



MANGALYA SOFT-TECH LTD.

MANGALYA SOFT-TECH LTD.

24th Annual Report

2015 - 2016

• BOARD OF DIRECTORS •

SHRI MANSUKHBHAI J. SHAH	<i>Chairman</i>
SHRI DILIPBHAI M. SHAH	<i>Managing Director</i>
SMT. MANJULABEN M. SHAH	<i>Director</i>
SHRI ATULBHAI M. SHAH	<i>Director</i>
SHRI KIRTIBHAI M. SHAH	<i>Director</i>
SHRI PRAVINBHAI S. SHAH	<i>Director</i>

• AUDITORS •

SURENDRA KUMAR JAIN & CO.
Chartered Accountants,
Ahmedabad.

• REGISTERED OFFICE •

302, Samruddhi, Opp. Sakar-III,
Near Income-Tax Circle, Ashram Road,
Ahmedabad-380 014.

PHONE : 27543839, 27542109 FAX : 27544273

email : mjshah_shah@yahoo.com

Website : www.mangalyasoftechltd.com

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting this Twenty Fourth Annual Report together with the Audited Accounts for the year ended on 31st March, 2016.

1. FINANCIAL RESULTS :

The Highlights of Financial results

	31/3/2016	(Rs. in Lacs) 31/3/2015
Software Income	3.56	5.46
Other Income	7.91	6.50
Profit Before Depreciation & Tax	0.75	0.75
Depreciation	0.60	0.60
Profit / (Loss) Before Tax	0.15	0.15
Provision for Taxation (FBT)	0.00	0.00
Profit / (Loss) After Tax	0.15	0.15

2. DIVIDEND :

No Dividend recommended by the Directors.

3. RESERVES :

No amounts proposed by to the board to treasurer to any reserve.

4.

Brief description of the Company's working during the year / State of Company's affair.

The company has only one division. The working of the company is not satisfactory but the directors expect the very good future of the company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY**5. CORPORATE GOVERNANCE AND MANAGEMENT ANALYSIS :**

The corporate governance and Management Analysis Report of the company have been separately given in the Annexure to the Directors Report.

6. No change in the nature of company during the year.**7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. No such orders passed during the year.****8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**
There is adequate internal controls implemented.**9. Details of subsidiary / Joint ventures / Associate Companies.**
No Subsidiary / Joint Ventures / Associate Companies.**10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.**

- Not Applicable -

11. Deposits :

The details relating the deposits, covered under Chapter V of the Act -

(a) accepted during the year	NIL
(b) remained unpaid or unclaimed as at the end of the Year	NIL
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved -	NIL
(i) at the beginning of the year	NIL
(ii) maximum during the year	NIL
(iii) at the end of the year	NIL

The details of deposits which are not in compliance with the requirements of Chapter V of the Act : NIL

12. Statutory Auditors

M/s. Surendra Kumar Jain & Co., Chartered Accountants, having FRN No. 127295W the company's auditors retire, at the conclusion of the ensuing Annual General Meeting, They have signified their willingness to accept reappointment and have further confirmed their eligibility under, Sec. 224(1B) of the Companies Act, 1956. Members are requested to appoint Auditors



for the Current Year and to fix their remuneration.

13. Auditor's Report

There is no qualification reported by the Statutory Auditor during the year.

14. Share Capital

- | | |
|--|-----|
| A) Issue of equity shares with differential rights : | NIL |
| B) Issue of sweat equity shares : | NIL |
| C) Issue of employee stock options : | NIL |
| D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees : | NIL |

15. Extract of the annual return

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2016**

[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:- **L32100GJ1992PLC017564**
- ii) Registration Date : **05/05/1992**
- iii) Name of the Company : **MANGALYA SOFT TECH LIMITED**
- iv) Category / Sub-Category of the Company : **PUBLIC LIMITED**
- v) Address of the Registered office and contact details
**302, SAMRUDDHI, NR. INCOME TAX CIRCLE, ASHRAM ROAD,
AHMEDABAD 380014.
PHONE : +91 79 2754 38 39
Email : mjshah_shah@yahoo.com**
- vi) Whether listed company **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer

Agent, if any
**CAMEO CORPORATE SERVICES LIMITED,
"SUBRAMANIAN BUILDING", NO-1, CLUB HOUSE
ROAD, CHENNAI - 600 002.
PHONE : 044 28460395.**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Writing , modifying, testing of computer program to meet the needs of a particular client	62011	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	NIL	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE
2					



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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual/HUF	1766699	466500	2233199	22.33	1778099	466500	2233199	22.33	NIL
h) Central Govt									
i) State Govt (s)									
j) Bodies Corp.									
k) Banks / FI									
l) Any Other....									
Sub-total (A) (1):-	1766699	466500	2233199	22.33	1778099	466500	2233199	22.33	NIL



a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholdin g of Promoter (A) = (A)(1)+(A)(2)	1766699	466500	2233199	22.33	1778099	466500	2233199	22.33	NIL
B. Public Shareholdin g									
1. Institutions									
a) Mutual Funds	0	5900	5900	0.06	0	5900	5900	0.06	NIL
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital									



