

# SAFAL HERBS LIMITED

CIN: L24233DL1994PLC290133

REG. OFFICE: 305, 3RD FLOOR, NEELKANTH CHAMBERS, PLOT NO. 14,  
L.S.C. SAINI ENCLAVE, East Delhi-110092

Dt. 14.10.2016

To,	
The Department of Corporate Services	The Department of Corporate Services
<b>The Bombay Stock Exchange</b>	<b>The Ahmedabad Stock Exchange,</b>
Phiroze Jeejeebhoy Towers,	Kamdhenu Complex
Dalal Street,	Opp. Sahajanand College,
Bombay.	Panjrampole,
	Ahmedabad - 380015

Dear Sir,

**Sub: Submission of Annual Report 15-16 as per Regulation 34 of SEBI (LODR) Regulations, 2015**

**Ref.: Company Code No. 532034**

The Annual Report of F.Y 2015-2016 was duly adopted and approved by the shareholders of the company at the AGM conducted on 30-09-2016


Thus the company hereby submits the approved Annual Report as per Regulation 34 of SEBI (LODR) Regulations, 2015

Kindly take into your records.

Thanking You.

Yours faithfully,

FOR, SAFAL HERBS LIMITED



DIRECTOR  
MUKESH GUPTA  
DIN: 02689972

Encl- Annual Report 2015-16

# *SAFAL HERBS LIMITED*



*ANNUAL REPORT- 2015-2016*

## **REGISTERED OFFICE:-**

**305, 3<sup>rd</sup> Floor, Neelkanth Chambers,  
Plot No. 14, L.S.C Saini Enclave,  
Delhi-110092**

## **BOARD OF DIRECTORS**

- 1) MUKESH GUPTA**
- 2) NARENDER KUMAR**
- 3) SONIA SAINI**

## **AUDITOR**

**Niranjan Jain & co,  
Chartered Accountant  
Ahmedabad, Gujarat**

## **BANKER**

**Central Bank of India**

## **REGISTRAR AND TRANSFER AGNET**

**SATELLITE CORPORATE SERVICES PRIVATE LIMITED  
MUMBAI, MAHARASHTRA.**

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## **NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SAFAL HERBS LIMITED WILL BE HELD ON 30<sup>TH</sup> SEPTEMBER, 2016 AT 11.00 A.M. AT REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS.**

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2016 and Balance sheet as at that date together with Directors Report and Auditors Report thereon.
- 2) To appoint a Director in place of Mr. Narendra Kumar who retires by rotation and being eligible offers himself for reappointment
- 3) To consider and if thought it, to pass with or without modifications, the following Resolution as an ORDINARY RESOLUTION:

**“Resolved that** pursuant to the provisions of sections 139 (2) and 142(1) of the Companies Act 2013 the retiring Auditor **NIRANJAN JAIN & CO.**, Chartered Accountants, be and are hereby reappointed as Auditors of the Company to hold office for a term of 3 years subject to ratification by members at every Annual General Meeting from the conclusion of this meeting until the conclusion of the next Annual General Meeting at such Remuneration as may be determined by the Board of Directors of the Company from time to time.

**DATED: 05.09.2016**  
**PLACE : AHMEDABAD**

**BY ORDER OF THE BOARD**

**SD/-**  
**CHAIRMAN**

**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 PROXY NEED NOT BE A MEMBER. Proxy in order to be valid must be received by the company not less than forty-eight hours before the time of holding the Meeting.
2. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
3. The Register of Members and share transfer books of the Company will remain closed from 23.09.2016 TO 30.09.2016 (both days inclusive)
4. Members desiring any information regarding the accounts are requested to write to the Company at least Seven Days before the meeting so as to enable the management to keep the same ready.

**DATED: 05.09. 2016**  
**PLACE: AHMEDABAD**

**BY ORDER OF THE BOARD**

**SD/-**  
**CHAIRMAN**

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27.09.2016 at 2.00 P.M. and ends on 29.09.2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on Attendance Slip.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **SAFAL HERBS LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.



- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

# **Board's Report**

To,  
The Members of  
M/s. Safal Herbs Limited

Your Directors have pleasure in presenting the Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2016.

## **FINANCIAL HIGHLIGHTS**

<b>(Rs. In Lacs)</b>		
<b>Particulars</b>	<b>2015-2016</b>	<b>2014-2015</b>
Gross Income	<b>143.77</b>	<b>143.87</b>
Profit Before Interest and Depreciation	<b>1.61</b>	<b>4.02</b>
Finance Charges	<b>0.00</b>	<b>0.00</b>
Gross Profit	<b>1.61</b>	<b>4.02</b>
Provision for Depreciation	<b>0.00</b>	<b>0.00</b>
Net Profit Before Tax	<b>1.61</b>	<b>4.02</b>
Provision for Tax	<b>0.50</b>	<b>1.24</b>
Net Profit After Tax	<b>1.11</b>	<b>2.78</b>

## **DIVIDEND**

However with the view to conserve the resources of company the directors are not recommending any dividend.

## **AMOUNTS TRANSFERRED TO RESERVES**

The Board of the company has decided/proposed to carry the current profit to its reserves.

## **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

Company does not have any Subsidiary, Joint venture or Associate Company.

## **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

## **MATERIAL CHANGES AND COMMITMENTS**

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

## **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information.

## **MEETINGS OF THE BOARD OF DIRECTORS**

During the Financial Year 2015-16, the Company held. **Eight** board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

<b>S No.</b>	<b>Date of Meeting</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
1	29.05.2015	4	4
2	30.05.2015	5	5
3	13.08.2015	3	3
4	04.09.2015	3	3
5	09.11.2015	3	3
6	31.12.2015	3	3
7	13.02.2016	3	3
8	31.03.2016	3	3

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had 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.

## **AUDITORS and REPORT thereon**

The Auditors, M/s. Niranjana Jain & Company, Chartered Accountants, retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment.

Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes on financial statements are self-explanatory, and need no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2016 is annexed herewith for your kind perusal and information.

## **LOANS, GUARANTEES AND INVESTMENTS**

The Company has given Loans and advances. However the company has not given Guarantee and no Investments made under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2016.

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

### **(A) Conservation of energy and Technology absorption**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

### **(B) Foreign exchange earnings and Outgo**

There were no foreign exchange earnings and outgo during the year under review.

## **RISK MANAGEMENT**

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

### **DIRECTORS and KMP**

During the current financial year the following changes have occurred in the constitution of directors of the company:

<b>S.No</b>	<b>Name</b>	<b>Designation</b>	<b>Date of appointment</b>	<b>Date of cessation</b>	<b>Mode of Cessation</b>
1	Ms. Sonia Saini	<b>Director</b>	<b>30.05.2015</b>	-	-
2	Mr. Shamubhai D. Dhobi	<b>Director</b>	<b>21.02.2013</b>	<b>30.05.2015</b>	<b>Resignation u/s. 168</b>
3	Mr. Navin Parmar	<b>Director</b>	<b>21.02.2013</b>	<b>30.05.2015</b>	<b>Resignation u/s. 168</b>

### **DEPOSITS**

The company has not accepted any deposits during the year.

