO 29**

**FOR KAMDAR DALAL & ASSOCIATES**  
FIRM REGISTRATION NO. : 129596W  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors  
**SHREENATH INVESTMENT COMPANY LIMITED**

**S.K.KAMDAR**  
PARTNER  
MEMBERSHIP NO. : 032878

**VIKAS MAPARA**  
DIRECTOR  
DIN: 00211580

**ASHWIN JAIN**  
DIRECTOR  
DIN: 00173983

**PRIYA DHANUKA**  
COMPANY SECRETARY  
Membership No. A34564

**MAYUR KADAKIA**  
CHIEF FINANCIAL OFFICER

Mumbai: Dated 30th May, 2018