Funds									
i) Others (specify)									
Sub-total (B)(1):-	0	5900	5900	0.06	0	5900	5900	0.06	NIL
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	57170	104500	161670	1.61	90088	104500	194588	1.95	+0.34
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1483639	846085	2329724	23.29	1483639	811810	2295449	22.95	-0.34
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	558630	4622300	5180930	51.81	529630	4622300	5151930	51.52	-0.29
c) Others (specify)									
NRI	41410	0	41410	0.41	41500	0	41500	0.42	+0.01
HUF	49187	0	49187	0.49	77434	0	77434	0.77	+0.28
Sub-total (B)(2):-	2222291	5544510	7766801	77.67	2222291	5544510	7766801	77.67	NIL
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3994690	6005310	10000000	100	4000390	6011010	10000000	100	NIL



(ii) Shareholding of Promoters

s.n	Name of Share holder	Share holding at beginning of the year			Share holding at the end of 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 to total shares
1	MANSUKHBHAI J SHAH	446450	4.46	0	446450	4.46	0
	SHAH M J	1800	0.02	0	1800	0.02	0
2	DILIP M. SHAH	442540	4.43	0	442540	4.43	0
3	MANJULABEN MANSUKHLAL SHAH JT1 : MANSUKHBHAI JASKARAN SHAH	330470	3.3	0	330470	3.3	0
4	MANSUKHBHAI JASKARAN SHAH-HUF	226139	2.26	0	226139	2.26	0
	M J SHAH	50000	0.5	0	50000	0.5	0
	M J SHAH	50000	0.5	0	50000	0.5	0
	M J SHAH HUF	50000	0.5	0	50000	0.5	0
5	DILIP MANSUKHBHAI SHAH-HUF	200000	2	0	200000	2	0
	DILIP M SHAH	50000	0.5	0	50000	0.5	0
	DILIP M SHAH	50000	0.5	0	50000	0.5	0
6	ALPA DILIP SHAH	132500	1.32	0	132500	1.32	0
7	MUKESH L SHAH	50000	0.5	0	50000	0.5	0
8	VALANI U S	50000	0.5	0	50000	0.5	0
	UTTAMLAL U VALANI	18000	0.18	0	18000	0.18	0
9	PATEL N M	32000	0.21	0	21092	0.21	0
10	M M SHAH	50000	0.5	0	50000	0.5	0
11	ASHIT M SHAH	3100	0.03	0	3100	0.03	0
12	SHAH A M	200	0	0	200	0	0
	Total :	2233199	22.33	0	2233199	22.33	0



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

Sl. No.		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
	At the beginning of the year	2233199	22.33	2233199	22.33
	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):	NIL	NIL	NIL	NIL
	At the End of the year	2233199	22.33	2233199	22.33



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

s.n	Name of Share holder	No of shares	% of total shares of company	No of shares	% of total shares of company
1	ANILABEN YOGENDRA SHAH	100000	1	100000	1
	At the end of the Year 31-Mar-2016	100000	1	100000	1
2	ASHIT MANSUKHBHAI SHAH JT1 : MANSUKHBHAI JASKARAN SHAH	100000	1	100000	1
	At the end of the Year 31-Mar-2016	100000	1	100000	1
3	KINJAL FINANCE LTD	99500	0.995	99500	0.995
	At the end of the Year 31-Mar-2016	99500	0.995	99500	0.995
4	SHIRISH FULCHAND PATEL	80675	0.807	80675	0.807
	At the end of the Year 31-Mar-2016	80675	0.807	80675	0.807
5	KIRTILAL KESHAVLAL	60000	0.6	60000	0.6
	At the end of the Year 31-Mar-2016	60000	0.6	60000	0.6
6	AMRATLAL M SHAH	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2016	50000	0.5	50000	0.5
7	ARVINDKUMAR KESHAVLAL	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2016	50000	0.5	50000	0.5
8	ARVINDKUMAR L SHAH	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2016	50000	0.5	50000	0.5
9	ASHOKBHAI T SHAH	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2016	50000	0.5	50000	0.5
10	BABULAL AMTHALAL	50000	0.5	50000	0.5
	At the end of the Year 31-Mar-2016	50000	0.5	50000	0.5

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

Sl. No.		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
	For Each of the Directors and KMP				
	At the beginning of the year	1221460	12.21	1221460	12.21
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	1221460	12.21
	At the End of the year	1221460	12.21	1221460	12.21

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

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



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	---	---	----	
1.	Gross salary	NIL	NIL	NIL	NIL	NIL
	(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	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL	NIL	NIL
	- as % of profit					
	- others, specify...					
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act					



B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
	3. Independent Directors					
	<ul style="list-style-type: none"> · Fee for attending board committee meetings · Commission · Others, please specify 					
	Total (1)	NIL	NIL	NIL	NIL	NIL
	4. Other Non-Executive Directors					
	<ul style="list-style-type: none"> · Fee for attending board committee meetings · Commission · Others, please specify 					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act					



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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (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	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

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

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

**16. Conservation of energy, technology absorption and foreign exchange earnings and outgo****A) Conservation of energy**

- (i) Adequate steps taken by the company for lower conservation of energy.
- (ii) No Steps taken for utilisation of alternate source of energy.

B) Technology absorption :

- (i) Adequate efforts made towards technology absorption ;
- (ii) Adequate steps taken for cost reduction etc.
- (iii) No technology imported.

C) Foreign exchange earnings and outgo :**NIL****17. Corporate social responsibility (CSR) :**

Not Applicable to the Company.

18. Directors :**A) Changes in Directors and Key Managerial Personnel**

Mr. A. M. Shah and Mr. K. M. Shah, Directors of the Company retire by rotation and being eligible offer themselves for reappointment at the forthcoming Annual General Meeting.

B) Declaration by an Independent Director(s) and re-appointment.

