
SVC RESOURCES LIMITED

Annual Report 2017 - 18

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting this Annual Report of your Company together with the Annual Audited Statements of Accounts for the year ended March 31, 2018.

Despite of Company Law Board Order dated April 04, 2014 for change in management of the Company and Company Law Board Order dated June 04, 2015 the Old management did not handover all records of the Company to the new management.

Your Company financial performance during the year 2017-18 is summarized below:

	<i>(Rs. in Lakhs)</i>	
Financial Results	Year Ended 31.03.2018	Year Ended 31.03.2017
Income	18.20	51.39
Less: Expenditure	(26.77)	(44.79)
Profit before Extraordinary Items and Tax	(8.57)	6.60
Add/Less : Extraordinary Items	68.91	-
Profit Before Tax	60.34	6.60
Less : Tax Expense	12.16	-
Profit after Tax	48.18	6.60
EPS (in Rs.)	0.69	0.09

FINANCIAL SUMMARY

The Company's net profit after tax for the Financial Year ended March 31, 2018 stood at Rs. 48.18 lakhs as against net profit after tax of Rs. 6.60 lakhs in the previous year.

CHANGE IN NATURE OF BUSINESS, IF ANY:

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

TRANSFER TO RESERVES

No amount is transferred to reserves in the financial year under review.

CHANGES IN SHARE CAPITAL

The Company has neither bought back its shares nor has issued any sweat equity or Bonus shares during the year under review.

DIVIDEND

As there was minimal income in the current year, to strengthen the financial position of the Company and to augment working capital your directors regret to declare any dividend.

PUBLIC DEPOSITS

As the Old Board has not handed over the books of accounts, statutory records and minutes book, the company is not in a position to ascertain acceptance of public deposits. Company Law Board, New Delhi, vide its order dated June 4, 2015 has directed the old board to handover books of accounts and other records to the new board. However, the old board is yet to hand over the same. The new management of the Company has not accepted any deposit from public since the new management has taken charge of the Company.

BUY-BACK / SWEAT EQUITY / BONUS SHARES

The Company has neither bought back its shares nor has issued any sweat equity or Bonus shares during the year under review.

EMPLOYEES STOCK OPTION PLAN

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the Companies Act, none of the Directors are liable to retire by rotation at the ensuing Annual General Meeting.

During the period under review Mr. Akhilesh Malvi was appointed as Managing Director of the Company. Mr. Rajesh Baheti was appointed as Chairman and Chief Financial Officer of the Company. Mr. Ghanshyam Chudasama and Ms. Sanam Barot were appointed as Non-Executive - Independent Directors. Mr. Om Prakash Chugh, Non-Executive - Independent Director and Mr. Riyaz Khan, Non-Executive - Independent Director of the Company vacated the office w.e.f. July 06, 2017.

During the year existing Company Secretary resigned and new Company Secretary was appointed.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is Annexed herewith as Annexure I. Copy of the same is also placed on the website of the Company. The web link for the same is as under:

<http://svcreources.co.in/wp-content/uploads/2018/08/MGT-9-FY-2017-18.pdf>

DETAILS OF SUBSIDIARIES/ASSOCIATES/JOINT VENTURES, IF ANY:

As per records available from BSE Website and MCA Website, Company had only one overseas subsidiary SVC Resources FZC, Sharjah, UAE. However, the company has no records pertaining to its subsidiary as old management has not handed over the records to the new management despite of the Company Law Board Order. Hence, subsidiary accounts are not enclosed.

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

The information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report as Annexure II.

VIGIL MEGHANISM

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases. In the case of any concerns the employees can write to the Chairperson of Audit Committee. The policy on vigil Mechanism forms part of the website of the Company. The Web link for the policy of vigil mechanism is:

<http://svcreources.co.in/wp-content/uploads/2015/12/Whistle-Blower-Policy.pdf>

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has inadequate profit in the year under review. Hence, the Corporate Social Responsibility provisions do not apply to the Company.

RELATED PARTY TRANSACTIONS

No transactions were carried out between any of the related parties in the year under review. The web link for related party transaction policy is

<http://svcreources.co.in/wp-content/uploads/2015/12/Related-Party-Transaction.pdf>

RISK MANAGEMENT

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The Policy provides for identifying internal and external risks and implementing risk mitigation steps.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. Details of the Familiarization program for Independent Directors forms part of the website of the Company. The web link of Familiarization program is as under: <http://svcreources.co.in/wp-content/uploads/2015/12/Familiarisation-of-Independent-Director.pdf>

NOMINATION AND REMUNERATION POLICY

Company's policy relating to directors appointment, payment of remuneration and discharge of their duties is annexed herewith as Annexure III. The web link of the policy is :

<http://svcreources.co.in/wp-content/uploads/2015/12/Nomination-and-Remuneration-Policy.pdf>

CORPORATE GOVERNANCE

Pursuant to Regulation 15(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, compliance of Corporate Governance is not mandatory. However, the company has complied with the provisions of Regulation 17 to 27 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent possible. A separate section on Corporate Governance forms part of the Directors' Report as stipulated in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Annual Report as Annexure IV.

INDEPENDENT DIRECTOR'S MEETING

The Board of Directors of the Company meets once in every Financial Year without the presence of Executive Directors and Management of the Company. The role of the Directors is as per the provisions of Companies Act, 2013 as well as the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DECLARATION BY INDEPENDENT DIRECTOR

Pursuant to Section 149(6) of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, the Independent Directors of the Company have given the declaration to the Company that they qualify the criteria of independence as required under the Act.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, the Board has carried out annual performance evaluation of its own performance, the directors

individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders' Relationship Committee, including the Chairperson of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairperson and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE UNDER SECTION 186 OF COMPANIES ACT, 2013

Particulars of loans, guarantees and investments made by Company pursuant to Section 186 of the Companies Act, 2013 are given in the notes to the financial accounts and forms part of the Annual Report. The Company has not given any loan, guarantee or investment during the financial year under review.

The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products sold by the Company.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

There have been no material changes and commitments, if any, 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. Receivable and payable which are more than 4 years old and are not supported by any documentary evidence are being written off.

PARTICULARS OF EMPLOYEES

The Company has no directors or employees who are in receipt of remuneration exceeding the sum prescribed under section 197 of the Companies Act, 2013 read with Rule (5) of Companies (Appointment and Remuneration of Managerial Person) Rules, 2014.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment against women. The Board constituted a sexual harassment committee where the chairperson of the Committee is Ms. Sanam Barot. It was also decided that Ms. Tulsa Silwal and Mr. Akhilesh Malvi shall be Members of the Committee. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year 2017-18.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and/or material order was passed by any Regulator, any Court in India or any Tribunal, impacting the going concern status and the Company's operations in future.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

AUDITORS**Statutory Auditors**

Subsequent to the year end, M/s. Jain & Jain, Chartered Accountants, Statutory Auditors of the Company, tendered their resignation vide their letter dated August 23, 2018 due to their pre-occupancy with other professional activities. The Board has appointed M/s. Dinesh H Agarwal & Co., Chartered Accountants, as new Statutory Auditor of the Company for a period of three years starting from FY 2018-19 till FY 2020-2021, subject to the approval of the Members in the ensuing Annual General Meeting. The Company has received confirmation from the new Auditor, that their appointment would be within the prescribed limit specified under relevant sections of the Companies Act, 2013 and that they are not disqualified from such appointment.