### **CORPORATE SOCIAL RESPONSIBILITY**

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

### **RATIO OF REMUNERATION TO EACH DIRECTOR**

The company is not paying remuneration to any director.

### **ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

### **CORPORATE GOVERNANCE**

Report on Corporate Governance along with the Certificate of the Auditors, M/s. Niranjana Jain & Company, confirming compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges forms part of the Board Report.

## **INDEPENDENT DIRECTORS and DECLARATION**

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

## **NOMINATION AND REMUNERATION COMMITTEE**

As per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of three Directors. The table sets out the composition of the Committee:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Narender Kumar	Chairman	Non Executive Independent Director
Ms. Sonia Saini*	Member	Non Executive Independent Director
Mr. Mukesh Gupta	Member	Executive Director

# Mr. Shamubhai Dabhi Resigns from the directorship of the company w.e.f. 30.05.2015 , so he also ceased to be a member of this committee

\*Ms. Sonia Saini Appointed as a director of the company w.e.f. 30.05.2015

## **Terms of Reference**

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
4. Regularly review the Human Resource function of the Company
5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
6. Make reports to the Board as appropriate.
7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

### **REMUNERATION POLICY**

#### **Remuneration to Executive Directors:**

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

#### **Remuneration to Non Executive Directors:**

The Non Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

### **AUDIT COMMITTEE**

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Narender Kumar	Chairman	Non Executive Independent Director
Ms. Sonia Saini*	Member	Non Executive Independent Director
Mr. Mukesh Gupta	Member	Executive Director

# Mr. Shamubhai Dabhi Resigns from the directorship of the company w.e.f. 30.05.2015 , so he also ceased to be a member of this committee

\*Ms. Sonia Saini Appointed as a director of the company w.e.f. 30.05.2015

### **SECRETARIAL AUDIT REPORT**

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any clarification/ explanation.

Further the Secretarial Audit Report **as provided by M/s. Umang Lalpurwala , Practicing Company Secretary** for the financial year ended, 31st March, 2016 is annexed herewith for your kind perusal and information.

### **COST AUDIT**

Cost Audit is not applicable to the company.

## **VIGIL MECHANISM**

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the Clause 49 of the Listing Agreement, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

## **ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**For & on behalf of the Board of  
Directors**

**Date: 05.09.2015**

**Place: Ahmedabad**

**Sd/-  
(MUKESH GUPTA)  
DIN : 02689972**

**Sd/-  
(NARENDRA KUMAR)  
DIN : 07005298**



## **SAFAL HERBS LIMITED**

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

#### **1. Overall Review**

The Growth rate has been on the downward trend as compared to the previous year with favorable market conditions which reflect the positive market.

#### **2. Financial Review**

During the year the company has continue the business activities and has profit of Rs. 1.11 Lacs.

#### **3. Risk and Concern**

The company has minimal risk as doing trading of herbal products. Awareness and acceptability of herbal products in market helps the company to expand the business. However the company has proper planning and management to take care of the risk factors.

#### **4. Internal Control System and their adequacy**

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliance of guide lines and policies, adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management.

#### **5. Environmental Issues**

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

#### **6. Financial Performance with Respect to Operation Performance**

The Company has all the plans for tight budgetary control on key operational performance indication with judicious deployment of funds without resorting to any kind borrowing where ever possible.

#### **7. Cautionary Statement**

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially, from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward - looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

# FormNo.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	<b>L24233PN1994PLC081470</b>
ii.	Registration Date	<b>27/09/1994</b>
iii.	Name of the Company	<b>SAFAL HERBS LIMITED</b>
iv.	Category/Sub-Category of the Company	<b>COMPANY LIMITED BY SHARES</b> <b>INDIAN NON- GOVERNMENT COMPANY</b>
v.	Address of the Registered office and contact details	<b>305, 3rd Floor, Neelkanth Chambers, Plot No. 14, L.S.C. Saini Enclave, Delhi- 110092</b>  <b>EAMIL:-parikhharbals@gmail.com</b>  <b>CONTACT NO.:- +91 9687009012</b>
vi.	Whether listed company	<b>Yes/No</b>
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>SATELLITE CORPORATE SERVICES PVT.LTD.</b>  <b>B-302, SONY APPARTMENT, OPP. ST JUDE HIGH SCHOOL, 90, FEET ROAD, JARIMARI, SAKINAKA, MUMBAI- 400 072</b>  <b>EMAIL:- <a href="mailto:service@satellitecorporate.com">service@satellitecorporate.com</a></b>  <b>CONTACT NO.: 022- 2852 0461/0462</b>

## 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:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	HERBAL PRODUCTS	210/2100/21003	100.00

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

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	N.A.	-	-	-	-

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

### i. *Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of The year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	3000000	5072500	8072500	8.072	3000000	5072500	8072500	8.072	0.00
b) Central Govt	0	0	0	00.00	0	0	0	00.00	00.00
c) State Govt (s)	0	0	0	00.00	0	0	0	00.00	00.00
d) Bodies Corp	0	1547000	1547000	01.55	0	1547000	1547000	01.55	00.00
e) Banks / FI	0	0	0	00.00	0	0	0	00.00	00.00
f) Any Other	0	0	0	00.00	0	0	0	00.00	00.00
Sub-total(A)(1):-	3000000	6619500	9619500	9.62	3000000	6619500	9619500	9.62	0.00
<b>2) Foreign</b>									
g) NRIs- Individuals	0	0	0	00.00	0	0	0	00.00	00.00
h) Other- Individuals	0	0	0	00.00	0	0	0	00.00	
i) Bodies Corp.	0	0	0	00.00	0	0	0	00.00	00.00
j) Banks / FI	0	0	0	00.00	0	0	0	00.00	
k) Any Other....	0	0	0	00.00	0	0	0	00.00	00.00
Sub-total(A)(2):-	0	0	0	00.00	0	0	0	00.00	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	0	0	0	00.00	0	0	0	00.00	00.00