We Atul Shah, Kirtibhai Jogani, Pravinbhai the independent directors hereby declare that we meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

C) Formal Annual Evaluation

The Board is trying its best to improve the performance of the company.

19. Number of Meeting of the Board of Directors : 7 Times**20. Audit Committee:** The Board has accepted all the recommendations of the Audit Committee.**21. Details of establishment of vigil mechanism for directors and employees**

The Adequate establishment of vigil mechanism for directors and employee to exists.

22. Nomination and Remuneration Committee :

The reasonable policy formulated by nomination and remuneration committee.

23. Particulars of loans, guarantees or investments under section 186 : NIL**24. Particulars of contracts or arrangements with related parties : NIL****25. Managerial Remuneration :**

- A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 : NIL
- B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 : NIL
- C) Any director who is in receipt of any commission from the Company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company : NIL



26. Secretarial Audit Report :

A Secretarial Audit Report given by Meenu Maheshwari (FCS), a company secretary in practice annexed with the Report.

Secretarial Audit Report

(For the Financial period ended on 31st March 2016)

[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 Board of Directors
MANGALYA SOFT-TECH LIMITED
302 Samruddhi, Opp. Gujarat High- Court, Income-Tax Circle,
Ashram Road, Ahmedabad-380009, Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mangalya Soft-tech limited** (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 31st March 2016 ('Audit Period') 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.

- (1) 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 31st March 2016 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) 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; (v) 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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (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 notified on 28 October 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (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); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).
- (2) I have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).



- (ii) The Listing Agreements entered into by the Company with Stock Exchanges. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
- (3) 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 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. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. 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

Place: Ahmedabad
Date: 19/04/2016

HARISH JAIN
Practicing Company Secretary
FCS NO.: 4203
CP NO.: 4100



27. Corporate Governance Certificate :

**CERTIFICATE ON CORPORATE GOVERNANCE
TO THE MEMBERS OF MANGAYLA SOFT-TECH LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Mangalya Soft Tech Limited ("the company") for the year ended on 31st March, 2016, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchange.

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 condition of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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 above mentioned listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company.

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

Ahmedabad.
Date : 30/04/2016

For, **SURENDRA KUMAR JAIN & CO.**
Chartered Accountants
By the hand of

S. K. Jain
Proprietor
Membership No. 071318

28. Risk Management Policy :

Development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board in the existence of the company.

29. Director's Responsibility Statement :

The Director's Responsibility Statement referred to the clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that -

- (a) in the preparation of the annual accounts, the applicable accounting standards has been followed alongwith proper explanation relating to material departures.
- (b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates are reasonable and prudent so as to give a true and fair view of the State of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors has 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 the going concern basis, and
- (e) the directors, in the case of a listed company, has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Acknowledgements :

your Director's would like to express their gratitude and thanks to the Bankers, Customers and Business Associates of the Company for their Continuous support and cooperation.

APPRECIATION :

Your directors wish to place on record their sincere appreciation of the devoted and efficient services rendered by all employees which has enabled the company to complete an excellent year.

Ahmedabad.
April 30th, 2016

M. J. Shah
Chairman

D. M. Shah
Mg. Director

**31/3/2016****ANNEXURE TO DIRECTORS' REPORT****CORPORATE GOVERNANCE :****COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.**

The Company follows the theme of changing in tune with times to continue the race without any major hurdle and attempts to cover all aspects of reporting in transparent and fair manner keeping the basic principles of good corporate governance.

I. BOARD OF DIRECTORS :

The Board of Directors consists of six directors. the composition and category of Directors are as under :

Name of Directors	Attendance at Previous AGM	No. of other directorship held	Executive/Non Executive Independent
Mr. M. J. Shah	Present	Nil	Executive
Mr. D. M. Shah	Present	Nil	Executive
Mrs. M. M. Shah	Present	Nil	Executive
Mr. K. M. Shah	Present	Nil	Non Executive & Independent
Mr. A. M. Shah	Present	Nil	Non Executive & Independent
Mr. P. S. Shah	Present	Nil	Non Executive & Independent

The Board of the Company met 7 times during the last financial year on the following dates :

28th April 2015, 30th June 2015, 31st July 2015, 30th Sept. 2015, 30th Oct. 2015, 30th Jan. 2016, 26th March 2016.

The Company placed before the Board the performance of the Business and various other information, including those specified under Annexure I of the listing Agreement from time to time.

II. AUDIT COMMITTEE :

In terms of provisions of Listing Agreement the Audit Committee was constituted by the Board on 1st April, 2005.

The Board of Directors of the Company has constituted an Audit Committee, comprising three independent & Non-Executive Directors viz. Mr. P. S. Shah Chairman of the committee (having financial, accounting meets with the requirements under Section 292A of the companies Act, 1956.

The terms of reference stipulated by the Board of Directors to the Audit Committee are, as contained in Clause 49 of the listing Agreement and Section 292A of the Companies Act, 1956, as follows :

- Observation of the company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the Quarterly and annual financial statement before submission to the Board, focussing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgement by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.
- Reviewing with the management, external and internal auditors, the adequacy and compliance of internal control systems.



- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or an failure of internal control systems of a material nature and reporting the matter to the Board.
- h. Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non payment of declared dividends) and creditors.

During the year, the Committee has met 5 times, as against the minimum requirement of 3 times.

Name of Member Present Meeting Dates

Mr. P. S. Shah 16/6/2015, 27/7/2015, 26/10/2015, 25/1/2016, 23/3/2016.

Mr. K. M. Shah 16/6/2015, 27/7/2015, 26/10/2015, 25/1/2016, 23/3/2016.