The Board recommends appointment of M/s. Dinesh H Agarwal & Co., Chartered Accountants as Statutory Auditors of the Company for a period of three years starting from FY 2018-19 till FY 2020-2021.

Members are requested to approve the same.

Statutory Audit Report

The Auditors have given a qualified Audit Report with the following qualification:-

Basis for Disclaimer of Opinion

So far as information and explanations given to us, the Old Management of the Company was removed in an Extraordinary General Meeting held on January 11, 2014 and supported by the an order of the Company Law Board, Delhi dated April 4, 2014. However the management is yet to receive the old books of account and its impact on the financial statements hence we do not express an opinion on the same.

We also do not express an opinion on write off of sundry receivables of Rs. 2252.87 Lakhs and write back of sundry payables of Rs. 2247.69 Lakhs which is included in extraordinary items in the profit and loss statement.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis of Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Management Representation

Subsequent to Company Law Board Order dated June 04, 2015 the new management is in continues touch for handover of Books of Accounts and Statutory Records. The company has also filed a complaint with the police station for the same. The company is yet to receive Books of Accounts and Statutory Records. Financial statements have been prepared on the basis of records available with the Company, Banks, BSE and Government Authorities.

Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Person) Rules, 2014, the Company has appointed Maithili Nandedkar & Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year 2017-2018.

In terms of provisions of Section 204(1) of the Companies Act, 2013, Secretarial Audit Report is annexed to this Board Report.

DIRECTORS RESPONSIBILITY STATEMENT

As the Old Board has not handed over the books of accounts, statutory records and minutes book, the company is not in a position to confirm and ascertain the genuineness of various balances and advances shown in the Annual Report for the year ended March 31, 2013.

The Company Law Board, Principal Bench, New Delhi, vide its order dated June 04, 2015 has directed the old board to handover books of accounts and other records to the new board. However, the old board is yet to hand over the same.

Pursuant to Section 134 of the Companies Act, 2013 the Directors state that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit and loss of the Company for the year ended March 31, 2018;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;

- (e) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- (f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REGISTERED OFFICE AND CORPORATE OFFICE

During the period under review there is no change in Registered Office Address and Corporate Office Address of the Company.

BUSINESS SEGMENT

The Company primarily operates in the business segment of mining and trading.

OVERVIEW

SVC Resources Limited (SVC) is a BSE listed company. SVC is a professionally managed Company with the Board Members having rich and varied experience in Exploration, Mining, Processing, Trading and other fields.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The present internal control systems are commensurate with its size.

HUMAN RESOURCES

Company encourages a culture that develops and empowers people, promotes team building and nurtures new ideas. The Company's recruitment practice ensures that suitable candidates with merit are recruited and provided with the right opportunities to grow within the organization.

ACKNOWLEDGEMENTS

The Board of Directors wishes to convey their appreciation to all your Company's employees for their performance and continued support. The Directors would also like to thank all the Shareholders, Consultants, Customers, Vendors, Bankers, Service Providers, and Government and Statutory Authorities for their continued support.

Place: Mumbai

Date: August 23, 2018

For and on behalf of the Board
For **SVC Resources Limited**

Chairperson

Annexure I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018**

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L10100MH1976PLC018861
2	Registration Date	28/02/1976
3	Name of the Company	SVC Resources Limited
4	Category/Sub-category of the Company	Company Limited By Shares Indian Non-Government Company
5	Address of the Registered office & contact details	Office No. 42, Citi Mall, Link Road Andheri (West) Mumbai - 400053. Email id - svcresourceslimited@gmail.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Share Registry (India) Pvt. Ltd Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha Marg, Lower Parel (E), Mumbai - 400 011.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Mining and Trading in Minerals	07100	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	SVC Resources FZE	Foreign Company	Subsidiary	85	2(87)

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 [As on April 1, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	19,93,565	0	19,93,565	28.66%	19,93,565	0	19,93,565	28.66%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	19,93,565	0	19,93,565	28.66%	19,93,565	0	19,93,565	28.66%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	19,93,565	0	19,93,565	28.66%	19,93,565	0	19,93,565	28.66%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	64,666	0	64,666	0.93%	76044	0	76044	1.09%	0.16%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	64,666	0	64,666	0.93%	76044	0	76044	1.09%	0.16%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	12,37,584	0	12,37,584	17.79%	10,84,808	0	10,84,808	15.60%	-2.20%

ii) Other Body Corporates	11,378	0	11,378	0.16%	0	0	0	0	-0.16%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	12,84,057	30	12,84,087	18.46%	12,88,483	35	12,88,518	18.53%	0.06%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	18,84,635	0	18,84,635	27.10%	20,88,017	0	20,88,017	30.02%	2.92%
c) Others - Other Directors	2,066	832	2,898	0.04%	2,898	0	2,898	0.04%	0.01%
Non Resident Indians	49,090	4,028	53,118	0.76%	49,027	4,028	53,055	0.76%	0.00%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	2,46,255	0	2,46,255	3.54%	1,87,112	0	1,87,112	2.69%	-0.85%
Trusts	-	-	-	-	-	-	-	-	-
HUF	1,77,214	0	1,77,214	2.55%	1,81,383	0	1,81,383	2.61%	0.06%
Sub-total (B)(2):-	48,92,279	4,890	48,97,169	70.41%	48,81,728	4,063	48,85,791	70.24%	-0.16%
Total Public (B)	49,56,945	4,890	49,61,835	71.34%	49,57,772	4,063	49,61,835	71.34%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	69,50,510	4,890	69,55,400	100.00	69,51,337	4,063	69,55,400	100.00	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Lorgan Lifestyle Limited	19,93,565	28.66	-	19,93,565	28.66	-	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There has been no change during the year under review in the Promoters Shareholding.

