

ANNUAL REPORT  
2016-17



**YUG DECOR LIMITED**

# ANNUAL REPORT

## 2016-17

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## FOUNDER'S MESSAGE



Dear Shareholders,

The one characteristic that has defined our goal is to become the most trusted brand in Home Decor Industry i.e. wood adhesives, solvent based adhesives, wood finishes, and paints. We are planning to venture into plywood and laminates as well, by doing so, we would be the company with almost all products relevant for decorating houses apart from bath fittings, sanitary ware and tiles which anyway are not our target products.

We have not grown much in the current financial year in comparison with last year comparatively. The single biggest event that left its mark on each and every sector in domestic economy was "demonetization". Coming at a time when the economy was just beginning to look up, the central government decided to demonetize, almost 80% of the currency notes in circulation, which caused severe cash shortage in the domestic economy which prefers cash as mode of payment even today. This cash shortage led to a strain on the consumption demand and business activity for a greater part of the second half of the year.

Despite the demonization move right after the festival season, the company has managed to register good growth in the domestic market. The company had a strong focus on consumer upgradation thereby



improving the product mix and also continued to expand its product portfolio. The company leads the vision being the forerunner of inspiring decor and partnering with consumers to transform their living space through an interior design book (Yug Designs) of interior designers and architects which can help them in either hiring their services or getting inspiration from them about their design concept.

With the vision of being a complete decor solution provider, the company has forayed in the home improvement segment with investments in paints and wood finishes. While demand conditions in both these businesses were badly impacted due to demonetization and slowdown in real estate and construction arena. The company has taken steps to drive their business over the coming years.

The new financial year has started on an encouraging note with Government of India keenly pushing the implementation of GST from the second quarter of the financial year. GST is seen as the single biggest Indirect Tax Reform and is poised to push India's economic growth forward by creating a single national market and enhancing the efficiency of inter – state movement of goods and services.

As we move forward, the company is confident of growth and would continue to invest in its capabilities to understand and deliver services to satisfy the consumers needs in our quest to deliver sustainable long term performance. I take this opportunity to thank all our shareholders for your faith in the company and look forward to your continuous support in the journey.

Regards,

S.K.Saraswat  
Founder

## COMPANY OVERVIEW



Yug Decor Limited is a young and dynamic organization manufacturing different kind of adhesives - synthetic binders, synthetic rubber adhesives, synthetic resin adhesives, natural rubber adhesives, footwear adhesives under the brand name of 'Yug-Col'.



It has also made presence in the field of paint and surface coating - distempers, cement primers, emulsions (interior paints and exterior paints), wood finishes for melamyme in glossy and matt finish and PU coating in glossy and matt finish, red-oxide, lacquer and wood primer. Recently the company introduced enamel, automotive paints and decorative paints under the brand name of 'Yug-Coat'.



The company leads the vision being the forerunner of inspiring decor and partnering with consumers to transform their living space through an interior design book of interior designers and architects, which can help them in either hiring their services or getting inspiration from them about their design concept. This concept is being presented under the brand name of 'Yug-Designs'.



## VISION, MISSION, VALUES

### OUR VISION

We are committed to producing high quality products and providing high quality service thus setting high industry standards for other competitors.

### OUR MISSION

Actively partner with our customers to provide innovative and sustainable technical solutions to help them increase productivity, reduce costs and minimize risks.

### OUR VALUES

It is a continuous learning organization, and believes in sharing knowledge.

Focus on customer's need.

Provide quality products and services.

Conduct business with integrity and fairness.

Continually train our employees and improve our processes.

Reward employees on merit and promote teamwork.

Maintain safe and healthy working environment.

## ETHICAL AND SOCIAL RESPONSIBILITY

### Society in General

We recognize its responsibility towards society and obligations towards environment protection. It treats this at par with concern management practices in accordance with government regulation and international practices.

### Employees

Ethical responsibility towards employees shall be discharged on the following guidelines

- Uphold egalitarian values at work
- High concern for health and family life
- Balance between work and family life
- Provide growth opportunities by enhancing knowledge and training

### Government

We believe that the regulations implemented by the Government are in the best interest of the country and therefore we will fulfill our obligation towards the nation by Abiding by the law of the land paying taxes and dues fully timely and honest.

### Business Associates

We believe in nurturing relationship with customers, vendors bankers, shareholders, creditors, channel partners, etc. based on partnership and win-win approach.

### Quality Policy

Our Company strives to develop products through extensive Research Development teamwork and leadership efforts with a common goal of achieving TOTAL CUSTOMER SATISFACTION. Sharing in line with the above belief and commitment we shall endeavor:

To create value for customers , employees and shareholders by producing quality products at the lowest cost by employing standard operational procedure and continuous improvement techniques.

# INFRASTRUCTURE & MANUFACTURING UNIT

## INFRASTRUCTURE :

Yug Decor Limited - Registered Office is located in Ahmedabad, Gujarat.



## MANUFACTURING UNIT :

Our manufacturing facility is located in SANTEJ, near Ahmedabad, Western India and is equipped with Hi Tech process and Quality Control equipments.

We are confident of maintaining our record of past achievement in newer areas with innovative solutions for our customers, by thoroughly understanding the specific applications and carefully engineering the product to suit them.



# BRANDS & PRODUCTS



Yug Chale Yugo Tak

## SYNTHETIC RESIN ADHESIVES

|  |  |  |  |  |
|--|--|--|--|--|
|   |   |   |   |   |
| YUG-COL ULTRA  | YUG-COL  | YUG-COL WOOD GLUE  | GOOD BOND  | BISON BOND   |
|  |  |  |  |  |
| SUPER JOR  | BLUE BOND  | PVC BOND   | BANDHAN BOND   | FIXOL  |

## SYNTHETIC RUBBER ADHESIVES

|   |   |   |   |   |
|---|---|---|---|---|
|  |  |  |  |  |
| SR-99   | SR-55   | SR-44   | SPRAY ADHESIVE  | HEATPRO+  |