Mr. A. M. Shah 16/6/2015, 27/7/2015, 26/10/2015, 25/1/2016, 23/3/2016.

III. REMUNERATION OF DIRECTORS :

- 1. No directors are taking any remuneration in any element viz. salary, benefits, bonuses, stock options, pension etc.
- 2. No Directors are taking fixed component and performance linked incentives, along with the performance criteria.
- 3. No Directors have entered into service contracts, notice period, severance fees with the company.
- 4. No Directors have given stock option or issued at a discount as well as the period over which accrued and over which exercisable.

IV. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

(a) Industry Structure and developments :

Software industry witnessed yet another year with stagnant production, increases in input costs and sluggish demand and lack of export opportunities.

(b) Opportunities and Threats :

Indian software market presents opportunity for quality software products. The Management of software entities have to be sharply focused on cost control, improvement productivity and consistent manufacture of quality.

(c) Segmentwise or productwise performance :

There is only software segment so this clause is not applicable.

(d) Outlook :

The remuneration of programmers were rulling at very high levels due to lac of availability of quality programmers, Margins are under pressure and expected to improve only on reduction in the emoluments and remunerations. Recognising the export and employment potential of the industry the governments intends to improve its viability through reduction in finance costs.

(e) Risks and concerns :

In software industry the main risk is virus through e-mails and internet sights, so the system must be so amended that the every e-mails and sights of internet must be scanned and then only allow the user to use it.

Further there is a risk of supply of chip systems in the market, It is the endeavor of the company to minimize such risk by being a consistent programming of quality softwares so as to creat a niche market for its product.

(f) Internal control systems and their adequacy :

The company has adequate internal control systems and necessary check and balanace are introduced/strengthened so as the ensure :

- 1) that its assets are safeguarded,
- 2) that transactions are authorised, recorded and reported properly; and
- 3) that the accounting records are properly maintained and its financial statements are reliable.

From time to time, the internal audit system and reports are reviewed by Audit Committee.

**(g) Discussion on Financial performance with respect to operational performance :**

Due to all over slackness in the software market and the adverse factors, the company has not performed well during the year, however due to government positive policies towards computerisation, expects good performance in future years.

(h) Material developments in Human resources/Industrial Relations front, including number of people employed :

Effort of all Human resources of the company is on imparting continuous training to improve the field management practices.

(V) SHAREHOLDERS :

Appointment/Re-appointment of Directors

The following directors retire by rotation and are eligible for reappointment. A brief resume together with the other directorship of the directors being re-appointed is given below.

MR. A. M. SHAH has gained thirty years experience in Finance and Management. He has handled the various critical projects during his directorship in the company. He is very dynamic in decision making and implimenting. The Board of Directors consider that the company would be benefited by Mr. A. M. Shah and recomended the acceptance of resolution. Non of the directors are interested in the resolution except Mr. A. M. Shah the proposed appointee. He is not holding Directorship in any other Company.

MR. K. M. SHAH has gained experience in his own business. He is very particular and sharp minded personality. The Board of Directors consider tha the Company would be benefited by Shri K. M. Shah and recomended the acceptance of resolution. Non of the directors are intetested in the resolution except Shri K. M. Shah the proposed appointee. He is not holding Directorship in any other Company.

GENERAL SHAREHOLDER INFORMATION :**a) Listing on Stock Exchange and Stock Code.**

The Company's equity shares are listed on

1. The Stock Exchange Mumbai Stock Code : 530243

b) Registrars and Transfer Agents (RTA), Share Transfer system.

The Company has appointed R & T agent Cameo Corporate Services Ltd. "SUBRAMANIAN BUILDING", No.1, Club House Road, CHENNAI - 600 002. SEBI Reg.No. INR 000003753 dated 12-04-1999 for both physical and demat share maintenance with effect from 06-04-2010.

c) Investor Grievance Committee

The Board has constituted an "Investor Grievance Committee", which looks into shareholders and investors grievances. The following are the members of the committee.

Name	Designation
Mrs. M. M. Shah	Chairman
Mr. K. M. Shah	Member
Mr. D. M. Shah	Member

INVESTOR RELATIONS

All the complaints received from shareholders during 2013-2014 and 2014-2015, have been resolved during the year, No complaints remaining to be resolved as at 31st March 2015, as on the date of this Report i.e. on 30/4/2015, no complaints are pending.

d) General Body Meetings :

The location and time of Annual General Meetings held during the last 3 years are as follows :

Annual General Meeting (AGM) / Financial year	Date	Time	Venue
21st/2012-2013	30/7/2013	11.00 a.m.	302, Samruddhi, Nr. Income Tax, Ashram Road, Ahmedabad-380014.
22nd/2013-2014	30/7/2014	- do -	- do -
23rd/2014-2015	30/7/2015	- do -	- do -



ANNEXURE I
BUSINESS RESPONSIBILITY REPORT
[See Regulation 34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN): L32100GJ1992PLC017564
2. Name of the Company : MANGALYA SOFT TECH LIMITED
3. Registered address : 302, Samruddhi, NR. C U Shah Commerce college,
Income Tax Circle, Ashramroad, Ahmedabad 380014.
4. Website : www.mangalyasofttechltd.com
5. E-mail id : mjshah_shah@yahoo.com
6. Financial Year reported : 2015-2016
7. Sector(s) that the Company is engaged in (industrial activity code-wise) : 62011
8. List three key products/services that the Company manufactures/provides (as in balance sheet) Tailor made Computer Software Development
9. Total number of locations where business activity is undertaken by the Company
(a) Number of International Locations (Provide details of major 5) 0
(b) Number of National Locations 1
10. Markets served by the Company – Local/State/National/International Local