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	No. of shares	% of total shares
1	Name			
	Rohit Khullar			
	At the beginning of the year	01-04-17	3,66,508	5.27%
	Changes during the year		5,000	0.07%
	At the end of the year	31-03-18	3,71,508	5.34%

2	Name			
	Arwinder Kaur			
	At the beginning of the year	01-04-17	0	0
	Changes during the year		3,30,095	4.75%
	At the end of the year	31-03-18	3,30,095	4.75%

3	Name			
	Mohit Khullar			
	At the beginning of the year	01-04-17	2,15,000	3.09%
	Changes during the year		5,000	0.07%
	At the end of the year	31-03-18	2,20,000	3.16%

4	Name			
	Globe Fincap Limited			
	At the beginning of the year	01-04-17	1,39,259	2.00%
	Changes during the year		-	-
	At the end of the year	31-03-18	1,39,259	2.00%

5	Name			
	Ashok Kumar Gupta			
	At the beginning of the year	01-04-17	1,03,302	1.49%
	Changes during the year		-	-
	At the end of the year	31-03-18	1,03,302	1.49%

6	Name			
	Vimal Finstock Private Limited			
	At the beginning of the year	01-04-17	1,12,500	1.62%
	Changes during the year		(9,554)	0.14%
	At the end of the year	31-03-18	1,02,946	1.48%

7	Name			
	Bhajee Infin Private Limited			
	At the beginning of the year	01-04-17	1,00,000	1.44%
	Changes during the year		-	-
	At the end of the year	31-03-18	1,00,000	1.44%

8	Name			
	Madhukar Sheth			
	At the beginning of the year	01-04-17	89,400	1.29%
	Changes during the year		-	-
	At the end of the year	31-03-17	89,400	1.29%

9	Name			
	Infotel Technologies Pvt. Ltd.			
	At the beginning of the year	01-04-17	75,900	1.09%
	Changes during the year		-	-
	At the end of the year	31-03-18	75,900	1.09%

10	Name			
	Mithun Securities Private Limited			
	At the beginning of the year	01-04-17	70,964	1.02%
	Changes during the year		666	0.01%
	At the end of the year	31-03-18	71,630	1.03%

(v) Shareholding of Directors and Key Managerial Personnel:

Name	No. of Shares Held	% of shares
Akhilesh Malvi	2,898	0.04%

V. INDEBTEDNESS

The Company has no indebtedness with respect to Secured or Unsecured Loans or Deposits during the year.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: The Company does not pay any remuneration to Managing Director, Whole-time Director and/or Manager of the Company.
- B. Remuneration to other Directors: The Company does not pay remuneration to the Directors of the Company.
- C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs)
		CEO	CFO	CS	
	Designation				
	Gross salary	-	-	3,60,000	3,60,000
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	3,60,000	3,60,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any Section of the Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Annexure II**A. CONSERVATION OF ENERGY****(a) Major energy conservation measures taken during the year:**

The Company has taken adequate measures to conserve energy by continuous monitoring and effective use of energy, which is continuous process.

(b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: No additional investment proposed.**(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:**

Since it is continuous process of monitoring and usage, the impact is not quantifiable.

(a) Electricity consumed during the year –

FY 2017-18	FY 2016-17
Rs. 11,256	Rs. 7,338

B. TECHNOLOGY ABSORPTION

Particulars with respect to technology absorption are given below:

A. Research and Development (R & D)

- i. Specific areas in which R & D carried out by the Company:
The Company has not carried out any research and development activities during the year under review.
- ii. Benefits derived as a result of the above R & D: Not Applicable
- iii. Future plan of Action: Nil
- iv. Expenditure on R & D.: Nil

B. Technology absorption, adaption and innovations: Nil**C. FOREIGN EXCHANGE EARNINGS AND OUTGO: Nil**

Annexure III**POLICY RELATING TO DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

Extracts of the Policy are as under:

Appointment of Directors:

The appointments of Directors are recommended by the Nomination and Remuneration Committee of the Company however all the appointments are subject to approval of Board of Directors of the Company.

Remuneration to Directors and Key Managerial Personnel:

None of the directors are entitled to any Remuneration or any sitting fees however reimbursement of expenses is allowed wherever expense is made for the Company. Company Secretary and Chief Financial Officer of the Company are entitled to fixed remuneration which is fixed by the Managing Director of the Company.

Discharge of Duties:

Directors and KMP are required to perform all the duties which are mentioned under the Articles and all other duties as may be prescribed by the Board of Directors of the Company.

The web link of the Nomination and Remuneration policy is as under:

<http://svcreources.co.in/wp-content/uploads/2015/12/Nomination-and-Remuneration-Policy.pdf>

Annexure IV**Report on Corporate Governance****COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Pursuant to Regulation 15(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, compliance of Corporate Governance is not mandatory. However, the company has complied with the provisions of Regulation 17 to 27 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent possible.

SVC Resources Limited believes that Corporate Governance is an integral part of an organizational system. Keeping eye on this, SVC has adopted good policies for corporate governance.

BOARD OF DIRECTORS**Composition of Directors**

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

The constitution of the Board is in conformity with the provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Companies Act, 2013. The Board, currently, consists of 5 Directors out of which 3 members are Independent Directors.

Details of Composition of Board, category of the Directors, number of other directorship are given below:-

Name	Date of Appointment	Category	Directorship in other Companies#	Membership of Committee*	Member as Chairperson of Committee*
Mr. Rajesh Baheti	October 7, 2014	Chairperson and CFO	5	0	0
Mr. Akhilesh Malvi	November 18, 2015	Managing Director	2	0	0
Mr. Ghanshyam Chudasama	July 06, 2017	Non Executive Independent Director	1	2	2
Ms. Sanam Barot	July 06, 2017	Non Executive Independent Director	1	2	0
Ms. Tulsa Silwal	December 30, 2015	Non Executive Independent Director	1	2	0

#Includes this Entity, Private Companies but excludes Limited Liability Partnership, Foreign Companies, Section 8 Companies & Alternate Directorship

*includes Audit Committee and Stakeholders Relationship Committee only

Note: None of the Director is a member of more than 10 committees or acting as Chairperson of more than 5 committees across all companies in which he is a director.

During the financial year 2017-18, Eight (8) Board Meetings were held, i.e. 17th April, 2017, 3rd May, 2017, 25th May, 2017, 6th July, 2017, 9th August, 2017, 1st November, 2017, 13th November, 2017 and 13th February, 2018.

Attendance of Directors for the year 2017-18

Name of Director	Board Meeting	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	AGM
Mr. Rajesh Baheti	1 of 8	-	-	-	No
Mr. Akhilesh Malvi	8 of 8	5 of 5	2 of 2	4 of 4	Yes
*Mr. Om Prakash Chugh	0 of 4	0 of 3	0 of 1	0 of 1	No
**Dr. Riyaz Khan	0 of 4	0 of 3	0 of 1	0 of 1	No
Ms. Tulsia Silwal	8 of 8	6 of 6	2 of 2	5 of 5	Yes
***Mr. Ghanshyam Chudasama	1 of 5	1 of 3	0 of 1	1 of 4	Yes
****Ms. Sanam Barot	1 of 5	1 of 3	0 of 1	1 of 4	No

*Mr. Om Prakash Chugh resigned from the board w.e.f. July 06, 2017

**Dr. Riyaz Khan resigned from the board w.e.f. July 06, 2017

***Mr. Ghanshyam Chudasama was appointed as a Non - Executive Independent Director w.e.f. July 06, 2017

****Ms. Sanam Barot was appointed as a Non - Executive Independent Director w.e.f. July 06, 2017

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors of the Company are related to each other. None of the Directors except Akhilesh Malvi hold any share in the Company.