## FOOTWEAR ADHESIVES

|   |   |  |   |
|---|---|--|---|
|  |  |  |  |
| PU-2032   | PU-2012   | PU-2009  | NR-107  |

# BRANDS & PRODUCTS



## PAINTS AND SURFACE COATINGS



ABHA



ANKITA ACRYLIC DISTEMPER



WALL PRIMER



ANKITA ULTRA



SANTOSH

## WOOD FINISHES



WOODTOUCH MELAMINE



MAGIC TOUCH



PU FINISH

## AUTOMOTIVE PAINTS



SPEEDO



SPEEDO 2K

## DECORATIVE PAINTS

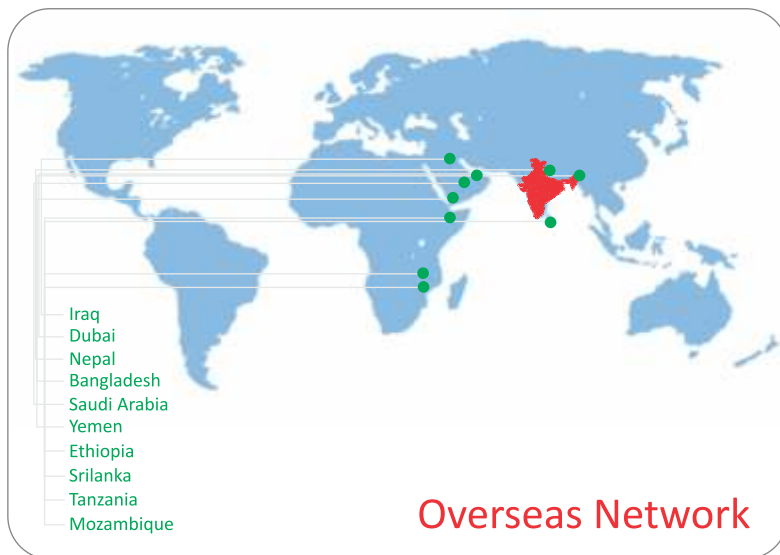
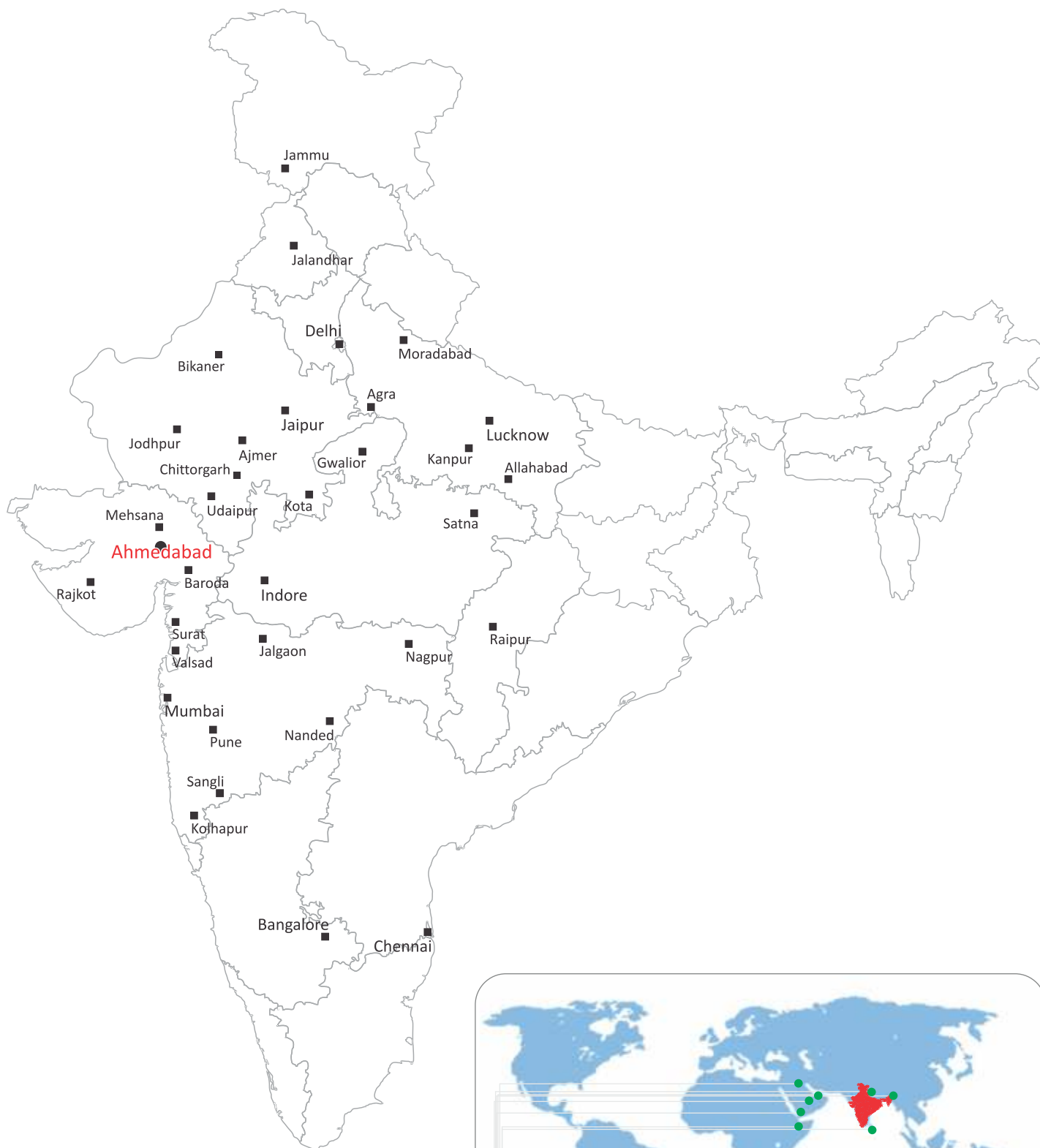


DECOR

## ENAMEL



# OUR PRESENCE



Overseas Network

## COMPANY INFORMATION

### BOARD OF DIRECTORS

|   |                              |
|---|------------------------------|
| Mr. Chandresh S. Saraswat (DIN:-01475370)           | Chairman & Managing Director |
| Mr. Santosh Kumar Saraswat (DIN:-00236008)          | Director                     |
| Ms. Ankita Chandresh Saraswat (DIN:-05342198)       | Whole Time Director          |
| Mr. Abhay Rameshchandra Shrivastava (DIN:-07719944) | Independent Director         |
| Mr. Jitesh Tiwari (DIN:-07720819)                   | Independent Director         |



Mr. Chandresh S. Saraswat  
Chairman & Managing Director

Educational Qualification | B.A

Mr. Chandresh Santosh Kumar Saraswat, aged 51 years, is the Managing Director of the company. He has completed his Bachelor of Arts from Rajasthan University. He has more than 31 years of experience in the field of marketing with the different companies engaged in the business of timber, ply-boards and FMCG. He joined Yug Decor Limited in the year 2007 as Managing Director of the company. He is the driving force for the uninterrupted growth and reputation of the company. He looks after the overall management, procurement of raw material, marketing, production and sales of products of the company.



Ms. Ankita Chandresh Saraswat  
Whole-Time Director

Educational Qualification | B.M.S., M.B.A

Ms. Ankita Chandresh Saraswat, aged 26 years, is the Whole-Time Director of the company. She has completed her B.M.S and M.B.A from S.N.D.T. Mumbai and Amity University, respectively, in the stream of Marketing and Human Resources. She joined Yug Decor Limited and taking almost care of human resource activities in the organization. With her management skills, she manages the brand of the company as well as she generates the new customers and maintain the relationship with old customers of the company.