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) 10,00,00,000
2. Total Turnover (INR) 356460
3. Total profit after taxes (INR) 14980
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) NIL
5. List of activities in which expenditure in 4 above has been incurred:-
(a) NIL

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? No
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
NOT APPLICABLE
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] NIL



SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number 00500121

2. Name MANSUKHBHAI JASKARAN SHAH

3. Designation CHAIRMAN

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if Applicable)	<u>00500121</u>
2	Name :	<u>MANSUKHBHAI J SHAH</u>
3	Designation:	<u>CHAIRMAN</u>
4	Telephone number	<u>07927543839</u>
5	e-mail id :	<u>shah_shah@yahoo.com</u>

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

NO.	QUESTION	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

NO.	QUESTION	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									



3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year : Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? www.mangalyasofttechltd.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? Yes, No
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
No complaints have been received in the past financial year.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
(a) . Tailor made Computer software Services.
(b) . Nil
(c) . Nil
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
 - (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? Not Applicable ,Very low
 - (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? Not Applicable, Very low
3. Does the company have procedures in place for sustainable sourcing (including transportation)? No.
 - (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. NOT APPLICABLE
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes
 - (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors? The company is outsourcing job work to local programmers.
5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
The company is usually selling out the old stationary/west parts to Local purchasers. It is <5%.

Principle 3

1. Please indicate the Total number of employees. 3
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. 0
3. Please indicate the Number of permanent women employees. 1
4. Please indicate the Number of permanent employees with disabilities .0
5. Do you have an employee association that is recognized by management. No.
6. What percentage of your permanent employees is members of this recognized employee association? Nil
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. Nil
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
 - (a) Permanent Employees 100%
 - (b) Permanent Women Employees
 - (c) Casual/Temporary/Contractual Employees
 - (d) Employees with Disabilities



Principle 4

1. Has the company mapped its internal and external stakeholders? Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so. No such stake holders.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
policy of the company on human rights cover only the company.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? Nil

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.
policy related to Principle 6 cover only the company
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.
www.mangalyasofttechltd.com
3. Does the company identify and assess potential environmental risks? Yes.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? Company is engaged in Tailor made Computer software development and it is done environment friendly .
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.www.mangalyasofttechltd.com
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Yes.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: No
(a) . Not Applicable
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) No

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. Yes
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization? In house team.
3. Have you done any impact assessment of your initiative? Yes.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. Nil
4. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.
Yes, the company is outsourcing its some of the work and the small programmers are doing it successfully.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year . 0%
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information) N.A. Company is engaged in development of tailor made software.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. No case filed by any stakeholder against the company
4. Did your company carry out any consumer survey/ consumer satisfaction trends?
Yes



CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY

We, M. J. Shah, Chairman and Dilip Shah, Director of Mangalya Soft Tech Ltd. ('the company'), certify that:

- (a) We have reviewed the financial statements and the cash flow statement of the Company for the period ended March 31, 2016 and that to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) 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) To the best of our knowledge and belief, no transactions entered into by the Company during the period ended March 31, 2016 are fraudulent, illegal or violative to the Company's code of conduct.
- (c) We 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 have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
- (d) During the period :
 - (i) There have not been any significant changes in internal control over financial reporting;
 - (ii) There have not been any significant changes in accounting policies; and
 - (iii) There have been no instances of significant fraud of which we are aware that involve management or other employees, having significant role in the Company's internal control system over financial reporting.

April 30th, 2016

M. J. Shah
Chairman

D. M. Shah
Mg. Director



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MANGALYA SOFT-TECH LIMITED
31/3/2016**

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Mangalya Soft Tech Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, 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 matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 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 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 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 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 controls 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 Directors, as well as evaluating the overall presentation of the 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 financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2016 and its profit 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, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f. with respect to the 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
 - 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
 - iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company if any.

Ahmedabad.
30 April, 2016.

For SURENDRA KUMAR JAIN & CO.
Chartered Accountants
Firm's registration number : 127295W

S.K. JAIN
PROPRIETOR
Membership number 071318

**MANGALYA SOFT TECH Limited****Annexure to the Auditors' Report**

The Annexure referred to in our report to the members of MANGALYA SOFT TECH LIMITED for the year Ended on 31st March, 2016. We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	YES
	(c) Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	YES
(ii)	(a) whether physical verification of inventory has been conducted at reasonable intervals by the management; whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account;	YES
(iii)	whether the company has granted any loans, secured or unsecured to companies, firms, Limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act. If so,	NO
	(a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	NA
	(b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayment or receipts are regular.	NA
	(c) If the amount is overdue, state the total amount overdue for more than ninety days and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA



(iv)	In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof	YES
(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	NA
(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, whether such accounts and records have been made and maintained;	NA
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	YES
	(b) in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	NA
(viii)	Deleted.	
(ix)	Whether the company has defaulted in repayment of dues to a financial institution, bank, government or dues to debenture holders? If yes, the period and amount of default to be reported (in case of defaults to banks.	NO



	financial institutions and government, lender wise details to be provided).	
(x)	Deleted	
(xi)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays /default and subsequent rectification, if any, as may be applicable, be reported	YES
(xii)	Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year; If yes, the nature and the amount involved be indicated.	NO
(xiii)	Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	YES
(xiv)	<i>Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.</i>	NA
(xv)	Whether all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the applicable accounting standards.	YES
(xvi)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide details in respect of the amount involved and nature of non- compliance.	NA
(xvii)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	YES
(xviii)	Whether the company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, and if so, whether the registration has been obtained.	NA

for SURENDRA KUMAR JAIN & CO.
Chartered Accountants
Firm's registration number:127295W

Place- AHMEDABAD.