STATEMENT OF COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Board hereby states that the Company has complied with all the applicable secretarial standards to the extent possible.

COMMITTEES OF THE BOARD

There are various committees of the Board viz. the Audit Committee, the Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

AUDIT COMMITTEE

The terms of reference of the Audit committee include the matters specified under Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee, inter alia, include the following:

- Oversight, of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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. modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;

- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee met Six (6) times during the year under review, i.e. on 3rd May, 2017, 25th May, 2017, 6th July, 2017, 9th August, 2017, 13th November, 2017 and 13th February, 2018

The Composition of Audit Committee is as under

Sr. No	Name	Status
1	Mr. Ghanshyam Chudasama	Chairperson
2	Ms. Tulsa Silwal	Member
3	Ms. Sanam Barot	Member

NOMINATION AND REMUNERATION COMMITTEE

a) Brief description of terms of reference

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

b) Composition

The Nomination and Remuneration Committee of the Company has the following composition:

Sr. No	Name	Status
1	Mr. Ghanshyam Chudasama	Chairperson
2	Ms. Tulsa Silwal	Member
3	Ms. Sanam Barot	Member

There was no remuneration paid to any directors. However remuneration paid to Company Secretary is decided by the members of Nomination and Remuneration Committee and Managing Director of the Company.

The Nomination and Remuneration Committee met Two (2) times during the year under review, i.e. on 6th July, 2017, and 1st November, 2017.

STAKEHOLDERS RELATIONSHIP COMMITTEE

- a. The Committee looks into issues relating to shareholders / investors, including complaints relating to transfer / transmission of shares, issue of duplicate share certificates, non-receipt of annual report etc. and their redressal.
- b. The Stakeholders' Relationship Committee presently comprises of:-

Sr. No	Name	Status
1	Mr. Ghanshyam Chudasama	Chairperson
2	Ms. Tulsa Silwal	Member
3	Ms. Sanam Barot	Member

- c. The Board has delegated power of approving transfer of shares to RTA.
- d. Mr. Ghanshyam Chudasama, Non-Executive Independent Director is heading the committee.
- e. The Company Secretary is the Compliance Officer.
- f. During the year under review, no Investor complaints were received.

The Stakeholder Grievance Committee met Five (5) times during the year under review, i.e. 25th May, 2017, 9th August, 2017, 16th October, 2017, 13th November, 2017 and 13th February, 2018.

GENERAL BODY MEETINGS**Location & time for the last three Annual General Meetings:**

Annual General Meeting	Date & Time	Venue
41 st Annual General Meeting	Friday, September 29, 2017, 11.00 a.m.	Dalvi Hall Court Lane, Above Borivali West Post Office, Opposite Borivali Railway Station, Borivali (West), Mumbai – 400091
40 th Annual General Meeting	September 30, 2016 1.00 P.M	Dalvi Hall Court Lane, Above Borivali West Post Office, Opposite Borivali Railway Station, Borivali (West), Mumbai – 400091
39 th Annual General Meeting	September 30, 2015, 1.00 P.M.	Dalvi Hall Court Lane, Above Borivali West Post Office, Opposite Borivali Railway Station, Borivali (West), Mumbai – 400091

No special resolution was passed during the last three financial years.

The Company had availed the e-voting facility offered by Central Depository Services (India) Limited (“CDSL”) for conducting e-voting by the shareholders of the Company. The company also provided voting by physical ballot form to the shareholders of the Company.

MEANS OF COMMUNICATIONS

- Your Company regularly provides relevant information to the Stock Exchange as per the requirements of the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- The quarterly, half-yearly and Annual financial results of the Company are emailed / uploaded with BSE Limited.
- The results and official news are available on www.bseindia.com and the website of the Company www.svcresources.co.in
- Your Company has posted all its Official News releases on its website.
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report and the same is being posted to the shareholders of your Company.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section “Shareholders Information” which forms part of this Annual Report.

SHAREHOLDERS’ INFORMATION

a. Next Annual General Meeting

The information regarding 42nd Annual General Meeting for the financial year ended on 31st March, 2018 is as follows :-

Day & Date: **Saturday, September 29, 2018**

Venue: Office : Registered Office

b. Financial Calendar: April 01, 2017 to March 31, 2018

c. Future Calendar :

Subject Matter	Date
Financial Reporting of 1 st Quarter ended on 30 th June 2018	August, 2018
Financial Reporting of 2 nd Quarter ended on 30 th September 2018	November, 2018
Financial Reporting of 3 rd Quarter ended on 31 st December 2018	February, 2019
Financial Reporting of 4 th Quarter ended on 31 st March 2019	May, 2019

d. Date of Book Closure : September 26, 2018 to September 28, 2018. (Both days inclusive)

e. Dividend Payment: NIL

- f. Listing of Shares : Bombay Stock Exchange Limited.
P.J. Towers, Dalal Street, Mumbai – 400 001
- g. Listing Fees : Company has paid Annual Listing Fees
and Custodian fees for the year 2018-19.
- h. Stock Code & ISIN : 512449, Demat ISIN No. in NSDL & CDSL –
INE254H01044.
- i. Market Price Data:

Month	Price on BSE (Rs.)			
	Open	High	Low	Close
Apr 2017	8.60	8.60	8.17	8.60
May 2017	8.60	8.60	8.60	8.60
June 2017	8.60	11.50	7.80	10.50
July 2017	10.35	11.00	8.31	10.99
Aug 2017	11.00	11.45	9.98	10.00
Sept 2017	10.00	10.00	9.70	10.00
Oct 2017	10.00	12.02	9.07	10.00
Nov 2017	12.00	13.45	12.00	12.81
Dec 2017	12.65	12.65	12.65	12.65
Jan 2018	13.25	13.60	10.94	13.60
Feb 2018	14.10	14.95	14.05	14.95
Mar 2018	14.21	14.21	13.50	13.50

- j. BSE Sensex

Month	Open	High	Low	Close
April – 17	29,737.73	30,184.22	29,241.48	29,918.40
May – 17	30,021.49	31,255.28	29,804.12	31,145.80
June – 17	31,117.09	31,522.87	30,680.66	30,921.61
July – 17	31,156.04	32,672.66	31,017.11	32,514.94
Aug – 17	32,579.80	32,686.48	31,128.02	31,730.49
Sep – 17	31,769.34	32,524.11	31,081.83	31,283.72
Oct – 17	31,537.81	33,340.17	31,440.48	33,213.13
Nov – 17	33,344.23	33,865.95	32,683.59	33,149.35
Dec – 17	33,247.66	34,137.97	32,565.16	34,056.83
Jan – 18	34,059.99	36,443.98	33,703.37	35,965.02
Feb – 18	36,048.99	36,256.83	33,482.81	34,184.04
Mar – 18	34,141.22	34,278.63	32,483.84	32,968.68

k. Distribution of Holding

Shareholding of Nominal Value	Shareholders	%	Rupees	%
Upto 5,000	2879	80.94	2867700	4.12
5,001 – 10,000	242	6.80	1830730	2.63
10,001 – 20,000	139	3.91	1981580	2.85
20,001 – 30,000	91	2.56	2348060	3.38
30,001 – 40,000	40	1.12	1397850	2.01
40,001 – 50,000	32	0.90	1446690	2.08
50,001 – 1,00,000	56	1.57	3982960	5.73
1,00,001 and above	78	2.19	53698430	77.20
Total	3557	100	6,95,54,000	100.00

j. Registrar & Share Transfer Agent

M/s. Purva Sharegistry (India) Pvt. Ltd. is the Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. Purva Sharegistry (India) Pvt. Ltd.
Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha Marg, Lower Parel (E),
Mumbai - 400 011
Tel: 022-23016761, Fax: 91-22-2301 2517, email Id: busicomp@vsnl.com

k. Share Transfer Systems

The Trading in Equity Shares of your Company is permitted only in dematerialized form as per circular issued by Securities & Exchange Board of India.