Mr. Abhay Shrivastava  
Independent Director

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Educational Qualification | B. Sc., Master in Marketing Management

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Mr. Abhay Shrivastava, aged 54 years, is an Independent Director of our company. He has completed his Bachelor's in science stream and Master's in marketing management from the University of Bombay. He has an extensive knowledge and expertise of Indian market and consumers, for cross-section of the Industries and product categories. He has more than three decades of experience in the corporate world in the areas of brand management, sales, strategy, product re-engineering, value engineering, human resources, production, general management, channel design & developments, media planning & training, MIS and market research. He has worked with the leading MNC'S and domestic organizations. At present he is working with the Solutions Management Consultant as a Senior Consultant.

Mr. Jitesh Tiwari  
Independent Director

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Educational Qualification | B.A., Master in Marketing Management

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Mr. Jitesh Tiwari, aged 42 years, is an Independent Director of our company. He has completed his Master's in marketing management from Mumbai University. He has more than 20 years of experience in sales and business development.

## GENERAL INFORMATION

### CHIEF FINANCIAL OFFICER

Mr. Lokeshkumar Laxminarayana Edival  
CA, CS  
(w.e.f. 07th January, 2017)

### COMPANY SECRETARY & COMPLIANCE OFFICER

Dashang Manharlal Khatri  
CS  
(w.e.f. 07th January, 2017)

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### BANKERS :-

#### 1. ALLAHABAD BANK

Bhagwati Chamber's, Opp. Gujarat Vidyapith,  
Ashram Road, Ahmedabad - 380014.

#### 2. ICICI BANK

JMC House, Opp. Parimal Garden,  
Ambavadi, Ahmedabad - 380006.

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### REGISTRAR AND TRANSFER AGENT :-

Satellite Corporate Services Private Limited  
B-302, Sony Apartment, Opp. St. Jude High School, 90 ft. Road, Off Andheri Kurla Road, Jarimari,  
Sakinaka, Mumbai – 400 072. Tel: +91-22- 28520461/462

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### REGISTERED OFFICE :-

1011, Sakar- V, B/h. Natraj Cinema, Ashram Road, Ahmedabad - 380 009, Gujarat, India.  
Tel: 079 - 30020584 / 48955109  
Email Id:- account@yugdecor.com

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### STATUTORY AUDITORS :-

P.D.GOINKA & CO.  
Chartered Accountants  
Ahmedabad

### SECRETARIAL AUDITOR :-

M/s Mukesh Pamnani & Associates  
Company Secretaries  
Ahmedabad

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### FACTORY ADDRESS :-

Unit-1 :- Plot No. 832, Kothari Estate, Near Kothari Cross Road, Vil- Santej, Tal- Kalol, Dist- Gandhinagar- 382 721, Gujarat, India.  
Unit-2 :- Plot No. 734/3, Opp. Nilkanth Hotel, Rakanpur, Vil-Santej, Tal-Kalol, Dist- Gandhinagar-382 721 Gujarat, India.  
Unit-3 :- 734/7, Opp. Nilkanth Hotel, Rakanpur, Vil-Santej, Tal-Kalol, Dist- Gandhinagar-382 721 Gujarat, India.

# BOARD COMMITTEES

## BOARD COMMITTEES COMPOSITION

### 1. Audit Committee

| Name of the Directors      | Designation | Nature of Directorship                       |
|----------------------------|-------------|--|
| Mr. Santosh Kumar Saraswat | Member      | Non - Executive & Non - Independent Director |
| Mr. Abhay Shrivastava      | Chairman    | Independent Non - Executive Director         |
| Mr. Jitesh Tiwari          | Member      | Independent Non - Executive Director         |

### 2. Stakeholder Relationships Committee

| Name of the Directors      | Designation | Nature of Directorship                       |
|----------------------------|-------------|--|
| Mr. Santosh Kumar Saraswat | Member      | Non - Executive & Non - Independent Director |
| Mr. Abhay Shrivastava      | Chairman    | Independent Non - Executive Director         |
| Mr. Jitesh Tiwari          | Member      | Independent Non - Executive Director         |

### 3. Nomination and Remuneration Committee

| Name of the Directors      | Designation | Nature of Directorship                       |
|----------------------------|-------------|--|
| Mr. Santosh Kumar Saraswat | Member      | Non - Executive & Non - Independent Director |
| Mr. Abhay Shrivastava      | Chairman    | Independent Non - Executive Director         |
| Mr. Jitesh Tiwari          | Member      | Independent Non - Executive Director         |

## NOTICE 14TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 14<sup>th</sup> Annual General Meeting of the members of YUG DECOR LIMITED (Formerly known as Yug Decor Pvt. Ltd.) will be held on Friday 29<sup>th</sup> day of September, 2017 at 11.00 A.M. at the Registered Office of the Company, situated at 1011, Sakar- V, B/h Natraj Cinema, Ashram Road, Ahmedabad- 380 009, Gujarat, India to transact the following business.

### ORDINARY BUSINESS :-

1. To receive, consider and adopt the Audited Financial Statement of the company for the financial year ended on March 31, 2017 together with the Report of Board of Directors and Report of Auditors thereon.
2. To appoint Mr. Santosh Kumar Saraswat (DIN:- 00236008), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. To reappoint Auditors of the Company to hold office from the conclusion of 14<sup>th</sup> AGM until the conclusion of the 15<sup>th</sup> AGM and to fix their remuneration and to pass the following resolution thereof.

"RESOLVED THAT, pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. P. D. GOINKA & Co., Chartered Accountants, Ahmedabad (FRN: 103260W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 15<sup>th</sup> Annual General Meeting (AGM).

"FURTHER RESOLVED THAT the Auditors be paid remuneration of ₹ 80,000/- (excluding out of pocket expenses and applicable rate of tax)"

### SPECIAL BUSINESS :-

4. AUTHORITY TO BOARD OF DIRECTORS UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013 TO BORROW MONEY :  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :

"RESOLVED THAT Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowings not exceeding the amount which is Rs. 15 crores (Rupees Fifteen Crores only) over and above the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

5. AUTHORITY TO BOARD OF DIRECTORS UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013, TO SELL LEASE OR OTHERWISE DISPOSE OF THE UNDERTAKINGS OF THE COMPANY :

To consider and, if thought fit, to accord assent/dissent to the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease or otherwise dispose of whole and substantially the whole of the undertaking of the Company for the benefit of the Company.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is/are hereby jointly or severally authorised to do all such acts deeds and things and to sign, seal, execute and deliver all such documents, agreements, assignments, conveyances, deeds and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

By Order of the Board of Directors  
For, YUG DECOR LIMITED

Sd/-

Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra, Ahmedabad - 380 015.