a) Mutual Funds	0	0	0	00.00	0	0	0	00.00	
b) Banks / FI	0	0	0	00.00	3000000	0	3000000	3.00	00.00
c) Central Govt.	0	0	0	00.00	0	0	0	00.00	
d) State Govt.(s)	0	0	0	00.00	0	0	0	00.00	00.00
e) Venture Capital Funds	0	0	0	00.00	0	0	0	00.00	
f) Insurance Companies	0	0	0	00.00	0	0	0	00.00	00.00
g) FIIs	0	0	0	00.00	0	0	0	00.00	
h) Foreign Venture Capital Funds	0	0	0	00.00	0	0	0	00.00	00.00
i) Others (specify)									
Sub-total(B)(1)	0	0	0	00.00	0	0	0	00.00	00.00
<b>2. Non Institutions</b>									
a) Bodies Corp. (i) Indian (ii) Overseas	20977455	99000	21076455	21.08	25456627	100000	25556627	25.56	4.48
b) Individuals  (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	19375852	2122000	21497852	21.50	15129513	1714000	16843513	16.84	-4.65
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	38292847	3045000	41337847	41.34	37413989	1607000	39020989	39.02	-2.23
c) Others(Specify)									
<b>1. CLEARING MEMBERS</b>	469852	0	469852	0.47	600	0	600	0.00	-0.47
<b>2.NRI</b>	12571	0	12571	0.01	13271		13271	0.01	
<b>3.HUF</b>	5741923	244000	5985923	5.99	4162500	1783000	5945500	5.95	-0.04
Sub-total(B)(2)	84870500	5510000	90380500	90.38	82176500	5204000	87380500	87.38	7.09
Total Public Shareholding (B)=(B)(1)+ (B)(2)	84870500	5510000	90380500	90.38	85176500	5204000	87380500	90.38	7.09
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	00.00	0	0	0	00.00	00.00
Grand Total (A+B+C)	87870500	12129500	100000000	100.00	88176500	11823500	100000000	100.00	00.00

## ii.Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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.	Dhananjay V. Parikh	6418000	6.42	00.00	6418000	6.42	00.00	00.00
2.	Vipul Shah	1025500	1.03	00.00	1025500	1.03	00.00	00.00
3.	Bhupendrakumar shah	456000	0.46	00.00	456000	0.46	00.00	00.00
4.	A. D. Parikh	86000	0.09	00.00	86000	0.09	00.00	00.00
5.	A. V. Shah	1000	0.00	00.00	1000	0.00	00.00	00.00
6.	S. H. Shah(HUF)	10000	0.01	00.00	10000	0.01	00.00	00.00
7.	B. H. Shah (HUF)	14000	0.01	00.00	14000	0.01	00.00	00.00
8.	Shrenik H. Shah	5000	0.01	00.00	5000	0.01	00.00	00.00
9.	Sunita S. Shah	18000	0.02	00.00	18000	0.02	00.00	00.00
10.	Ronak B. Shah	0	0	0	0	0	0	00.00
11.	Romil B. Shah	35000	0.04	00.00	35000	0.04	00.00	00.00
12.	V. C. Shah	1000	0.00	00.00	1000	0.00	00.00	00.00
13.	Roshan S. Shah	1000	0.00	00.00	1000	0.00	00.00	00.00
14.	N. R. Doshi	1000	0.00	00.00	1000	0.00	00.00	00.00
15.	Bhojawani Securities Pvt. Ltd.	1547000	1.55	00.00	1547000	1.55	00.00	00.00
16.	V. J. Shah	1000	0.00	00.00	1000	0.00	00.00	00.00
	<b>Total</b>	<b>9619500</b>	<b>9.62</b>	<b>00.00</b>	<b>9619500</b>	<b>9.62</b>	<b>00.00</b>	<b>00.00</b>

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

Sr. 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	<b>NO CHANGE</b>	<b>NO CHANGE</b>	<b>NO CHANGE</b>	<b>NO CHANGE</b>
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				

	At the End of the year	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
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## 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	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total(i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change				
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)	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

## 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  (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	-	-	-	-	-
6.	Total(A)	-	-	-	-	-
	Ceiling as per the Act					

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
	<u>Independent Directors</u> • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total(1)	0	0	0	0	0
	<u>Other Non-Executive Directors</u> • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total(2)	0	0	0	0	0
	Total(B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration					
	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 section17(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	-	-	-	-
6.	Total	-	-	-	-



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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[R D /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers In Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

# **SAFAL HERBS LIMITED**

## **REPORT ON CORPORATE GOVERNANCE**

The company pursuant to the code on Corporate Governance introduced by the Securities and Exchange Board of India (SEBI) furnishes its report as under:

### **Company's Philosophy on Code of Governance**

The Company's philosophy on corporate governance envisages the attainment of the highest level of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, the government and lenders.

### **BOARD OF DIRECTORS**

#### **a) Size and Composition of the Board:**

The Company has a proper blend of Executive and Independent Directors to maintain the independence of the Board. As of the year ended 31<sup>st</sup> March, 2016, the Board of Directors had 3 members comprising of 1 Executive Directors and 2 Non-Executive Directors. All the Non – Executive directors are Independent director.

The details in regard to the attendance of Directors at Board Meetings/Shareholders Meetings held during the year as also the number of Directorship/s held by them in other Companies and the position of membership of Committee/s are given below:

Name of Director	Category of Director	No. of Board Meetings attended	Attendance at the last AGM	Directorships in other Indian Public Companies* as at 31 <sup>st</sup> March 2016	Other Mandatory Committee** membership as at 31 <sup>st</sup> March 2016	
					Chairman	Member
Mr. Navin M .Parmar #	Executive Director	2	No	NIL	NIL	NIL
Mr. Shamubhai D. Dhobi # #	Non - Executive Director	2	No	NIL	NIL	NIL
Mr. Narendra Parmar	Non - Executive Director	8	Yes	Yes	Yes	NIL
Mr. Mukesh Gupta	Non - Executive Director	8	Yes	NIL	NIL	NIL
Ms. Sonia Saini	Non - Executive Director	7	Yes	NIL	NIL	NIL

# Mr. Navin bhai Parmar Resigns from the directorship of the company w.e.f. 30.05.2015.

# # Mr. Shamubhai Dabhi Resigns from the directorship of the company w.e.f. 30.05.2015

\*Excludes Directorships in private/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

\*\*Represents Membership/Chairmanship of the Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee of other companies.

CMD-Chairman & Managing Director, WTD- Whole Time Director, NE- Non Executive.

#### **b) Management & Function of the Board:**

The day-to-day management of the Company is conducted by the Executive Director, with subject to the supervision and control of the Board of Directors. The required information as enumerated in Annexure I to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board also reviews the Board Minutes of its Subsidiary Company.

#### **c) Details of Board Meetings held during the Financial Year and the number of Directors present:**

<b>Serial No.</b>	<b>Dates on which the Board Meeting was held</b>	<b>Total Strength of the Board</b>	<b>No. of Directors Present</b>
1	29.05.2015	4	4
2	30.05.2015	5	5
3	13.08.2015	3	3
4	04.09.2015	3	3
5	09.11.2015	3	3
6	31.12.2015	3	3
7	13.02.2016	3	3
8	31.03.2016	3	3

#### **d) Committees of the Board**

Currently the Board has three committees viz:

##### **1) Audit Committee**

##### **Composition:**

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

At present the Audit Committee comprises of three directors. Two directors are Non Executive & Independent. Details of the composition, number of meetings held during the year and attendance thereat are as under:-

<b>Name</b>	<b>Position held</b>	<b>Attendance at Audit Committee meeting held on</b>			
		<b>29.05.2015</b>	<b>13.08.2015</b>	<b>09.11.2015</b>	<b>13.02.2016</b>
Mr. Narender Kumar	Chairman	Yes	Yes	Yes	Yes
Ms. Sonia Saini	Member	N.A.	Yes	Yes	Yes
Mr. Mukesh Gupta	Member	Yes	Yes	Yes	Yes

\*N.A. – Not Attended as the directors was appointed on 30.05.2015.