Date- 30th April, 2016.

(S.K.JAIN)
(Proprietor)
Membership number: 071318

**MANGALYA SOFT-TECH LTD.****BALANCE SHEET AS AT 31ST MARCH, 2016**

PARTICULARS	NOTE	AS AT 31.3.2016 Rs.	AS AT 31.3.2015 Rs.
<u>EQUITY AND LIABILITIES</u>			
Share Holder's Funds :			
Share Capital	"A"	10,00,00,000	10,00,00,000
Reserves and Surplus	"B"	1,64,98,200	1,64,98,200
Current Liabilities & Provisions :	"C"	20,000	10,000
TOTAL Rs.		11,65,18,200	11,65,08,200
<u>II-ASSETS :</u>			
Non Current Assets Tangible fixed Assets :			
Gross Block		1,20,45,099	1,20,45,099
Less : Depreciation	"D"	1,19,55,881	1,18,95,739
Net Block		89,218	1,49,360
Advance For Capital Exps.		5,86,93,050	5,31,27,375
Investments	"E"	91,96,263	91,96,263
Current Assets, Loans & Advances			
Sundry Debtors	"F"	43,97,646	43,97,646
Cash & Bank Balances	"G"	1,53,194	1,57,132
Loans & Advances	"H"	3,58,44,965	4,13,31,580
Miscellaneous Expenditure	"I"	81,43,864	81,58,844
TOTAL Rs.		11,65,18,200	11,65,18,200

Notes Annexed Form part of the Account

"J"

AS PER OUR REPORT OF EVEN DATED ATTACHED HERewith

FOR SURENDRA KUMAR JAIN & CO.
CHARTERED ACCOUNTANTS
By the hand of

S. K. JAIN
PROPRIETOR

FOR MANGALYA SOFT-TECH LTD.

D. M. Shah
Mg. Director

M. J. Shah
Chairman

PLACE : AHMEDABAD
DATE : 30/04/2016

PLACE : AHMEDABAD
DATE : 30/04/2016

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2016**

PARTICULARS	NOTE	AS AT 31.3.2016 Rs.	AS AT 31.3.2015 Rs.
<u>INCOME</u>			
Software Sales		3,56,460	5,46,600
Other Income	"J"	7,91,500	6,49,986
TOTAL Rs.		11,47,960	11,96,586
<u>EXPENDITURE</u>			
Software Purchase		3,03,350	4,48,320
Software & Other Exp.	"K"	7,69,488	6,73,061
Interest & Finance Charges		NIL	NIL
Depreciation		60,142	60,142
TOTAL Rs.		11,32,980	11,81,523
Profit / Loss (-) Before Tax		14,980	15,063
Provision for Tax		0	0
Profit / Loss (-) After Tax		14,980	15,063
Balance Brought Forward		(-) 47,08,382	(-) 47,23,445
<u>APPROPRIATION</u>			
Transfer to General Reserve			0
Balance Carried to Balance-sheet		(-) 46,93,402	(-) 47,08,382
Notes Annexed Form part of the Account	"L"		
AS PER OUR REPORT OF EVEN DATED ATTACHED HERewith			
FOR SURENDRA KUMAR JAIN & CO.		FOR MANGALYA SOFT-TECH LTD.	
CHARTERED ACCOUNTANTS			
By the hand of			
S. K. JAIN		<i>D. M. Shah</i>	<i>M. J. Shah</i>
PROPRIETOR		<i>Director</i>	<i>Director</i>
PLACE : AHMEDABAD		PLACE : AHMEDABAD	
DATE : 30/04/2016		DATE : 30/04/2016	

**SCHEDULES ATTACHED TO AND FORMING PARTS OF ACCOUNTS**

PARTICULARS	AS AT 31.3.2016 Rs	AS AT 31.3.2015 Rs.
NOTE : 'A'		
<u>Share Capital :</u>		
<u>Authorised Share Capital</u>		
1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL :</u>		
(A) 1,00,00,000 Equity Shares of Rs. 10/- each	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
NOTE : 'B'		
<u>RESERVE & SURPLUS</u>		
(A) General Reserve	15,00,000	15,00,000
(B) SHARE PREMIUM A/C.		
(49,99,400 Equity Shares @Rs. 3 per share)	1,49,98,200	1,49,98,200
TOTAL Rs.	1,64,98,200	1,64,98,200
NOTE : 'C'		
<u>CURRENT LIABILITIES & PROVISIONS :</u>		
S. K. Jain & Co.	20,000	20,000
	20,000	20,000



NOTE : 'D' Tangible Fixed Assets : 31/03/2016

Sr. No.	particulars	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K	
		As. At. 31/3/2015 Rs.	Addition during the year Rs.	Sold during the year Rs.	As At 31/3/2016 Rs.	As at 31/3/2015 Rs.	Provided during the year Rs.	As at 31/3/2016 Rs.	As at 31/3/2016 Rs.
1.	Plant & Machinery	10993462	0	0	10993462	1,09,67,499	273	1,09,67,772	25,690
2.	Vehicles	808214	0	0	808214	7,20,235	52787	7,73,022	35,192
3.	Office Equipments	67868	0	0	67868	42,304	5112	47,416	20,452
4.	Furniture & Fixtures	175555	0	0	175555	1,65,701	1970	1,67,671	7,884
	Total	12045099	0	0	12045099	1,18,95,739	60142	1,19,55,881	89,218
	Previous Year	12045099	0	0	12045099	1,18,35,597	60142	1,18,95,739	1,49,360