Date : 28/08/2017  
Place : Ahmedabad



## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business under Item no 4 & 5 of the Notice is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
3. If a Proxy is appointed for more than fifty members, he shall choose any fifty Members and confirm the same to the Company before the commencement of specified period for inspection. In case the proxy fails to do so, the Company shall consider only the first fifty proxies received as valid.
4. The instrument appointing the proxy (duly completed, stamped and signed) must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Santosh Kumar Saraswat (DIN:- 00236008) retires by rotation at forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.
7. The relevant documents referred in the notice will be available for inspection by the members at the registered office of the Company during business hours on any working day (except Saturdays, Sundays & Public Holidays)
8. Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2017 to 29th September, 2017. (both days inclusive).
9. The record date for the purpose for determining the eligibility of the Members to attend the 14th Annual General Meeting of Company will be 22nd September, 2017.
10. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days during business hours. prior to date of Annual General Meeting.
11. The Notice of 14th Annual General Meeting and the Annual Report 2016-2017 of the Company, circulated to the members of the Company, will be made available on the Company's website at [www.yugdecor.com](http://www.yugdecor.com).
12. Members/ Proxies/ Representatives are requested to bring the Attendance Slip, enclosed with the Annual Report/ Notice for attending the meeting, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
13. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agent.
15. Members who have not registered their e-mail address so far are requested to register their e-mail address with depository participant/ Registrar and Transfer Agents for receiving all the communications including Annual reports, Notices etc. In electronic mode.
16. Members holding shares in physical form are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
17. on-Resident Indian Members are requested to inform Registrar and Transfer Agent, immediately of:
  - I. Change in their residential status on return to India for permanent settlement.
  - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.
19. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.
20. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

### IMPORTANT COMMUNICATION TO MEMBERS

*Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, and under regulation 36 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015, Annual Report of the Company has been sent through email to those members whose email ID is registered with the Company/ Depository. In case any member wants a physical copy of the Annual Report he may write to the Company Secretary/ RTA.*

**MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS EITHER WITH THE DEPOSITORIES OR WITH THE COMPANY.**

21. The Instructions for shareholders voting electronically are as under :
  - (i) The voting period begins on 26th September, 2017 and ends on 28th September, 2017. During this period shareholders' of the Company, holding shares in dematerialized form, as on cut-off date (record date) of 22nd September, 2017 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 :

| For Members holding shares in Demat Form and Physical Form |  |
|--|--|
| 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 sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>   |
| Dividend Bank Details OR Date of Birth (DOB)               | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul> |

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the YUG DECOR 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- ? Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - ? A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - ? After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - ? The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - ? A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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).

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 4 :-

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs.15 Crores (Rupees Fifteen Crore only). Pursuant to Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

The Board recommends these resolutions for the approval of the members as Special Resolutions.

None of the Directors or the Key Managerial Personnel of the Company including their relatives are in any way concerned or interested in the resolutions.

#### Item No. 5 :-

Section 180(1)(a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors shall not, without the consent of Members in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.

Since the mortgaging by the Company of its immovable and creation of charge by way of hypothecation or otherwise of movable properties in favour of the Banks/Financial Institution or other lenders may be regarded as disposal of the Company's properties/undertakings etc., it is considered prudent to have the approval of the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013.

None of the Directors or KMP or their relatives are in any way concerned or interested in the resolution except to the extent of their respective shareholding in the Company.

The Directors recommend this resolution to be passed as Special Resolution.

By Order of the Board of Directors  
For, YUG DECOR LIMITED

Sd/-

Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra, Ahmedabad - 380 015.

Date : 28/08/2017  
Place : Ahmedabad

Details of the Directors seeking Appointment /Re-Appointment in the 14th Annual General Meeting of the Company pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

1. Mr. Santosh Kumar Saraswat - Non- Executive Director

|   |   |
|---|---|
| Name of Director  | Santosh Kumar Saraswat<br>DIN :- 00236008 |
| Date of Birth   | 01/07/1941                                |
| Date of Appointment                                     | 23/06/2003                                |
| Qualification   | Diploma in Mechanical Engineering         |
| Expertise in Specific functional areas                  | Production & Administrative               |
| Number of shares held in the Company                    | 5,35,735                                  |
| List of other Companies in which Directorships are held | NIL                                       |
| Memberships/Chairpersonships of committees of Board     | 3   |

## DIRECTOR'S REPORT

To,  
The Members,

Your Directors are pleased to present their 14th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the Financial year ended on 31st March 2017.

### FINANCIAL SUMMARY :-

The brief Financial Results are as under.

|  | (In `)         |                |
|--|----------------|----------------|
| PARTICULARS  | 2016 -2017     | 2015 -2016     |
| Revenue from operations(Gross)                             | 19,38,05,219   | 19,37,84,444   |
| Revenue from operations(Net)                               | 17,50,43,054   | 17,67,51,084   |
| Other Income   | 3,77,659       | 35,067         |
| Total Income   | 17,54,20,713   | 17,67,86,151   |
| Total Expenditure  | (16,53,13,611) | (16,86,09,614) |
| Less: Depreciation   | (16,50,384)    | (12,15,084)    |
| Profit and Loss after Depreciation before interest and tax | 84,56,718      | 69,61,454      |
| Less: Finance Cost   | (39,04,323)    | (56,96,960)    |
| Profit and Loss after Interest before tax                  | 45,52,395      | 12,64,494      |
| Less: Current Tax  | (16,03,931)    | (7,29,690)     |
| Less: Deferred Tax   | 1,85,495       | 2,35,395       |
| Profit and Loss for the period                             | 31,33,959      | 7,70,199       |

### FINANCIAL HIGHLIGHTS AND OPERATION :-

The Key highlights pertaining to the business of the Company for the year 2016-17 and period subsequent there to have been given hereunder:

The total gross revenue from operations of the Company during the Financial year 2016-17 was ` 19,38,05,219/- against the total revenue of ` 19,37,84,444/- in the previous financial year 2015-16.

The total expenses of the Company during the financial year 2016-17 was ` 16,53,13,611/- against the expenses of ` 16,86,09,614/- in the previous financial year 2015-16.

The Profit after tax is ` 31,33,959/- for the financial year 2016-17 as compare to ` 7,70,199/- in the previous financial year 2015-16.

The Directors trust that the shareholders will find the performance of the Company for financial year 2016-17 to be satisfactory. The Earning per Share (EPS) of the Company for financial year 2016-17 is 1.21 as Compared to previous financial year 2015-16 is 0.37.

Your Directors have taken appropriate remedial action to mitigate the adverse circumstances for better performance and results during the current year.

Your Company has taken effective steps to improve its production and sales during the year under review.

### DIVIDEND :-

With a view to provide a cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review.

### RESERVES :-

During the current financial year (2016-17) our Company's net profit was ` 31,33,959/- as against the profit of ` 7,70,199 in P.Y. 2015-16, Your Directors have transferred whole amount of Profit ` 31,33,959/- to Reserve for strengthen the financial position of the Company in nearest future.



#### CAPITAL STRUCTURE :-

The Authorized Share Capital of the Company is ` 4,25,00,000/- (Rupees Four Crore Twenty Five lacs only) divided into 42,50,000 (Forty Two Lacs Fifty Thousand) equity shares of Rs. 10 each.

The Paid up share capital of the Company at the end of financial year was ` 3,06,17,660/- (Rupees Three Crore Six lacs Seventeen Thousand Six Hundred Sixty only) divided into 30,61,766 (Thirty lacs Sixty-One Thousand Seven Hundred Sixty Six) equity shares of Rs. 10 each.