Minutes of meetings of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.

Members of the Audit Committee have requisite financial and management expertise. The Statutory Auditors, Internal Auditor and the Chief Financial Officer are invited to attend and participate at meetings of the Committee.

Powers of the audit committee includes:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The terms of reference are broadly as under:

- a. Oversight of the company's financial reporting process and the disclosure of its financial Information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
  - Matters required to be included in the Director's Report in terms of clause 2AA of Section 217 of the Companies Act, 1956
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualifications in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements
  - 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 interests of Company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the periodical financial statements with management before submission to the board for their approval.
- f. Reviewing the adequacy of internal audit function, 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.
- g. Discussion with internal auditors any significant findings and follow up there on.
- h. 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.
- i. 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.
- j. Reviewing the Company's financial and risk management policies.

- k. 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.

## 2) **Nomination and Remuneration Committee:**

The Company's Nomination and Remuneration Committee comprises of three Non-executive Directors. The table sets out the composition of the Committee:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Narender Kumar	Chairman	Non Executive Independent Director
Ms. Sonia Saini	Member	Non Executive Independent Director
Mr. Mukesh Gupta	Member	Non - Executive Director

### **Terms of Reference**

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
4. Regularly review the Human Resource function of the Company
5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
6. Make reports to the Board as appropriate.
7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

## **REMUNERATION POLICY**

### **Remuneration to Executive Directors:**

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

### **Remuneration to Non Executive Directors:**

The Non Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them. However the Company has not paid any sitting Fess to the Non- Executive Director.

### **3) Shareholders'/Investors' Relations Committee**

The Shareholders'/Investors' Grievance Committee of the Company comprises of three directors. Details of the composition, number of meetings held during the year and attendance thereat as under:

Name	Category of Director	Position held	Attendance at Shareholders' Committee meeting held on				
			30.04.2015	30.06.2015	30.09.2015	31.12.2015	31.03.2016
Mr. Narender Kumar	Non - Executive Director	Chairman	Yes	Yes	Yes	Yes	Yes
Ms. Sonia Saini	Non - Executive Director	Member	N.A.	Yes	Yes	Yes	Yes
Mr. Mukesh Gupta	Executive Director	Member	Yes	Yes	Yes	Yes	Yes

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days except in case of dispute over facts or other legal constraints.

During the year complaints were received from SEBI or shareholders were resolved satisfactory.

No requests for share transfers are pending except those that are disputed or sub-judice.

Mr. Mukesh Gupta, Director of the company is the Compliance Officer of the Company.

### **Code of Conduct for Senior Management**

The Company has adopted a Code of Conduct for Directors and Senior Management. It is the responsibility of all employees and Directors to familiarize themselves with the Code and comply with the same.

The Code includes provisions where the employees of the Company can voice their concerns on violation and potential violation of this Code in a responsible and effective manner.

All Board members and senior management personnel have confirmed compliance with the code. A declaration signed by the Managing Director is attached and forms part of the Annual Report of the company.

### **CEO Certification**

Chief Executive Officer (CEO) certification on financial statements pursuant to the provisions of Clause 49 of the listing agreement is annexed and forms part of the Annual Report of the company.

### **SHAREHOLDERS INFORMATION:**

#### **Location and time of Annual General Meetings held in last three years**

For the Year	Location	Date & Time	Special Resolution passed <b>Yes Or No</b>
2014-15	B-29, Ujjval Complex, Opp. Old Bus Stand, Ahmednagar, Maharashtra – 414 001	30 <sup>th</sup> September, 2015 1.00.p.m.	Yes
2013-14	B-29, Ujjval Complex, Opp. Old Bus Stand, Ahmednagar, Maharashtra – 414 001	29 <sup>th</sup> September, 2014 11.00.a.m.	No
2012-13	B-29, Ujjval Complex, Opp. Old Bus Stand, Ahmednagar, Maharashtra – 414 001	24th September, 2013 11.00 a.m.	No

**Financial year** : 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016

**Date & Time of Annual General Meeting** : 30<sup>th</sup> September, 2016 at 11.00 a.m.

**Venue** : 305, 3rd Floor, Neelkanth Chambers, Plot No. 14, L.S.C. Saini Enclave, Delhi-110092

**Book closure date** : 23<sup>rd</sup> September, 2016 to 29<sup>th</sup> September, 2016 (both days inclusive) for Annual General Meeting.

**Dividend payment date** : N.A.

**Registered office** : 305, 3rd Floor, Neelkanth Chambers, Plot No. 14, L.S.C. Saini Enclave, Delhi-110092

**Compliance officer** : Mr. Mukesh Gupta, Director

## Financial calendar

The Company has announced/expects to announce the unaudited quarterly results for the year 2016-17 as per the following schedule:

First quarter	: on or before 31 <sup>st</sup> July, 2016
Second quarter	: on or before 31 <sup>st</sup> October, 2016
Third quarter	: on or before 31 <sup>st</sup> January, 2017
Fourth Quarter	: on or before 30 <sup>th</sup> April, 2017

## Means of communication

The quarterly and half-yearly financial results are published in newspapers.

## Listing on Stock Exchange

The shares of the Company are listed on Ahmedabad and Bombay Stock Exchange Limited. However the trading of the securities was suspended.

**Stock Code - BSE:** 532034  
**ASE:** 43771

## Dematerialization Information

M/s. Satellite Corporate Services Pvt. Ltd. is a Registrar and Transfer Agent of the Company for handling the work shares for transfer/ demat/remat and any other specified work.

## Categories of Shareholders as on March 31<sup>st</sup>, 2016

	Category	No. of Shares	% of Shares
A	Promoter's Holding		
1	Indian Promoters	<b>9619500</b>	<b>9.62</b>
2	Foreign Promoters	--	--
	Sub total	<b>9619500</b>	<b>9.62</b>
B	Non-Promoters		
3	Institutional Investors	--	--
	A Mutual Funds and UTI	--	--
	B Banks, Financial Inst., Insurance Com. (Central State Gov. Inst. /Non- Gov Inst.)	<b>3000000</b>	<b>3.00</b>
	C FIIS	--	--
	Sub total	<b>3000000</b>	<b>3.00</b>
4	Non – Institutional Investors		
	A Private corporate Bodies		
	B Indian Public	81421129	81.42
	C NRIs / Clearing Member/OCBs/HUF	5959371	5.96
	Sub total	<b>87380500</b>	<b>87.38</b>
	<b>GRAND TOTAL</b>	<b>100000000</b>	<b>100.00</b>

## Disclosures



(1) There are no materially significant related party transactions of the Company with key managerial personnel which have potential conflict with the interest of the Company at large.