The Share transfers are processed by the Registrar & Share Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. and approved by Share Transfer Committee, if the documents are in order, within stipulated days from the date of lodgment.

1. Shareholding Pattern as on March 31, 2018

Categories	No. of Shares	% of Shareholding
Resident Individuals	3376535	48.55
Corporate Promoter Under Same Management	1993565	28.66
NBFCs Registered With RBI	133	0.00
Bodies Corporate	1088598	15.65
Clearing Members	183189	2.63
Other Directors & Relatives	2898	0.04
N.R.I. (Non-Repatriation)	327	0.00
N.R.I. (Repatriation)	52728	0.76
Hindu Undivided Family	181383	2.61
Total	69,55,400	100.00

m. Dematerialization of Equity Shares & Liquidity

99.94% of your Company's Equity Shares are in Demat trading segment and your Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

n. Listing Fees and Annual Custodial Fees

Your Company is in the process of paying the Annual Listing Fees for year 2018-19 to BSE Limited.

o. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from your Company's Registrar and Share Transfer Agent.

p. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity: Not Applicable.

q. Investors' Correspondence

Shareholders can contact the following officials for secretarial matters of your Company:-svcreourceslimited@gmail.com

r. Other Disclosures:

- Disclosures on materially significant related party transactions:
The Company does not have any materially significant related party transactions, which may have potential conflict with the interest of the Company.
- Cases of Non-compliances / Penalties:
There has been no instance of non-compliance by the Company
- Vigil Mechanism / Whistle Blower:
Information relating to Vigil mechanism has been provided in the Board's Report. The Company has adopted the Whistle Blower Policy with direct access to Chairman of Audit Committee. The policy is available on the website of the company.
- Policy for determining material subsidiaries:
The Company does not have any subsidiary. Hence, the Company does not require formulating Policy for determining material subsidiaries
- Policy on dealing with Related Party Transactions is disseminated on the website of the company
<http://svcreources.co.in/wp-content/uploads/2015/12/Related-Party-Transaction.pdf>
- Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:
The Company has not undertaken any Foreign Exchange or hedging activities.

- The Register of Contracts/ Statement of related party transactions are placed before the Board/ Audit Committee regularly.
- None of the shares of the Company are held by the non-executive Directors of the Company.
- There were no pecuniary transactions of the Non-executive Directors viz-a-viz the Company.
- The Auditors has given a qualified opinion on the financial statement.
- Internal Audit Report is placed before the Audit committee.

s. Code of Conduct

The Board of Directors of your Company has laid down Code of Conduct for Directors and Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

t. Address for Correspondence

Registered Office: Office No. 42, Citi Mall, Link Road Andheri (West) Mumbai - 400053.

Corporate Office: C-1, Fortune Delight, Hoshangabad Road, Bhopal, Madhya Pradesh - 462026.

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

This is to confirm that your Company has adopted a Code of Conduct for its employees including the Managing Director, Whole Time Directors and Independent Directors. This code is put up on the website of your Company.

CEO/CFO CERTIFICATION

A certificate signed by Director is attached with this report.

DECLARATION

It is hereby declared that all the Board Members and Senior Managerial Personnel have affirmed compliance of code of conduct, pursuant to Corporate Governance, for the year ended March 31, 2018.

For and on behalf of the Board
For **SVC Resources Limited**

Place: Mumbai
Date: August 23, 2018

Chairperson

**CHIEF EXECUTIVE OFFICER (CEO)/ CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION**

To
The Board of Directors,
SVC Resources Limited

I, Chief Financial Officer of the Company, do hereby certify that:

1. I have reviewed the financial statements and the cash flow statement for the year 2017-18 and to the best of my knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. These statements present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal/ controls, if any, of which we are aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit committee:
 - a. Significant changes in internal control over financial reporting during the year;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we 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.

For and on behalf of the Board
For **SVC Resources Limited**

Chief Financial Officer (CFO)

Place: Mumbai
Date: August 23, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is into the business of trading and consultancy. The key issues of the Management Discussion and Analysis are given hereunder:

(a) Industry Structure and Developments

The Mining industry in India is a major economic activity which contributes significantly to the economy of India. The GDP contribution of the mining industry varies from 2.2% to 2.5% only but going by the GDP of the total industrial sector it contributes around 10% to 11%. Even mining done on small scale contributes 6% to the entire cost of mineral production. Indian mining industry provides job opportunities to thousands of individuals.

India has long been recognized as a nation well endowed in natural mineral resources. India is ranked 4th amongst the mineral producer countries on the basis of volume of production. It is an extremely important sector and contributes significantly to our Gross Domestic Product.

(b) Opportunities & Threats

The strength of a company is known from sound advices. It also depends on the Government policies of taxation. Introduction of GST may give a big boost to the market.

(c) Outlook

SVC Resources Limited remains confident of the long term growth prospects & opportunities ahead of it in its business. The income in the current year 2017-18 has increased as compared to the income earned in previous financial year 2016-17.

(d) Segment wise or product wise performance

The Company is into single reportable segment only.

(e) Weakness

The Indian mining industry however is passing through a critical phase, especially in the last two years, witnessing negative growth. As mining is interlinked with industrial development, availability of raw material is of prime importance and as such, the pro-active role of union and state governments is called for to ensure an era of mineral development.

There are a number of unresolved policy issues, which deserve serious consideration by the union and state governments.

(f) Internal control system and adequacy

The system of internal control has been established to provide reasonable assurance of safeguarding assets, maintenance of proper accounting records in compliance with applicable Laws and Regulations to ensure reliability of financial statements and reports. The Statutory Auditors and the Audit Committee reviews all financial statements and ensure adequacy of internal control systems.

(g) Risks Management

Risk evaluation and management of risk is an ongoing process in the company.

(h) Discussion on financial performance with respect to operational performance.

During the year under review, the Company has earned profit of Rs. 48.18 Lakhs compared to the profits of Rs. 6.60 Lakhs earned during the previous financial year 2016-17. The Company's total income has decreased from Rs. 51.39 Lakhs to Rs. 18.20 Lakhs.