Further that the Company has issued 11,08,000 equity shares through Initial Public Offer (IPO) for the listing of its securities at BSE-SME Platform and that post offer the issued and paid up capital of the Company is ` 4,16,97,660/-.

#### CONVERSION OF THE COMPANY :-

During the year under review, the Company was converted in to Public Limited Company from Private Limited Company in pursuant to provisions of Section 14 of the Companies Act, 2013. Hence the Change of name of the Company from "Yug Decor Private Limited" to "Yug Decor Limited" by deletion of the word "Private" from the name of the Company.

#### LISTING OF SECURITIES ON BOMBAY STOCK EXCHANGE- SME PLATFORM :-

The Management is pleased to inform the members that to inform you that your equity shares have listed on Bombay Stock Exchange - SME Platform (BSE-SME) and our shareholders will be able to successfully trade on BSE-SME platform.

#### ADOPTION OF NEW SETS OF ARTICLE OF ASSOCIATION :-

The Company has adopted new sets of Articles of Association (AOA) of the Company pursuant to section 14 of the Companies Act, 2013, with the consent of members of the Company on 7th February, 2017 by way of a Special Resolution. Accordingly, this matter has been placed before the Members approval.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL :-

##### DIRECTOR RETIRED BY ROTATION

Mr. Santosh Kumar Saraswat (DIN: 00236008), Director of the Company retires from office by rotation in accordance with the requirement of the Companies Act, 2013 and being eligible, offers himself for reappointment.

##### RESIGNATION OF DIRECTOR

Resignation of Mrs. Abha Santosh Kumar Saraswat, in the Board meeting held on 31st January, 2017, from the Directorship of the Company.

##### APPOINTMENT OF DIRECTOR

Appointment of Mr. Abhay Rameshchandra Shrivastava in the Extra Ordinary General meeting held on 7th February, 2017 as a Non- Executive & Independent Director of the Company.

Appointment of Mr. Jitesh Tiwari in the Extra Ordinary General meeting held on 7th February, 2017 as a Non- Executive & Independent Director of the Company.

##### CHANGES IN KEY MANAGERIAL PERSONNEL

The Company has appointed Mr. Lokeshkumar Laxminarayana Edival (Membership No.140615) as a Chief Financial Officer of the Company in the meeting of Board of Directors held on 7th January, 2017.

The Company has appointed Mr. Dashang Manharlal Khatri (Membership No. A47946) as a Company Secretary and Compliance Officer of Company in the meeting of Board of Directors held on 7th January, 2017.

#### PARTICULARS OF EMPLOYEES :-

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the Employees of the Company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2016-17.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as Annexure I.

#### MEETINGS OF THE BOARD OF DIRECTORS :-

The Board of Directors of the Company met 12 times during the year on 23/05/2016, 02/06/2016, 18/07/2016, 26/07/2016, 05/08/2016, 12/09/2016, 14/09/2016, 05/10/2016, 07/12/2016, 07/01/2017, 31/01/2017 and 03/03/2017 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

| Name of Directors               | Category                       | Meetings held during the tenure of the Directors | Meetings Attended | Attendance at the last AGM held on 30th September, 2016 | No. of committee membership in which he/she is a member and Chairperson |
|---------------------------------|--------------------------------|--|-------------------|---|---|
| Santosh Kumar Saraswat          | Promoter/<br>Managing Director | 12   | 12                | Yes   | Member in three Committee   |
| Chandresh S. Saraswat           | Promoter/<br>Managing Director | 12   | 12                | Yes   | None  |
| Ankita Chandresh Saraswat       | Whole-time Director            | 12   | 12                | Yes   | None  |
| Abha Santosh kumar Saraswat     | Director                       | 11   | 11                | Yes   | None  |
| Abhay Rameshchandra Shrivastava | Director                       | 1  | 1                 | No  | Chairman in three Committee.<br>Member in three Committee               |
| Jitesh Tiwari                   | Director                       | 1  | 1                 | No  | Member in three Committee   |

#### MEETING OF MEMBERS :-

The Members of the Company met 2 times during the year on 04/08/2016 and 07/02/2017 in respect of which proper Notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company.

#### COMMITTEES OF THE BOARD :-

Currently the Board has three committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. All Committees constitute valid composition of Independent Directors as mentioned in relevant provisions of Companies Act, 2013.

| Name of the Committee   | Composition of the Committee  | Highlights of duties, responsibilities and activities  |
|---|---|--|
| Audit Committee (This disclosure is as per Section 177(8) of the Companies Act, 2013) | 1. Mr. Abhay Shrivastava- Chairman<br>2. Mr. Jitesh Tiwari- Member<br>3. Mr. Santosh Kumar Saraswat- Member | <ul style="list-style-type: none"> <li>All recommendations made by the Audit Committee were accepted by the Board.</li> <li>In accordance with the requirements of the Companies Act, 2013, the Company has formulated the policies including the Vigil Mechanism Policy.</li> </ul> |
| Nomination and Remuneration Committee   | 1. Mr. Abhay Shrivastava- Chairman<br>2. Mr. Jitesh Tiwari- Member<br>3. Mr. Santosh Kumar Saraswat- Member | <ul style="list-style-type: none"> <li>The Committee oversees and administers executive compensation, operating under a written charter adopted by our Board of Directors.</li> </ul>  |
| Stakeholders Relationship Committee   | 1. Mr. Abhay Shrivastava- Chairman<br>2. Mr. Jitesh Tiwari- Member<br>3. Mr. Santosh Kumar Saraswat- Member | <ul style="list-style-type: none"> <li>The Committee reviews and ensures to redress investor grievances.</li> <li>The Committee noted that all the grievances of the shareholders during the year have been resolved.</li> </ul>   |

## BOARD EVALUATION :-

Pursuant to the provisions of the Companies Act, 2013 and as per the provisions of SEBI (LODR) Regulations, 2015, 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, Stakeholder Relationship Committees and takes care of recommendation made by independent directors.

## DECLARATION BY INDEPENDENT DIRECTORS :-

A declaration by both Independent Directors that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is received by the Company and kept in the records.

## NOMINATION AND REMUNERATION POLICY :-

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel, including criteria for determining qualifications, positive attributes and independence of Directors.

## AUDITORS :-

### 1. STATUTORY AUDITOR

M/s. P. D. GOINKA & Co. (Firm Registration No 103260W), Chartered Accountants, Ahmedabad have been appointed as Statutory Auditors of the Company for a period of 5 years at the last annual general meeting held on 30th September, 2014 subject to ratification of their appointment by the members at every Annual General Meeting. As required under Regulation 33(d) of SEBI(LODR) Regulations, 2015 the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report and hence no explanation or comments of the Board is required in this matter.