(2) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2016: NIL.

**Unclaimed Dividends**

The Company will be required to transfer dividends which have remained unpaid/unclaimed for the period of 7 years to the Investor Education & Protection Fund established by the Government. However there is no such unclaimed/unpaid dividend for which Company has to transfer the same to the Investor Education & Protection Fund in this financial year.

**Address for Correspondence**

Shareholders can do the correspondence at:

To,  
Compliance Officer

**SAFAL HERBS LIMITED**

305, 3rd Floor, Neelkanth Chambers,  
Plot No. 14, L.S.C. Saini Enclave,  
Delhi-110092

**DECLARATION**

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company. The Board members and Senior Management have affirmed compliance with the code of conduct.

**FOR, SAFAL HERBS LIMITED**

**SD/-**  
**DIRECTOR**  
**MUKESH GUPTA**  
**DIN:- 02689972**

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## **CEO CERTIFICATION**

I, Mr. Mukesh Gupta, Director certify to the Board that:

(a) I have reviewed financial statements and the cash flow statement for the year ended on 31.03.2016 and that to the best of their knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements 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) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) I accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) I have indicated to the auditors and the Audit committee

(i) significant changes in internal control during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

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

**FOR SAFAL HERBS LIMITED**

**SD/-**

**DIRECTOR**

**MUKESH GUPTA**

**DIN:- 02689972**



**Umang Lalpurwala**  
**PRACTICING COMPANY SECRETARY**

4410, Shree Swaminarayan Bhuwan, Padav, Dahod-389151  
Mob: +91-9409406962, Email: [umanglalpurwala@gmail.com](mailto:umanglalpurwala@gmail.com)

**Form No. MR-3**

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

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**

To,  
The Members,  
M/s. Safal Herbs Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Safal Herbs Limited (Hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the 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 31<sup>st</sup> March, 2016 and complied with the statutory provisions to the extent applicable as 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 31<sup>st</sup> March, 2015 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;  
**Not Application**
- (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;





**Umang Lalpurwala**  
**PRACTICING COMPANY SECRETARY**

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- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Applicable with effect from 1<sup>st</sup> December, 2015)
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- Not Applicable.
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable.
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- Not applicable as company is not registered as a registrar and transfer agent.
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- Not applicable.
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

Company had not appointed CFO and Company Secretary.

**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.





**Umang Lalpurwala**  
**PRACTICING COMPANY SECRETARY**

4410, Shree Swaminarayan Bhuvan, Padav, Dahod-389151  
Mob: +91-9409406962, Email: [umanglalpurwala@gmail.com](mailto:umanglalpurwala@gmail.com)

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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.

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.

Place: Ahmedabad  
Date: 05-09-2016

Umang Lalpurwala  
M No: 38420  
COP No: 15403







**Umang Lalpurwala**  
**PRACTICING COMPANY SECRETARY**

4410, Shree Swaminarayan Bhuvan, Padav, Dahod-389151  
Mob: +91-9409406962, Email: [umanglalpurwala@gmail.com](mailto:umanglalpurwala@gmail.com)

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APPENDIX - A

To,  
The Members  
Safal Herbs Limited

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

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



## **Independent Auditors' Report**

**TO THE MEMBERS OF,  
SAFAL HERBS LIMITED,**

### **➤ Report on the Financial Statements**

We have audited the accompanying financial statements of Safal Herbs Limited, which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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**

(1) Our responsibility is to express an opinion on these 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 there under.

(2) 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.

(3) An audit involves performing procedures to obtain audit evidence about the amounts and 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

➤ **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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;



1. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
2. In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
3. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

➤ **Report on other Legal and Regulatory Requirements**

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 Paragraph 3 and 4 of the Order.

As required by section 143(3) of the Act, we report that:

- 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.
- In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ~~[and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.]~~
- ~~[The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt by us in preparing this report.]~~
  - d) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account. ~~[And the returns received from the branches not visited by us.]~~
  - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- ~~○ f) The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.~~
- g) On the basis of 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.
- h) In our Opinion and to the best of our information and according to the explanation given to us, we report as under with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rule 2014 :
  - 1. The company does not have any pending litigations which would impact its financial statement.
  - 2. The company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - 3. There has not been an occasion in case of the company during the year under report to transfer any sums to the Investors Education and Protection Fund. The question of delay in transferring such sums does not arise.

For, Niranjani Jain & Co.

***Chartered Accountants***

***Sd***

***(Niranjani Jain)***

Partner

M. No. 047811

FRN No. 113913w

Date: 30.05.2016

Place: Ahmedabad.

## ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of SAFAL HERBS LIMITED for the year ended 31<sup>st</sup> March, 2016.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) There is no Fixed Assets, Hence Not Applicable.  
(b) N.A.
2. (a) There is No Inventory at the end of the Year, hence Not Applicable.  
(b) N.A.  
(c) N.A.
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.  
  
(a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.  
(b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.  
(c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. The company has not accepted any deposits.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.  
  
(b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.
8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 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;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR, Niranjn Jain & Co.  
CHARTERED ACCOUNTANTS**

**Sd/-  
(Niranjn Jain)  
PARTNER  
Membership # 47811  
FRN No. 113913W**

PLACE: AHMEDABAD  
DATE : 30<sup>th</sup> May, 2016

## Balance Sheet as at 31st March, 2016

(Rs.)

Particulars	Note No	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	100,000,000	100,000,000
(b) Reserves and Surplus	2	(10,171,547)	(10,282,902)
(c) Money received against share warrants		-	-
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)		NIL	NIL
(c) Other Long term liabilities		NIL	NIL
(d) Long term provisions		NIL	NIL
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings			
(b) Trade payables	3	2,848,439	587,252
(c) Other current liabilities		NIL	NIL
(d) Short-term provisions	4	204,077	183,281
<b>Total</b>		<b>92,880,969</b>	<b>90,487,631</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		-	NIL
(ii) Intangible assets		NIL	NIL
(iii) Capital work-in-progress		NIL	NIL
(iv) Intangible assets under development		NIL	NIL
(b) Non-current investments	5	40,040,000	40,040,000
(c) Deferred tax assets (net)		NIL	NIL
(d) Long term loans and advances		NIL	NIL
(e) Other non-current assets	6	1,378,550	1,378,550
<b>(2) Current assets</b>			
(a) Current investments			
(b) Inventories			
(c) Trade receivables	7	2,564,381	12,131,976
(d) Cash and cash equivalents	8	704,756	761,264
(e) Short-term loans and advances	9	48,193,282	36,175,841
(f) Other current assets		NIL	NIL
<b>Total</b>		<b>92,880,969</b>	<b>90,487,631</b>