PARTICULARS

**AS AT
31.3.2016
Rs.**

**AS AT
31.3.2015
Rs.**

NOTE : 'E'

INVESTMENTS (AT COST) :

Kinjal Finance Ltd.	5,74,750	5,74,750
Infosys Equity Shares	9,92,663	9,92,663
Reliance power Shares	28,350	28,350
Progressive Merc. Co. Op. Bk. Ltd.	500	500
Bharat Chemicals Pvt. Ltd.	51,00,000	51,00,000
Pawan Steel Pvt. Ltd.	25,00,000	25,00,000
TOTAL Rs.	91,96,263	91,96,263

NOTE : 'F'

SUNDRY DEBTORS :

(Unsecured Considered Good)

Out Standing More Than Six Months
Others

43,97,646	43,97,646
-----	-----
43,97,646	43,97,646

NOTE : 'G'

CASH & BANK BALANCE :

Cash on hand	82,195	82,195
Balance in Progressive Mer. Co. Op. Bank Ltd.	70,999	74,937
TOTAL Rs.	1,53,194	1,26,373



MANGALYA SOFT-TECH LTD.

PARTICULARS	AS AT 31.3.2016 Rs.	AS AT 31.3.2015 Rs.
NOTE : 'H'		
LOANS AND ADVANCES :		
Advances recoverable by Cash or Kind	3,58,44,965	4,13,31,580
TOTAL Rs.	3,58,44,965	4,13,31,580
NOTE : 'I'		
MISCELLANEOUS EXPENDITURE : (to the extent not written off or adjusted)		
Public Issue Exps.	34,50,462	34,50,462
Profit & Loss A/c. (Dr. Balance)	46,93,402	47,08,382
	81,43,864	81,58,844
NOTE : 'J'		
OTHER INCOME		
Interest Income	7,32,000	6,06,186
Dividend Income	59,500	43,800
	7,91,500	6,49,986
NOTE : 'K'		
SOFTWARE & OTHER EXPENSES :		
PARTICULARS		
Advertisement Expenses	18,634	13,455
Auditors Remuneration		
- Audit Fees	20,000	20,000
Bank Charges & commission	830	440
Dematerialisation Charges	25,984	16,854
Electricity Expenses	1,11,310	1,00,077
Employees Remuneration	4,36,560	2,95,340
Insurance Expenses	15,057	9,146
Professional Tax	2,000	4,440
Membership & Subscription	7,536	19,891
Municipal Tax	34,473	50,660
Office Expenses	9,017	30,873
Stationery Printing Exp.	2,515	16,200
Repairs & Maintenance	4,816	31,700
Telephone & Fax Charges	27,109	27,018
Share Transfer agent fees	42,147	26,967
Legal Exp.	11,500	10,000
Total Rs.	7,69,488	6,73,061

**NOTE : 'L'****31/03/2016****NOTES FORMING PART OF THE ACCOUNTS****(A) Significant Accounting Policies :**

- (i) **Basis of Accounting :**
The financial Statement are prepared on the basis of historical cost convention and in accordance with the normally accepted accounting principles.
- (ii) **Fixed Assets :**
 - a) Fixed Assets are stated at cost of Acquisition less accumulated depreciation.
 - b) Depreciation on fixed Assets have been provided in accordance with the useful life of the Asset as prescribed in Schedule II of the Companies Act, 2013 except in certain Assets where depreiation provided at the rates and manner finds reasonable by the managment.
- (iii) **Income & Expenditure :**
All Income & Expenditure items having material bearing on the financial statements are recognised on accrual basis.
- (iv) **Retirement Benifits :**
Since none of the employees have completed the minimum specified period for eligibility under the payment of Gratuity Act, 1972 no provision for gratuity has been made.
- (v) **Investments :**
Investments are considered as Long Term Investments unless and otherwise specified. Investments are valued at cost Dividend/Interest on Investments are recognised on receipt basis.
- (vi) **Contingent Liabilities :**
Contingent Liabilities are disclosed in the accounts by way of notes giving the nature and quantity of such liabilities.

(B) Notes to Accounts :

- (i) Previous year figures are regrouped, rearranged to compare it with the current year figures.
- (ii) Contingent Liabilities not provided for Rs. Nil
- (iii) In opinion of the management Current Assets, Loans & Advances are approximately of the values stated if realised in ordinary course of the business.
- (iv) Previous years figures have been regrouped/ rearranged/ recast wherever considered necessary.
- (v) Balances of debtors, creditors, loans & advances, deposits and Investments are as per books and subject to confirmation.
- (vi) Imports of materials, components, spares parts and Capital Goods Rs. Nil
- (vii) Figures of the Balance Sheet and Profit & Loss Account and annexures thereof are rounded off to the nearest rupee.
- (viii) Preliminary Expenses not written off during the year under Audit.
- (ix) On the plea that there is different Tax Asset, no Provision made for different Tax Liability
- (x) Information under clause 4C & 4D of part II of Schedule VI to the Companies Act, 1956.
 - (a) The Company is engaged in the manufacture of Software which is not amenable for quantification. Hence the information required as per clause 4C of Part II of Schedule VI of the Companies Act, 1956, has not been furnished.