### 2. SECRETARIAL AUDITOR

In terms of Section 204 of the Act and Rules made there under, Mr. Mukesh Pamnani, Practicing Company Secretary, Ahmedabad have been appointed as a Secretarial Auditor of the Company in the meeting of Board of Director held on 28th August, 2017.

## REPORTING ON SUSTAINABILITY :-

We are continuously striving to promote better and more effective sustainability policy and practices. In order to ensure transparent communication of our sustainability efforts to all our stakeholders we have made conscious efforts through technology innovation and effective communication and transparency.

## VIGIL MECHANISM :-

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established and Chairman of Audit Committee is responsible for issue pertaining to same.

## EXTRACT OF ANNUAL RETURN :-

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT- 9 as a part of this Annual Report as Annexure II.

#### INTERNAL CONTROL SYSTEMS :-

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- Compliance with applicable laws, regulations and management policies.

#### DEPOSITS :-

The Company has neither accepted/invited any deposits u/s 73 to 76 of the Companies Act, 2013 during the period.

#### PARTICULARS OF LOANS, GUARANTEES, ADVANCES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :-

The Company has not given any loans or guarantees during the year under review within the purview of Section 186 of the Companies Act, 2013. The details of the investments made by Company are given in the notes to investments in the financial statements.

#### PARTICULARS OF MATERIAL CONTRACTS OR ARRANGEMENTS MADE WITH THE RELATED PARTIES :-

The Company has not entered into any material contract or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

#### DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :-

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redresser) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

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

Information in accordance with the provisions of Section 134 read with the Companies (Accounts) Rules, 2014 regarding conservation of energy, and technology absorption are furnished hereunder in Annexure III.

#### HUMAN RESOURCES AND INDUSTRIAL RELATIONS :-

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

#### DIRECTORS' RESPONSIBILITY STATEMENT :-

Pursuant to the requirements of Section 134(3)(c) and (5) of the Companies Act, 2013, it is hereby confirmed:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that 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 the profit or loss of the Company for the period ended 31.03.2017.
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- that the Directors had prepared the annual accounts on a going concern basis.
- that the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- that 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.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORTS :-

In terms of the Regulation 34(e) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis is set out in this Annual Report as Annexure IV.

#### CORPORATE GOVERNANCE REPORT :-

Details regarding Corporate Governance Report of the Company, this is to inform you that Regulation 27(2) as per Clause 15 of the Chapter IV of SEBI (LODR) Regulation, 2015 is not applicable as the Company is listed on the BSE- SME platform since 31st May, 2017. Whenever this regulation becomes applicable to the Company at a later date, we will comply with the requirements of those regulations within six months from the date on which the provisions become applicable to our Company.

#### RISK MANAGEMENT :-

Apart from normal business risk, no major risk is foreseen that in the opinion of the Board may threaten the existence of the Company. During the Year, the Board has decided that Audit Committee shall identify risk, assess, monitor, review and report the risk engaged in the business and shall also carry out the role of Risk Management.

#### PREVENTION OF INSIDER TRADING :-

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

#### POLICIES OF THE COMPANY :-

The Company is committed to good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of professionalism and building shareholder equity with principles of fairness, integrity and ethics.

The Board of Directors of the Company have framed and approved various policies as required under the Companies Act, 2013 read with Rules issued thereunder and the listing Regulations. These Policies and Codes are reviewed by the Board of Directors and are updated, if required.

| Sr. No. | Name of Policy  |
|---------|---|
| 1       | Code of Conduct for Employees   |
| 2       | Code of Practices and procedures for fair Disclosure of unpublished Price Sensitive Information |
| 3       | Code of conduct to Regulate, Monitor and Report trading by Insiders                             |
| 4       | Policy on Related Party transaction   |
| 5       | Whistle Blower Policy   |
| 6       | Policy on Board Diversity   |
| 7       | Policy on Determination of Materiality of Events/Information                                    |
| 8       | Familiarisation Policy for Independent Directors  |
| 9       | Policy on Prevention of Sexual Harassment at Work place   |
| 10      | Other relevant policies   |

#### CORPORATE SOCIAL RESPONSIBILITY :-

Section 135 of the Companies Act, 2013 and framed Rules there under provides that certain Companies are required to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides formation of CSR committee of the Board. The Rules prescribe the activities qualify under CSR and the manner of spending the amount. The company is not covered under section 135 of the Companies Act, 2013 and the Rules framed there under for the financial year under report. CSR Committee of the Board will be constituted at the time of applicability, of section 135 of the Act. Hence CSR report is not required to be annexed.

#### ACKNOWLEDGEMENT :-

Your Directors take this opportunity to place on record the appreciation of the valuable Contribution and dedication shown by the employees of the Company, RTA, Auditors and Practicing Company Secretary which have contributed to the successful management of the Company's affairs.

The Directors also take this opportunity to thank all the stakeholders, Investors, Clients, Banks, Government, Regulatory Authorities and Stock Exchange for their continued support

Date : 28/08/2017  
Place : Ahmedabad

Sd/-  
Chandresh S. Saraswat  
Managing Director  
DIN: 01475370  
Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra,  
Ahmedabad - 380 015.

By Order of the Board of Directors  
For, YUG DECOR LIMITED

Sd/-  
Ankita Saraswat  
Whole-time Director  
DIN: 05342198  
Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra,  
Ahmedabad - 380 015.

# ANNEXURE TO DIRECTOR'S REPORT



## ANNEXURE INDEX

| ANNEXURE | CONTENT  |
|----------|--|
| I        | DETAILS OF REMUNERATION PAID TO KMP & EMPLOYEES                                    |
| II       | EXTRACT OF ANNUAL RETURN IN MGT-9  |
| III      | CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO |
| IV       | MANAGEMENT DISCUSSION AND ANALYSIS REPORT  |

## ANNEXURE I

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

I. The Ratio of the Remuneration of each Director to the Median employee's remuneration for the financial year and such other details as prescribed is as given below :

| Sr. No. | Name  | Ratio    |
|---------|---|----------|
| 1       | Chandresh S. Saraswat (Managing Director)   | 3.25 : 1 |
| 2       | Ankita Chandresh Saraswat (Whole-time Director)   | 2.07 : 1 |
| 3       | Abha Santosh Kumar Saraswat (Whole-time Director)<br>(Resigned w.e.f. 31st January, 2017) | 5.11 : 1 |

II. The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year :

| Sr. No. | Name  | Designation             | % Increase                      |
|---------|---|-------------------------|---------------------------------|
| 1       | Chandresh S. Saraswat   | Managing Director       | NIL                             |
| 2       | Ankita Chandresh Saraswat   | Whole-time Director     | NIL                             |
| 3       | Abha Santosh Kumar Saraswat<br>(Resigned w.e.f. 31st January, 2017) | Whole-time Director     | 266.55%<br>(Including Gratuity) |
| 4       | Santosh Kumar Saraswat  | Director                | Non - Executive                 |
| 5       | Lokeshkumar Edival<br>(w.e.f. 7th January, 2017)                    | Chief Financial Officer | NIL                             |
| 6       | Dashang Manharlal Khatri<br>(w.e.f. 7th January, 2017)              | Company Secretary       | NIL                             |

III. The median Remuneration of the Employees of the Company during the financial year : ` 2,19,995/-

IV. The percentage increase in the median remuneration of employees in the financial year : 07.38%.

V. The number of existing employees on the rolls of Company :

The number of employees as on March 31, 2017 was 47.