As Per Our Separate Report Of Even Date Attached Herewith

For Niranjan Jain & Co  
Firm Registration No :- 113913W  
Chartered Accountants

For Safal Herbs Limited

Sd  
Niranjan Jain  
PARTNER

Sd  
Director  
Sd  
Director

Ahmedabad, May 30th, 2016

Ahmedabad, May 30th, 2016

**SAFAL HERBS LIMITED**
**Profit and Loss statement for the year ended 31st March, 2016**
**(Rs.)**

Particulars	Note No	For the Year end 31.03.2016	For the Year end 31.03.2015
I. Revenue from operations	10	14,377,400	14,387,065
II. Other Income		-	-
<b>III. Total Revenue (I +II)</b>		<b>14,377,400</b>	<b>14,387,065</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	11	12,453,187	12,366,387
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		NIL	NIL
Employee benefit expense		NIL	NIL
Financial costs		NIL	NIL
Depreciation and amortization expense		-	-
Other expenses	12	1,763,062	1,618,473
Transfer to Preliminary Expenses		-	-
<b>Total Expenses</b>		<b>14,216,249</b>	<b>13,984,860</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	161,151	402,205
VI. Exceptional Items			
VII. Profit before extraordinary items and tax	(V - VI)	161,151	402,205
VIII. Extraordinary Items			
IX. Profit before tax	(VII-VIII)	161,151	402,205
X. Tax expense:			
(1) Current tax		49,796	124,281
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations	(IX - X)	111,356	277,924
XII. Previous Year Opening Bal.		(10,282,902)	(10,560,826)
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations	(XII - XIII)	(10,282,902)	(10,560,826)
XV. Profit/(Loss) for the period	(XI + XIV)	(10,171,547)	(10,282,902)
XVI. Earning per equity share:			
(1) Basic			
(2) Diluted			

As Per Our Separate Report Of Even Date Attached Herewith

For Niranjn Jain & Co  
Firm Registration No :- 113913W  
Chartered Accountants

For Safal Herbs Limited

Sd  
Niranjn Jain  
PARTNER

Sd  
Director

Sd  
Director

**Ahmedabad, May 30th, 2016**
**Ahmedabad, May 30th, 2016**

**SAFAL HERBS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016**  
**PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT**

<b><u>[Rs. In Laks]</u></b>		
<b><u>Particulars</u></b>	<b><u>31-03-16</u></b>	<b><u>31-03-15</u></b>
<b><u>A. CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net profit / (Loss) before Tax & Extra ordinary Items	1.61	4.02
<b>Adjustment for ;</b>		
Depreciaiton	0.00	0.00
Preliminary & Public Issue Exp. Written off	0.00	0.00
Operation Profit / Loss Before Working Capital Change	1.61	4.02
<b>Adjustment for</b>		
Long Term, Loans Raised	0.00	(1,581.22)
(Increase) / Decreased in current Assets	(24.50)	2,036.80
Increase / (Decreased) in current Liabilities	22.82	(56.22)
CASH FLOW FROM OPERATION	(0.07)	403.38
Less: Taxes Paid	0.50	1.24
<b><u>NET CASH FLOW FROM OPERATION : (A)</u></b>	<b><u>(0.57)</u></b>	<b><u>402.14</u></b>
<b><u>B. CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Sales / (Purchase) of Fixed Assets	0.00	0.00
Sales / (Purchase) of Fixed Investment	0.00	(400.40)
<b><u>NET CASH FLOW FROM INVESTING AVTIVITIES : ( B )</u></b>	<b><u>0.00</u></b>	<b><u>(400.40)</u></b>
<b><u>C. NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS (A+B)</u></b>	<b><u>(0.57)</u></b>	<b><u>1.74</u></b>
Opening Cash & Cash Equivalents	7.61	5.87
Closing Cash & Cash Equivalents	7.04	7.61

As per our report of even date Annexed

For, NIRANJAN JAIN & CO  
Firm Registration No :-  
Chartered Accountants

For, SAFAL HERBS LIMITED

Sd  
Proprieter  
(NIRANJAN JAIN)

Sd  
Director

Sd  
Director

Ahmedabad, 22nd May, 2016

Ahmedabad, 22nd May, 2016



**Note . :1**     **SHARE CAPITAL**

	As at March 31,2016	As at March 31,2015
<b>Authorised</b>		
i) 1,10,00,000 equity shares of Rs. 10 Each	110,000,000	110,000,000
<b>Issued, Subscribed and fully paid up</b>		
i) 1,00,00,000 equity shares of Rs. 10 Each	100,000,000	100,000,000
Total	100,000,000	100,000,000

**a)**     **Reconciliation of number of Shares**

	No. Of Shares	As at March 31,2016	No. Of Shares	As at March 31,2015
<b>Equity Shares</b>				
Opening Balance	10,000,000	100,000,000	10,000,000	100,000,000
Addition During the Year	NIL	NIL	NIL	NIL
Closing Balance	10,000,000	100,000,000	10,000,000	100,000,000

**Note . :2**     **RESERVES & SURPLUS**

	As at March 31,2016	As at March 31,2015
<b>a) Profit &amp; Loss / General Reserves</b>		
Opening Balance	(10,282,902)	(10,560,826)
Add : Current Year Profit / Loss	111,356	277,924
Closing Balance	(10,171,547)	(10,282,902)
<b>Total</b>	<b>(10,171,547)</b>	<b>(10,282,902)</b>

**Note . : 3**     **TRADE PAYABLE**

Sundry Creditors Consists of Following

	As at March 31,2016	As at March 31,2015
a) Trade Payable	-	-
b) Other Creditors	2,848,439	587,252
<b>Total</b>	<b>2,848,439</b>	<b>587,252</b>

**Note . :4**     **SHORT - TERM PROVISIONS**

Short Term Provisions Consists of Followings

	As at March 31,2016	As at March 31,2015
i) Provisions for Expenses	30,000	59,000
iii) Provision for Income Tax	174,077	124,281
<b>Total</b>	<b>204,077</b>	<b>183,281</b>

**Note . :5**     **NON-CURRENT INVESTMENT**

Non-Current Investment Consists of Followings

	As at March 31,2016	As at March 31,2015
i) Loans & Advances	40,040,000	40,040,000
<b>Total</b>	<b>40,040,000</b>	<b>40,040,000</b>

**Note . : 6      Other Non-Current Assets**

Misc. Expenses consist of Following

	As at March 31,2016	As at March 31,2015
A)      Openning Balance	1,378,550	1,378,550
Add: Capital Expenditure During The year	-	-
Less: W/O Expenses(Other Assests)	-	-
<b>Closing Balance</b>	<b>1,378,550</b>	<b>1,378,550</b>

**Note . :7      TRADE RECEIVABLES (unsecured)**

Trade Receivable consist of Following

	As at March 31,2016	As at March 31,2015
A)      Over Six Months from the date of they due Considered Good	2,564,381	12,131,976
B)      Others Considered Good	-	-
<b>Total</b>	<b>2,564,381</b>	<b>12,131,976</b>