(b) Information required under clause 4D of part II of Schedule VI of the Companies Act, 1956 are not applicable.

Signature of Note "A" to "L" forming part of Balance Sheet and Profit & Loss A/c.
AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith.

FOR SURENDRA KUMAR JAIN & CO.
CHARTERED ACCOUNTANTS

By the hand of

S. K. JAIN
PROPRIETOR

FOR MANGALYA SOFT-TECH LTD.

D. M. Shah
Director

M. J. Shah
Director

PLACE : AHMEDABAD
DATE : 30/04/2016

PLACE : AHMEDABAD
DATE : 30/04/2016

**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV
OF SCHEDULE VI OF THE COMPANIES ACT, 1956.**

BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

1. Registration Details :
Registration Number : CIN No : L 32100 GJ 1992 PLC017564
State Code : 04
Balance Sheet Date : 31/3/2016
2. Capital raised during the Year (Amount Rs. in '000)
Public Issue : -
Right Issue : -
Bonus Issue : -
Private Placement : -
3. Position of mobilisation and Development of Funds (Amount Rs. in '000)

Total Liabilities : 116518	Application of Funds
Total Assets : 116518	Net Fixed Assets : 89
Sources of Funds	Investments : 9,196
Paid Up Capital : 1,00,000	Net Current Assets : 40,376
Reserve & Surplus : 16,498	Miscellaneous Exp. : 8,144
Secured Loans : 0	Advance for capital : -
Unsecured Loans : -	Expenditure : 58,693
4. Performance of Company (Amount Rs. in '000)

Turnover : 1,148
Expenditure : 1,133
Profit/Loss Before Tax: 15
Profit/Loss After Tax : 15
5. Earning per Share : Nil
6. Generic Names of the Three Principal Products/Services of Company.
 1. Computer Software

**FUND FLOW STATEMENT FOR THE PERIOD
FROM 1/4/2015 TO 31/3/2016**

(A) Fund Flow from operating activities :	Rs.	Rs.
Net Loss as per Profit & Loss A/c.		14,980
Add : Depreciation	60,142	
Operating Profit before working capital changes		75,122
B. FUND FLOW FROM INVESTING ACTIVITIES :		
Add : Decrease in Loans and Advances	(+) 54,86,615	
Less : Increase in Advance for Capital Exp.	(-) 55,65,675	
Net fund used in Investing Activites		(-) 79,060
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Funds from financing activities		Nil
CASH AND BANK BALANCE AS AT 1/4/2015		1,57,132
CASH AND BANK BALANACE AS AT 31/3/2016		1,53,194

Above are correct as per books of accounts.

FOR SURENDRA KUMAR JAIN & CO.
CHARTERED ACCOUNTANTS
By the hand of

S. K. JAIN
PROPRIETOR

FOR MANGALYA SOFT-TECH LTD.

D. M. Shah
Director

M. J. Shah
Director

PLACE : AHMEDABAD
DATE : 30/04/2016

PLACE : AHMEDABAD
DATE : 30/04/2016



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that TwentyFourthAnnual General Meeting of members of the **MANGALYA SOFT-TECH LIMITED** will be held at 11-00 a.m. on 30th day of July, 2016 at 302, "Samruddhi" Opp. Sakar-III, Income Tax Circle, Ashram Road, Ahmedabad - 380 014. to transact the following business.

ORDINARY BUSINESS

1. To receive and adopt the Audited Accounts of the Company for the year ended 31st March, 2016 alongwith report of auditors and directors' thereon.
2. To appoint director in place of Mr. A. M. Shah who retires by rotation and is eligible for reappointment.
3. To appoint director in place of Mr. K. M. Shah who retires by rotation and is eligible for reappointment.
4. To appoint auditors and to fix their remuneration.

NOTES :

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
- (2) Proxy Form in order to be effective, must reach the Company's Registered office not less than 48 hours before the time of the meeting.
- (3) Members are requested to immediately notify the Company of any change in their registered address.
- (4) The Register of Members and Share Transfer books of the Company will-remain closed during 25-7-2016 to 30-7-2016. (both days inclusive)
- (5) Members are informed that share trasfer and related activities are being carried out by M/s. Cameo Corporate Services Ltd. "SUBRAMANIAN BUILDING", No.1, Club House Road, CHENNAI - 600 002. SEBI Reg.No. INR 000003753 dated 12-04-1999 for both physical and demat share maintenance with effect from 06-04-2010.
- (6) Members desiring any information on Accounts or other items of Agenda are requested to write to the Company at its Regd. office at least ten days before the date of AGM so as to enable Management to keep the information ready.

Place : Ahmedabad.

Date : 30/04/2016

By Order of the Board

REGISTERED OFFICE

302, "Samruddhi" Opp. Sakar-III, Income Tax Circle,
Ashram Road, Ahmedabad - 380 014.

DILIP M. SHAH
Managing Director

IMPORTANT INTIMATION TO MEMBERS

As you may be aware, the Ministry of Corporate Affiars, Government of India ('MCA') has recently introduced 'Green Initiative in Corporate Governance' by allowing paperless compliance by Companies, i.e. service of notice/documents including Annual Report can be sent by e-mail to its members. Keeping in view the underlying spirit and pursuant to the said initiative of MCA, we requeust the members who have not registered their e-mail addresses, so far, to register their e-mail addresses, in respect of electronic holdings with the Depository through their respective Depository Participants. Members holding the shares in physical mode are also requested to register their e-mail addresses with Company's Registrar & Share Transfer Agent viz. Cameo Corporate Services Ltd.