VI. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration : NIL

By Order of the Board of Directors  
For, YUG DECOR LIMITED

Sd/-

Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra, Ahmedabad - 380 015.

Date : 28/08/2017  
Place : Ahmedabad

## ANNEXURE II

FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

#### 1. REGISTRATION & OTHER DETAILS :-

| Sr. No. | PARTICULARS   | DETAILS  |
|---------|---|--|
| 1       | CIN   | L24295GJ2003PLC042531  |
| 2       | Registration Date   | 23/06/2003   |
| 3       | Name of the Company   | YUG DECOR LIMITED<br>[Formerly known as Yug Decor Pvt. Ltd.]                           |
| 4       | Category / Sub-Category of the Company                                    | Company Limited by Shares<br>Non-govt Company  |
| 5       | Address of the Registered office and contact details                      | 1011, Sakar- V, B/h Natraj Cinema,<br>Ashram Road, Ahmedabad- 380 009, Gujarat, India. |
| 6       | Whether listed Company Yes / No   | No   |
| 7       | Name, Address and Contact details of Registrar and Transfer Agent, if any | N.A.   |

#### 2. 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 | NIC CODE OF THE PRODUCT/ SERVICE |
|---------|--|----------------------------------|----------------------------------|
| 1       | Manufacturing of Adhesive and Glues, including Rubber based Glues and Adhesive | 20295                            | 95%                              |

#### 3. 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 |
|---------|---------------------------------|-----------|--------------------------------|------------------|--------------------|
| N.A.    | N. A.                           | N.A.      | N.A.                           | N.A.             | N.A.               |

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :-

i) Category-wise Share Holding :-

| Category of Shareholders                 | No. of Shares held at the beginning of the year [As on 31-March-2016] |          |          |                   | No. of Shares held at the end of the Year [As on 31-March-2016] |           |           |                   | % Change during the year |
|--|---|----------|----------|-------------------|---|-----------|-----------|-------------------|--------------------------|
|  | De mat  | Physical | Total    | % of Total Shares | De mat  | Physical  | Total     | % of Total Shares |                          |
| A. promoter                              |   |          |          |                   |   |           |           |                   |                          |
| (1) Indian                               |   |          |          |                   |   |           |           |                   |                          |
| a) Individual/HUF                        | 0   | 3,25,000 | 3,25,000 | 100%              | 0   | 25,09,100 | 25,09,100 | 81.95%            | 81.95%                   |
| b) Central Govt                          | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| c) State Govt(s)                         | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| d) Bodies Corp.                          | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| e) Banks / FI                            | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| f) Any other                             | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Sub-total (A) (1)                        | 0   | 3,25,000 | 3,25,000 | 100%              | 0   | 25,09,100 | 25,09,100 | 81.95%            | 81.95%                   |
| (2) Foreign                              | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| a)NRIs - Individuals                     | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| b)other Individuals                      | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| c)Bodies Corp.                           | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| d)Banks/FI                               | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| e)Any other                              | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Sub - total (A)(2)                       | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Total shareholding of Promoter (A)(1)(2) | 0   | 3,25,000 | 3,25,000 | 100%              | 0   | 25,09,100 | 25,09,100 | 81.95%            | 81.95%                   |
| B. Public Shareholding                   |   |          |          |                   |   |           |           |                   |                          |
| 1. Institutions                          |   |          |          |                   |   |           |           |                   |                          |
| a) Mutual Funds                          | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| b) Banks / FI                            | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| c) Central Govt                          | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| d) State Govt(s)                         | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| e) Venture Capital Funds                 | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| f) Insurance Companies                   | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| g) FIs                                   | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |

| Category of Shareholders  | No. of Shares held at the beginning of the year [As on 31-March-2016] |          |          |                   | No. of Shares held at the end of the Year [As on 31-March-2016] |           |           |                   | % Change during the year |
|---|---|----------|----------|-------------------|---|-----------|-----------|-------------------|--------------------------|
|   | De mat  | Physical | Total    | % of Total Shares | De mat  | Physical  | Total     | % of Total Shares |                          |
| h) Foreign Venture Capital Funds  | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| i) Others (specify)   | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Sub - total (B)(1)  | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| 2. Non - Institutions   |   |          |          |                   |   |           |           |                   |                          |
| a) Bodies Corp.   | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| i) Indian   | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| ii) Overseas  | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| b) Individuals  |   |          |          |                   |   |           |           |                   |                          |
| i) Individual shareholders holding nominal share capital up to ` 1 lakh         | 0   | 0        | 0        | 0                 | 0   | 4,02,666  | 4,02,666  | 13.15%            | 13.15%                   |
| ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh | 0   | 0        | 0        | 0                 | 0   | 1,50,000  | 1,50,000  | 04.90%            | 04.90%                   |
| c) Others (NRI)   | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Sub - total (B)(2)  | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Total Public Shareholding (B)=(B)(1)+(B)(2)                                     | 0   | 0        | 0        | 0                 | 0   | 5,52,666  | 5,52,666  | 18.05%            | 18.05%                   |
| C. Shares held by Custodian for GDRs & ADRs                                     | 0   | 0        | 0        | 0                 | 0   | 0         | 0         | 0                 | 0                        |
| Grand Total (A+B+C)   | 0   | 3,25,000 | 3,25,000 | 100%              | 0   | 30,61,766 | 30,61,766 | 100 %             | 100 %                    |

(ii) Shareholding of Promoters :-

| Sr. No. | Shareholder's Name     | Shareholding at the beginning of the year |                                  |   | Share holding at the end of the year |                                  |   | % change in share holding during the year |
|---------|------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|---|
|         |                        | No. of Shares                             | % of total Shares of 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       | Santosh Kumar Saraswat | 48,776                                    | 15.01 %                          | 0   | 5,35,735                             | 17.50 %                          | 0   | 2.49 %                                    |
| 2       | Abha Saraswat          | 73,270                                    | 22.54 %                          | 0   | 3,39,468                             | 11.09 %                          | 0   | 11.45 %                                   |

(iii) Change in Promoters' Shareholding (Please specify, if there is no change) :-

| Sr. No. | Particulars  | 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 |
| 1.      | At the beginning of the year   | 1,22,046                                  | 37.55 %                          | 8,75,203  | 13.94 %                          |
|         | 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): | 0   | 0                                | July 26, 2016<br>(Right Issue)<br><br>August 05, 2016<br>(Bonus Issue)<br><br>October 05, 2016<br>(Right Issue) |                                  |
|         | At the end of the Year   | 1,22,046                                  | 37.55 %                          | 8,75,203  | 13.94 %                          |