(i) Cautionary Statement

Statements in the Management discussion and analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and prices conditions in the domestic and overseas markets in which the company operates/ going to operate, changes in government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of the Board
For **SVC Resources Limited**

Chairperson

Place: Mumbai

Date: August 23, 2018

SECRETARIAL AUDIT REPORT
Form No. MR-3

For the financial year ended on March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SVC Resources Ltd.,
Office No. 42, Citi Mall, Link Road,
Andheri (west), Mumbai – 400053.

CIN: L10100MH1976PLC018861

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SVC RESOURCES LTD. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 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:

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

- 1) The Companies Act, 2013 (the Act) and the Rules made there under and Companies Act, 1956 and Rules made there under to the extent applicable;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;- (to the extent applicable during the period under review)
- 3) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under. The Company is having subsidiary in Sharjah (UAE) namely SVC Resources FZC. As per current management no activity has been carried out in the subsidiary Company. As per CLB Order dated June 04, 2015 the erstwhile management is yet to handover all records, books of accounts, statutory registers, minutes books etc. to the new management.
- 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; (not applicable to the Company during audit period);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;(not applicable to the Company during audit period);

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the Company during audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (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 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the audit period);
- 6) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

I have also examined compliance with the applicable Clauses of the following:

- (i.) The Company has complied with Secretarial Standards pursuant to Section 118 (10) of the Companies Act, 2013 with regard to Annual General Meeting and Board of Directors Meetings.
- (ii.) Various Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as were applicable to the Company, are complied with, barring few incidences, by the company during the period under review.

I 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 the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that:

During the audit period, there were no instances of:

- i. Public/Rights issue of Shares/debentures/ sweat equity.
- ii. Redemption/buy-back of securities.
- iii. Merger/ amalgamation/ reconstruction etc.
- iv. Foreign technical collaborations.

I further report that during audit period under review:-

1. As per CLB Order dated June 4, 2015 the old removed management is yet to handover all records, books of accounts, statutory registers, minutes books etc. to the new management.

**For Maithili Nandedkar& Associates,
PracticingCompany Secretaries,**

**CS Maithili Nandedkar
Proprietor
FCS: 8242, C P No. 9307**

**Place: Mumbai
Date: May 24, 2018**

Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

Annexure to Secretarial Audit Report

To,
The Members,
SVC Resources Ltd.,
Unit 42, Citi Mall, Link Road,
Andheri (West), Mumbai – 400053.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations 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, and Standards is the responsibility of management. My examination was limited to the verification of procedures 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.

**For Maithili Nandedkar & Associates,
Practicing Company Secretaries,**

**CS Maithili Nandedkar
Proprietor
FCS: 8242, C P No. 9307**

**Place: Mumbai
Date: May 24, 2018**

Independent Auditors' Report on Financial Statements

**To
The Members of SVC Resources Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of SVC Resources Limited (the Company), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these financial statements by the Board of Directors of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the 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 there under. We conducted our audit in accordance with the Standards on Auditing 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 financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of

such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

Basis for Disclaimer of Opinion

So far as information and explanations given to us, the Old Management of the Company was removed in an Extraordinary General Meeting held on January 11, 2014 and supported by the an order of the Company Law Board, Delhi dated April 4, 2014. However the management is yet to receive the old books of account and its impact on the financial statements hence we do not express an opinion on the same.

We also do not express an opinion on write off of sundry receivables of Rs. 2252.87 Lakhs and wirtte back of sundry payables of Rs. 2247.69 which is included in extraordinary items in the profit and loss statement.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis of Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, based on the comments in the auditors' report of the Company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we have sought but not obtained any of the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
 - b. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on whether proper books of account as required by law relating to preparation of the financial statements have been kept.
 - c. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are able to opine on whether the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - d. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on whether the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the Directors of the Company as on March 31, 2018, taken on record by the Board of Directors of the Company, none of the Directors of the Company is disqualified as on March 31, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014:
 - i. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on whether the Company has disclosed the impact of pending litigations on the financial position in its financial statements as of March 31, 2018.
 - ii. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on whether the Company has made provisions in its financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts.
 - iii. Due to the effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For M/s Jain & Jain
Chartered Accountants
Firm Registration No. 103869W

Place: Mumbai
Date: May 24, 2018

CA Praful V. Shah
Partner
Membership No.103921

STATEMENT OF ASSETS AND LIABILITIES AS on MARCH 31, 2018

	Particulars	Notes	As at	As at
			March 31, 2018	March 31, 2017
			Audited	Audited
	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	7	1,47,739	13,69,520
	(b) Capital work-in-progress		-	-
	(c) Investment property		-	-
	(d) Goodwill		-	-
	(e) Other intangible assets		-	-
	(f) Intangible assets under development		-	-
	(g) Biological Assets other than bearer plants		-	-
	(h) Financial Assets			
	(i) Investments	8	-	15,53,906
	(ii) Trade receivables		-	-
	(iii) Loans		-	-
	(iv) Others (to be specified) – Advances	9	-	5,31,60,049
	(i) Deferred Tax Assets (net)		-	-
	(j) Other non current assets		-	-
2	Current assets			
	(a) Inventories			
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	10	-	17,01,35,474
	(iii) Cash and cash equivalents	11	71,996	1,91,427
	(iv) Bank balances other than (iii) above	11	1,66,975	83,845
	(v) Loans & advances	12	1,18,500	1,18,500
	(c) Current tax assets (net)		-	-
	(d) Other current assets			
	Total assets		5,05,210	22,66,12,721
1	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	2	6,95,54,000	6,95,54,000
	(b) Other equity	3	(9,35,31,833)	(9,86,68,841)
	Total equity		(2,39,77,833)	(2,91,14,841)
	LIABILITIES			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	4	2,33,20,000	5,23,62,602
	(ii) Trade payables		-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Provisions		-	-
	(c) Deferred tax liabilities (net)		4,349	4,403
	(d) Other non-current liabilities		-	-
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables		88,430	9,88,44,478
	(iii) Other financial liabilities (other than those specified in item (c))		-	-
	(b) Other current liabilities	5	-	9,34,67,861
	(c) Provisions	6	10,70,264	1,10,48,218
	(d) Current Tax Liabilities (Net)		-	-
	Total equity and liabilities		5,05,210	22,66,12,721

As per our Report of even date.