**Note . : 8      CASH AND BANK BALANCES**

Cash &amp; Bank Balances consist of Following

	As at March 31,2016	As at March 31,2015
A)      Cash & Cash Equivalents		
Bank Balance with Banks		
i)      In Current Accounts		-
* With CBI	122,394	204,567
* With Yes Bank	346	346
ii)     Cash on Hand	582,016	556,351
<b>Total</b>	<b>704,756</b>	<b>761,264</b>

**Note . : 9      SHORT - TERM LOANS AND ADVANCES (unsecured)**

Short Term loans &amp; Advances consist of Following

	As at March 31,2016	As at March 31,2015
A)      Considered good		
i)      Recovable In Cash or in Kind or For which value To be Received	23,687,584	24,218,787
ii)     Others	11,350,000	11,917,000
iii)    Other Advances	13,000,000	
iii)    Tds Receivable	115,644	-
iv)     Other Assets	40,054	40,054
B)      Considered not good	-	-
<b>Total</b>	<b>48,193,282</b>	<b>36,175,841</b>

**Note No. : 10****Revenue From Operations**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>Indirect Income</b>		
Sales Income	14,134,405	13,534,405
Interest Income	242,995	852,660
<b>Total</b>	<b>14,377,400</b>	<b>14,387,065</b>

**Note No. : 11****Cost Of Material Consumed**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening Stock	-	405,200
Add: Purchase During The Year	12,453,187	11,961,187
Less: Closing Stock	-	-
<b>Total</b>	<b>12,453,187</b>	<b>12,366,387</b>

**Note No. : 12****Administrative Expenses**

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Advertisement Expenses	8,000	-
Annual Stock Exchange Fees	224,720	146,068
Audit Fees	30,000	30,000
Bank Charges	324	731
BSE CDSL Expenses	16,940	2,534
Conveyance Expenses	110,420	130,214
Electric Expenses	85,540	5,847
Misc. Expenses	324,375	290,270
Office Expenses	278,450	280,490
Petrol Expenses	25,550	65,910
Rent Expenses	60,000	24,000
ROC Expenses	15,000	5,618
Salary Expenses	500,000	592,871
Share Registrar Fee Expenses	71,778	6,000
Telephone Expenses	-	12,110
Travelling Expenses	-	22,310
Website Expenses	11,965	3,500
<b>Total</b>	<b>1,763,062</b>	<b>1,618,473</b>

**Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956**

<b><u>Particulars</u></b>	<b>Total `</b>	<b>Per share `</b>
Dividends proposed to be distributed to equity shareholders	NIL	NIL
Dividends proposed to be distributed to preference shareholders	NIL	NIL
Arrears of fixed cumulative dividends on preference shares	NIL	NIL

**Disclosure pursuant to Note no. 6(V) of Part I of Schedule VI to the Companies Act, 1956**

Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, Indicate below how such unutilized amounts have been used or invested.
NIL

**Disclosure pursuant to Note no. 6(W) of Part I of Schedule VI to the Companies Act, 1956**

In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated, except as stated below:

<b>Name of Assets</b>	<b>Realisable Value</b>	<b>Value in Balance Sheet</b>	<b>Opinion of Board</b>

**Note C Disclosure pursuant to Note no. I (i), (ii), (iii); Note no. J (i),(ii);**

[illegible]

Employee Benefits Expense . : Note. 1	For the year ended 31 March 2016	For the year ended 31 March 2015
	-	-
(a) Salaries and incentives	-	-
(b) Contributions to -		
(i) Provident fund	NIL	NIL
(c) Gratuity fund contributions	NIL	NIL
(d) Social security and other benefit plans for overseas employees	NIL	NIL
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP),	NIL	NIL
(f) Staff welfare expenses	NIL	NIL
<b>Total</b>	-	-

Disclosure pursuant to Note no. 5(i)(g) of Part II of Schedule VI to the Companies Act, 1956

Payments to the auditor as . : Note.2	For the year ended 31 March 2016	For the year ended 31 March 2015
	-	-
a. auditor		-
b. for taxation matters	12,000.00	
c. for company law matters	3,000.00	-
d. for management services	NIL	NIL
e. for other services	NIL	NIL
f. for reimbursement of expenses	NIL	NIL
<b>Total</b>	15,000.00	-

VAKRATUND COMMODITIES PVT LTD

Additional Information	Remarks
A Company shall disclose by way of notes additional information regarding aggregate expenditure and income on the following items:-	
Employee Benefits Expense [showing separately] : (i) salaries and wages, (ii) contribution to provident and other funds, (iii) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), (iv) staff welfare expenses	Note 1
Depreciation and amortization expense;	NIL
<u>Any item of income or expenditure which exceeds one per cent of the revenue from operations or Rs.1,00,000, whichever is higher;</u>	Amendment
Interest Income;	0
Interest Expense;	0
Dividend Income;	NIL
Net gain/ loss on sale of investments;	NIL
Adjustments to the carrying amount of investments;	NIL
Net gain or loss on foreign currency transaction and translation (other than considered as finance cost);	0
Payments to the auditor as a. auditor, b. for taxation matters, c. for company law matters, d. for management services, e. for other services, f. for reimbursement of expenses;	Note 2
Details of items of exceptional and extraordinary nature;	NIL
Prior period items;	NIL

As per annexure

VAKRATUND COMMODITIES PVT LTD

In the case of manufacturing companies, -	N.A.
Raw materials under <b>broad heads</b> .	
goods purchased under broad heads.	
Depreciation and amortization expense. In the case of trading companies, purchases in respect of goods traded in by the company under broad heads.	
In the case of companies rendering or supplying services, gross income derived from services rendered or supplied under broad heads.	
In the case of a company, which falls under more than one of the categories mentioned in (a), (b) and (c) above, it shall be sufficient compliance with the requirements herein if purchases, sales and consumption of raw material and the gross income from services rendered is shown under broad heads.	
In the case of other companies, gross income derived under broad heads.	
In the case of all concerns having works in progress, works-in-progress under broad heads.	Same as Old Schedule VI
The aggregate, if material, of any amounts set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment known to exist at the date as to which the balance sheet is made up.	
The aggregate, if material, of any amounts withdrawn from such reserves.	
The aggregate, if material, of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments.	
The aggregate, if material, of the amounts withdrawn from such provisions, as no longer required.	
Expenditure incurred on each of the following items, separately for each item:-	
Consumption of stores and spare parts.	
Power and fuel.	NIL
Rent.	NIL
Repairs to buildings.	--
Repairs to machinery.	NIL
Insurance .	NIL
Rates and taxes, excluding, taxes on income.	
Miscellaneous expenses,	0
Dividends from subsidiary companies.	Same as Old Schedule VI
Provisions for losses of subsidiary companies.	