For M/s Jain & Jain

Chartered Accountants

FRN : 103869W

For and on behalf of Board of Directors

SVC Resources Limited

Praful V Shah

Partner

Membership No.103921

Mumbai : May 24, 2018

Director

Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No	As At March 31, 2018 (Rs.)	As At March 31, 2017 (Rs.)
INCOME			
Revenue from operations		13,00,000	51,39,000
Other Income		5,20,000	-
Total		18,20,000	51,39,000
EXPENDITURE			
Cost of material consumed	13	-	-
Purchases of Stock in Trade		13,47,500	12,17,100
Changes in Inventories of finished goods, work-in-progress and stock in trade		-	-
Employee Benefit Expenses	14	4,32,500	10,63,000
Finance Cost	15	651	833
Depreciation	7	23,761	23,760
Other expenses	16	8,72,002	21,74,215
Total		26,76,414	44,78,908
Profit / (Loss) before exceptional and extraordinary items and tax		(8,56,414)	6,60,092
Exceptional Items		-	-
Profit before extraordinary items and tax		(8,56,414)	6,60,092
Extraordinary Items		68,90,369	-
Profit before tax		60,33,995	6,60,092
Tax expense:			
(a) Deferred tax		(53)	1,233
(b) Tax expenses for the current year		12,16,000	-
Profit(Loss) for the year after taxation		48,18,008	6,58,859
Earning per equity share:			
(1) Basic	18	0.69	0.09
(2) Diluted	18	0.69	0.09
Overview and Significant Accounting Policies			
The notes are an integral part of Financial Statements	19		

As per our Report of even date.

For M/s Jain & Jain
Chartered Accountants
FRN : 103869W

For and on behalf of Board of Directors
SVC Resources Limited

Praful V Shah
Partner
Membership No.103921
Place: Mumbai
Date: May 24, 2018

Director

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Particulars	As at March 31, 2018	As at March 31, 2017
A	Cash Flow From Operating Activities		
	Net Profit before tax and Extraordinary Items	(8,56,414)	6,60,092
	Adjustment for :		
	Depreciation	23,761	23,760
	Operating Profit before working Capital Changes	(8,32,653)	6,83,852
	Adjustment for Capital Changes:		
	Increase/Decrease in Trade Receivable	17,01,35,474	(14,22,700)
	Increase/Decrease in Trade Payable	(9,87,56,048)	11,09,341
	Cash Generated From Operations	(7,05,46,773)	3,70,493
	Income Tax/Deferred Tax Paid	12,16,000	-
	Extraordinary items	(68,90,368)	-
	Net cash from Operating Activities	7,62,21,141	3,70,493
B	Cash Flow From Investing Activities		
-	Investments	15,53,906	-
	Purchase of Fixed Assets	11,98,020	-
	Net Cash From Investing Activities	27,51,926	-
C	Cash Flow From Financing Activities		
	Increase/Decrease in Long Term Borrowing	(2,90,42,602)	2,58,042
	Increase/Decrease in Current Liabilities & Provisions	(10,30,25,105)	(12,44,459)
	Increase/Decrease in Share Holder's Capital	-	20,667
	Increase/Decrease in Share Premium	-	20,667
	Increase / Decrease in Cash Loans and advances	5,30,58,339	2,82,000
	Net Cash From Financing Activities	(7,90,09,368)	(6,63,083)
	Net increase (Decrease) in cash & cash equivalent (A+B+C)	(36,301)	(2,92,590)
	Opening Balance of Cash & Cash Equivalents	2,75,272	5,67,862
	Closing Balance of Cash & Cash Equivalents	2,38,971	2,75,272

As per our Report of even date.

For M/s Jain & Jain

Chartered Accountants

FRN : 103869W

For and on behalf of Board of Directors

SVC Resources Limited

Director Director

Praful V Shah

Partner

Membership No.103921

Place: Mumbai

Date: May 24, 2018

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES**(a) BASIS OF PRESENTATION OF FINANCIAL STATEMENTS:**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

(b) USE OF ESTIMATES :

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known / materialize.

The Company Law Board, vide its order dated April 4, 2014 had removed the management of the Company and asked to conduct an Extra Ordinary General Meeting (EGOM) to appoint new management.

The old management did not handover any records i.e. books of accounts, statutory records, minute books, bank statements, user id and log-in passwords, subsidiary details, bank account of subsidiary, trade licenses of subsidiary, etc to the new management.

In the meanwhile, the Company had filed Company Petition No. 10 of 2014 with Company Law Board, Delhi for handover of records from old management to new management. The matter was decided on June 4, 2015 in favour of the new management. However, the handover of records has not happened to date.

In view of the above, the Company neither has records of itself nor its subsidiary in Sharjah (UAE). Hence, the Company is unable to prepare consolidated accounts.

As such, the Company has prepared the financial statements on the basis of information and records that were available. On recovery of additional information and records, the necessary effect will be given in accounts.

The Company has already filed a complaint against the old management with the Economic Offences Wing (EOW) and is in the process of filing the same before Serious Fraud Investigation Office (SFIO).

(c) DEPRECIATION AND AMORTISATION:

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation / amortization is charged on a written down value basis so as to write-off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2015 is depreciated over the remaining useful life based on an evaluation.

Depreciation is charged as per Schedule II of the Companies Act, 2013.

Amortization is charged as per Accounting Standard 26 issued by the ICAI.

(d) REVENUE RECOGNITION

Revenue from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred.

Revenue from the sale of goods and equipment are recognized upon delivery, which is when title passes to the customer.

Revenue from sale of software licenses are recognized upon delivery.

Revenue from maintenance contracts are recognized pro-rata over the period of the contract.

Dividend is recorded when the right to receive payment is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

(e) TAXATION :

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant taxpaying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

(f) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which 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 and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

(g) CASH AND CASH EQUIVALENTS

The Company considers all highly liquid financial instruments, which are readily convertible into known amount 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.

STATEMENT OF CHANGES IN EQUITY

Name of the Company: SVC RESOURCES LIMITED

Statement of Changes in Equity for the period ended March 31, 2018

(Rupees in lakhs)

A. Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
695.54	-	695.54

B. Other Equity

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
Balance at the beginning of the reporting period	N/A	695.54	0		476.62	(1463.31)	0	0	0	0	0	0	0	(291.15)
Changes in accounting policy or prior period errors	N/A													
Restated balance at the beginning of the reporting period	N/A													
Total Comprehensive Income for the year	N/A	695.54	0		476.62	(1463.31)	0	0	0	0	0	0	0	(291.15)
Dividends														

Transfer to retained earning						48.18								
Any other changes (to be specified)														
Balance at the end of the reporting period	N/A	695.54	0		476.62	(1415.13)	0	0	0	0	0	0	0	(242.97)

SHARE CAPITAL			
Particulars	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)	
Authorised			
1,50,00,000 Equity Shares of Rs.10/- each (Previous Year 15,00,00,000 Equity Shares of Re.1/- each)	15,00,00,000	15,00,00,000	
TOTAL	15,00,00,000	15,00,00,000	
Issued, Subscribed & Paid-up			
69,55,400 Equity Shares of Rs.10/- each (Previous Year 6,95,33,333 Equity Shares of Re.1/- each)	6,95,54,000	6,95,54,000	
TOTAL	6,95,54,000	6,95,54,000	

2.1 Reconciliation of number and amount of shares				
Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount (Rs)	Number	Amount (Rs)
Issued, Subscribed & Fully Paid up				
Equity Shares of 10/- each				
Balance as at the beginning of the year	6,95,54,000	6,95,54,000	6,95,54,000	6,95,54,000
Add : Issued during the year	-	-	-	-
Less : Buy Back of Shares	-	-	-	-
Balance as at the end of the year	6,95,54,000	6,95,54,000	6,95,54,000	6,95,54,000

2.2 Details of shares held by shareholders holding more than 5% of the aggregate shares in the company				
Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Lorgan Lifestyle Limited	19,93,565	28.66%	19,93,568	28.67%
Rohit Khullar	3,71,508	5.34%	3,66,508	5.27%

2.3 Terms/Rights of Shareholders

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of the liquidation of the Company, the holder of equity share will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity shareholders.