VAKRATUND COMMODITIES PVT LTD

The profit and loss account shall also contain by way of a note the following information, namely:-	Same as Old Schedule VI
Value of imports calculated on C.I.F basis by the company during the financial year in respect of -	
I. Raw materials; II. Components and spare parts; III. Capital goods;	NIL
Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;	NIL
Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;	
The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	NIL
Earnings in foreign exchange classified under the following heads, namely:-	
I. Export of goods calculated on F.O.B. basis; II. Royalty, know-how ,professional and consultation fees; III. Interest and dividend; IV. Other income, indicating the nature thereof	
<u>Broad heads shall be decided taking into account the concept of materiality and presentation of true and fair view of financial statements,".</u>	

**M/s SAFAL HERBS LIMITED.**

**NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR  
ENDED 31ST MARCH, 2016**

**Schedule – 9**

**Notes to Balance sheet and Profit & Loss Account**

**1. Significant Accounting Policies–**

- i) Basis of Accounting:  
Financial Statements are prepared under historical cost convention on accrual basis in accordance with the requirements of the Companies Act. 2013.
- ii) Fixed Assets and Depreciation
  - a) There is no Fixed Assets.
  - b) INVENTORIES  
There is no Inventory, hence Not Applicable.
- ii) CONTINGENT LIABILITIES  
No provision is made for liabilities, which are contingent in nature but, if material the same is disclosed by way of notes to the accounts.

**2. Deferred Tax**

The figure of Differed Tax is minor, so no Provision made for Deferred Tax.

Deferred Tax Liability/Assets

-----

On account of Depreciation on Fixed Assets      Rs.    Nil

**M/s SAFAL HERBS LIMITED.**

3. None of the employees of the Company has crossed the Limits Prescribed u/s. 217 (2A) of the Companies ( Particulars of Employees ) Amendment Rules, 1988 during the year.

4. (a) Value of Import calculates on CIF basis

	Current year	Previous year
1. Raw Material	N.A.	(N.A.)
2. Components & Spare Parts	N.A.	(N.A.)
3. Capital Goods	N.A.	(N.A.)

(b) Expenditure in Foreign Currency Nil Nil

(c) Amount remitted in foreign currency Nil Nil  
on account of dividend to Non Resident

5. Auditors Remuneration

	As at 2015-2016	As at 2014-2015
	-----	-----
a) Audit Fees	30,000.00	30,000.00
	=====	=====

6. In the opinion of the Board, Current Assets, Loans and Advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business and are subject to confirmation.

7. Additional Information under Schedule III of the Companies Act, 2013: Nil

8. Previous Year's figure have been re-grouped / rearranged wherever essential.

**M/s SAFAL HERBS LIMITED.**

9. We relied on vouchers duly certified by the Assessee wherever original bills are not available during the test checked conducted in the course of our audit.
10. Cash on hand at the year end certified by the management. Moreover we have not physically verified the Cash Balance as on 31-03-2016.

For NIRANJAN JAIN & CO  
Chartered Accountants

For & on behalf of the Board

Sd/-  
**(NIRANJAN JAIN)**  
**PARTNER**

Sd/-  
Director

Sd/-  
Director

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2016

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2016

## **ATTENDANCE SLIP**

I/We.....R/o.....  
hereby record my/our presence at the Annual General Meeting of the Company on Friday, 30<sup>th</sup>  
day of September, 2016 at 11.00 A.M at 305, 3rd Floor, Neelkanth Chambers, Plot No. 14,  
L.S.C. Saini Enclave, Delhi-110092

DPID * :	Folio No. :
Client Id * :	No. of Shares :

\* Applicable for investors holding shares in electronic form.

Signature of shareholder(s)/proxy

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.
2. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
3. Electronic copy of the Annual Report for 2016 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
4. Physical copy of the Annual Report for 2016 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

## **PROXY FORM**

Name of the member (s):	E-mail Id:
	No. of shares held
Registered address:	Folio No.
	DP ID*.
	Client ID*.

\* Applicable for investors holding shares in electronic form.

I/We being the member(s) of the above named Company hereby appoint:

S.No.	Name	Address	Email address	
1				or failing him
2				or failing him
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company on Friday, 30<sup>th</sup> day of September, 2016 at 305, 3rd Floor, Neelkanth Chambers, Plot No. 14, L.S.C. Saini Enclave, Delhi-110092 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

S.No.	Resolution	For	Against
1	Adoption of the Audited Profit and Loss Account And Balance sheet for the year ended 31stMarch, 2016		
2	To appoint Mr. Narendra Kumar, Who retire by rotation and being eligible offers himself for reappointment.		

3	Appointment of NIRANJAN JAIN & CO., Associates, Chartered Accountants, as Auditor of the Company.		
---	---	--	--

\*\* It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this ..... day of..... 2016

Signature of shareholder.....

Signature of Proxy holder(s) (1).....

Signature of Proxy holder(s) (2).....

Signature of Proxy holder(s) (3).....

Affix  
Revenue  
Stamp not  
less than  
Re.0.15

**Notes:**

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

2. A Proxy need not be a member of the company.

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

5. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

5. Please complete all details including details of member(s) in above box before submission.

## **ANNEXURE I**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)**

<b><u>SAFAL HERBS LIMITED</u></b>				
<b><u>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016</u></b>				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<b>I.</b>	<b>SL No.</b>	<b>Particulars</b>	<b>Audited Figures (In Rs.) (as reported before adjusting for qualifications)</b>	<b>Adjusted Figures (In Rs.) (audited figures after adjusting for qualifications)</b>
	1.	Turnover / Total income	1,43,77,400.00	1,43,77,400.00
	2.	Total Expenditure	1,42,66,044.00	1,42,66,044.00
	3.	Net Profit/(Loss)	49,796.00	49,796.00
	4.	Earnings Per Share	0.00	0.00
	5.	Total Assets	9,28,80,969.00	9,28,80,969.00
	6.	Total Liabilities	30,52,516.00	30,52,516.00
	7.	Net Worth	8,98,28,453.00	8,98,28,453.00
	8.	Any other financial item(s) (as felt appropriate by the management)		



<p><b>II.</b></p>	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. Details of Audit Qualification: N.A.</p> <p>b. Type of Audit Qualification: N.A.</p> <p>c. Frequency of qualification: N.A.</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: N.A.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p style="padding-left: 40px;">(i) Management's estimation on the impact of audit qualification:</p> <p style="padding-left: 40px;">(ii) If management is unable to estimate the impact, reasons for the same:</p> <p style="padding-left: 40px;">(iii) Auditors' Comments on (i) or (ii) above</p>
<p><b>III.</b></p>	<p><b><u>Signatories:</u></b></p> <ul style="list-style-type: none"> <li>• Managing Director Sd/- Mr. Mukesh Gupta</li> <li>• Statutory Auditor Sd/- Mr. Niranjan Jain</li> </ul> <p>Place: Ahmedabad Date: 30.05.2016</p>