3 RESERVES & SURPLUS		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Securities Premium	4,76,62,334	4,76,62,334
Other Reserves	3,19,000	-
Surplus		
Opening Balance	(14,63,31,175)	(14,69,90,034)
Add : Net profit after tax for the year	48,18,008	6,58,859
TOTAL	(9,35,31,833)	(9,86,68,841)

4 LONG TERM BORROWINGS		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
(a) Unsecured		
Term Loans from banks	-	-
Others	2,33,20,000	5,23,62,602
TOTAL	2,33,20,000	5,23,62,602

5 OTHER CURRENT LIABILITIES		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Advance and progress payments from customers	-	7,17,87,861
(b) Statutory dues (VAT, excise, service tax, octroi etc)	-	-
Other Current Liabilities	-	2,16,80,000
TOTAL	-	9,34,67,861

6 FIXED ASSETS**FIXED ASSETS - SCHEDULES TO ACCOUNTS AS ON 31st MARCH, 2018:**

PARTICULARS	Gross Block 01/04/2017	Additions	Deductions	Total	Depreciation			Net Block as on 31/03/2018	Net Block as on 31/03/2017
					Upto 01/04/2017	For The Year	Total as on 31/03/2018		
Freehold Land	11,98,020	-	11,98,020	-	-	-	-	-	11,98,020
Plant & Machinery	2,00,000	-	-	2,00,000	28,500	23,761	52,261	1,47,739	1,71,500
TOTAL (Rs.)	13,98,020	-	-	2,00,000	28,500	23,761	52,261	1,47,739	13,69,520

FIXED ASSETS- SCHEDULES TO ACCOUNTS AS ON 31st MARCH, 2017:

PARTICULARS	Gross Block 01/04/2016	Additions	Deductions	Total	Depreciation			Net Block as on 31/03/2017	Net Block as on 31/03/2016
					Upto 01/04/2016	For The Year	Total as on 31/03/2017		
Freehold Land	11,98,020	-	-	11,98,020	-	-	-	11,98,020	11,98,020
Plant & Machinery	2,00,000	-	-	2,00,000	4,740	23,760	28,500	1,71,500	1,95,260
TOTAL (Rs.)	13,98,020	-	-	2,00,000	4,740	23,760	28,500	13,69,520	13,93,280

FIXED ASSETS- SCHEDULES TO ACCOUNTS AS ON 31st MARCH, 2016:

PARTICULARS	Gross Block 01/04/2015	Additions	Deductions	Total	Depreciation			Net Block as on 31/03/2016	Net Block as on 31/03/2015
					Upto 01/04/2015	For The Year	Total as on 31/03/2016		
Freehold Land	11,98,020	-	-	11,98,020	-	-	-	11,98,020	11,98,020
Plant & Machinery	-	2,00,000	-	2,00,000	-	4,740	4,740	1,95,260	-
TOTAL (Rs.)	11,98,020	-	-	13,98,020	-	4,740	4,740	13,93,280	11,98,020

7 NON CURRENT INVESTMENT

PARTICULARS	Number	Face Value Per Unit	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Investments in equity instruments (i) Subsidiaries SVC Resources (ZFC)	1,275	1,704	-	15,53,906
TOTAL			-	15,53,906

8 LONG TERM LOANS & ADVANCES

PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
(a) Other Loans & Advances Unsecured Others advance from vendors	- - -	37,00,000 4,94,60,049
(b) Security Deposits Unsecured	- -	-
TOTAL	-	5,31,60,049

9 TRADE RECEIVABLES

PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
(a) Due over six months Considered doubtful Others	- -	- 17,01,35,474
TOTAL	-	17,01,35,474

10 SHORT TERM LOANS AND ADVANCES		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Advance from vendors	-	-
Deposits	1,18,500	1,18,500
TOTAL	1,18,500	1,18,500

11 EMPLOYEE BENEFIT EXPENSES		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Salary & Wages	4,32,500	10,63,000
TOTAL	4,32,500	10,63,000

12 FINANCE COST		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Bank Charges & Commission	651	833
TOTAL	651	833

13 OTHER EXPENSES		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Advertisement Expenses	6,760	38,718
Audit Fees	35,000	1,01,000
Car Expenses	-	1,30,900
CDSL/NSDL Charges	-	1,52,097
Custodian Fees	67,116	-
Electricity Charges	11,256	7,338
Listing Fee	-	6,11,900
Postage & Courier	150	104
Printing & Stationery	-	54,506
Legal & Professional Fees	1,37,900	1,17,700
ROC Filing Fees	-	4,100
Share transfer agent fees	73,419	92,207
Sundry Expenses	11,963	2,11,705
Credit Card Expenses	-	47,000
Rent, Rates & Taxes	1,28,000	3,01,000
Raw Material Charges	5,124	-
Transportation Charges	-	600
Labour Charges	-	20,000
Event Expenses	-	96,000
Service Tax	22,832	96,186
Society Charges	-	56,000
Staff Welfare Expenses	-	450
Telephone Expenses	10,482	15,866
Travelling Expenses	3,62,000	18,838
TOTAL	8,72,002	21,74,215

14 PAYMENT TO AUDITOR		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
(a) Audit Fees	35,000	35,000
(b) other services	-	-
TOTAL	35,000	35,000

15 EARNING PER SHARE		
PARTICULARS	AS AT 31.03.2018 Amount (Rs)	AS AT 31.03.2017 Amount (Rs)
Net Profit / (Loss) after current and deferred tax	48,18,008	6,58,859
No. of Shares	6,95,54,000	6,95,54,000
EPS (Rs.) - Basic and Diluted	0.69	0.09

16 OTHER NOTES**16.1 Segment Reporting-**

The Company operates in one business segment of providing advisory services. As such, there are no separate reportable business segments as per Accounting Standard, AS-17 Segment Reporting, as prescribed by the Rules.

16.2 Related party Disclosure

During the current year loan / advance has taken from related parties.

Finance (including loans and equity contributions in cash or in kind) - Rs.225,000/-

16.3 Previous year figures have been regrouped, and reclassified wherever considered necessary to conform to current year's classification

As per our Report of even date.

For M/s Jain & Jain

Chartered Accountants

FRN : 103869W

For and on behalf of Board of Directors

SVC Resources Limited

Praful V Shah

Partner

Membership No.103921

Mumbai : May 24, 2018

Director

Director