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

| Sr. No. | Shareholding of Top 10 Shareholders | Date       | 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 |
| 1.      | Abha Saraswat                       |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 48,776                                    | 15.01 %                          | 48,776                                  | 15.01 %                          |
|         | Change during the year              | 26/07/2016 | 7000                                      | 01.75 %                          | 55,776                                  | 13.94 %                          |
|         | "                                   | 05/08/2016 | 2,50,992                                  | 11.41 %                          | 3,06,768                                | 13.94 %                          |
|         | "                                   | 05/10/2016 | 32,708                                    | 03.80 %                          | 3,39,476                                | 11.09 %                          |
|         | At the end of the year              | 31/03/2017 | 3,39,476                                  | 11.09 %                          | 3,39,476                                | 11.09 %                          |
| 2.      | Nisha Saraswat                      |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 17,080                                    | 05.26 %                          | 17,080                                  | 05.26 %                          |
|         | Change during the year              | 26/07/2016 | 3150                                      | 0.79 %                           | 20,230                                  | 05.06 %                          |
|         | "                                   | 05/08/2016 | 91,035                                    | 05.06 %                          | 1,11,265                                | 05.06 %                          |
|         | "                                   | 05/10/2016 | 1,30,700                                  | 15.67 %                          | 2,41,965                                | 07.90%                           |
|         | At the end of the year              | 31/03/2017 | 2,41,965                                  | 07.90%                           | 2,41,965                                | 07.90%                           |

| Sr. No. | Shareholding of Top 10 Shareholders | Date       | 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 |
| 3.      | Chandresh Saraswat - HUF            |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 27,850                                    | 08.57 %                          | 27,850                                  | 08.57 %                          |
|         | Change during the year              | 26/07/2016 | 4590                                      | 01.15 %                          | 32,440                                  | 08.11 %                          |
|         | "                                   | 05/08/2016 | 1,45,980                                  | 08.11 %                          | 1,78,420                                | 08.11 %                          |
|         | "                                   | 05/10/2016 | 42,500                                    | 04.93 %                          | 2,20,920                                | 07.22 %                          |
|         | At the end of the year              | 31/03/2017 | 2,20,920                                  | 07.22 %                          | 2,20,920                                | 07.22 %                          |
| 4.      | Santosh Kumar Saraswat - HUF        |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 32,842                                    | 10.11 %                          | 32,842                                  | 10.11 %                          |
|         | Change during the year              | 26/07/2016 | 3,600                                     | 0.9 %                            | 36,442                                  | 09.11 %                          |
|         | "                                   | 05/08/2016 | 1,64,259                                  | 09.13 %                          | 2,00,701                                | 09.12 %                          |
|         | "                                   | 05/10/2016 | 4200                                      | 0.49 %                           | 2,04,961                                | 06.69 %                          |
|         | At the end of the year              | 31/03/2017 | 2,04,961                                  | 06.69 %                          | 2,04,961                                | 06.69 %                          |
| 5.      | Ketan Rajnikant Mehta               |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 0   | 0                                | 0                                       | 0                                |
|         | Change during the year              | 05/10/2016 | 1,50,000                                  | 04.90 %                          | 1,50,000                                | 04.90 %                          |
|         | At the end of the year              | 31/03/2017 | 1,50,000                                  | 04.90 %                          | 1,50,000                                | 04.90 %                          |
| 6.      | Vinaben Vinodchandra Shah           |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 6,000                                     | 1.85 %                           | 6,000                                   | 1.85 %                           |
|         | "                                   | 05/08/2016 | 27,000                                    | 1.50 %                           | 33,000                                  | 1.50 %                           |
|         | Change during the year              | 05/10/2016 | 40,000                                    | 4.64 %                           | 73,000                                  | 2.38 %                           |
|         | At the end of the year              | 31/03/2017 | 73,000                                    | 2.38 %                           | 73,000                                  | 2.38 %                           |
| 7.      | Pooja Saraswat                      |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 12,000                                    | 3.69 %                           | 12,000                                  | 3.69 %                           |
|         | Change during the year              | 05/08/2016 | 54,000                                    | 3.00 %                           | 66,000                                  | 2.16 %                           |
|         | At the end of the year              | 31/03/2017 | 66,000                                    | 2.16 %                           | 66,000                                  | 2.16 %                           |
| 8.      | Mamtaben Laxminarayana Darji        |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 3000                                      | 0.92 %                           | 3000                                    | 0.92 %                           |
|         | Change during the year              | 02/06/2016 | 5000                                      | 2.00 %                           | 8,000                                   | 2.00 %                           |
|         | "                                   | 05/08/2016 | 36,000                                    | 2.00 %                           | 44,000                                  | 2.00 %                           |
|         | "                                   | 05/10/2016 | 16,500                                    | 1.91 %                           | 60,500                                  | 1.98 %                           |
|         | At the end of the year              | 31/03/2017 | 60,500                                    | 1.98 %                           | 60,500                                  | 1.98 %                           |

| Sr. No. | Shareholding of Top 10 Shareholders | Date       | 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 |
| 9.      | Sureshchandra Saraswat              |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 10,000                                    | 3.08 %                           | 10,000                                  | 3.08 %                           |
|         | Change during the year              | 05/08/2016 | 45,000                                    | 2.50 %                           | 55,000                                  | 2.50 %                           |
|         | At the end of the year              | 31/03/2017 | 55,000                                    | 1.80 %                           | 55,000                                  | 1.80 %                           |
| 10.     | Kamlesh Jayantilal Shah             |            |   |                                  |   |                                  |
|         | At the beginning of the year        | 01/04/2016 | 2,000                                     | 0.62 %                           | 2,000                                   | 0.62 %                           |
|         | Change during the year              | 05/08/2016 | 9,000                                     | 0.50 %                           | 11,000                                  | 0.50 %                           |
|         | "                                   | 05/10/2016 | 33,333                                    | 3.87 %                           | 44,333                                  | 1.45 %                           |
|         | At the end of the year              | 31/03/2017 | 44,333                                    | 1.45 %                           | 44,333                                  | 1.45 %                           |

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

| Sr. No. | For Each of the Directors and KMP | Date       | 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 |
| 1.      | Chandresh Saraswat                |            |   |                                  |   |                                  |
|         | At the beginning of the year      | 01/04/2016 | 87,182                                    | 26.83%                           | 87,182                                  | 26.83%                           |
|         | Change during the year            | 02/06/2016 | 13,000                                    | 01.96 %                          | 1,00,182                                | 28.79 %                          |
|         | "                                 | 26/07/2016 | 23,100                                    | 02.03 %                          | 1,23,282                                | 30.82 %                          |
|         | "                                 | 05/08/2016 | 5,54,769                                  | 5.60 %                           | 06,78,051                               | 30.82 %                          |
|         | "                                 | 05/10/2016 | 1,14,000                                  | 13.23 %                          | 07,92,051                               | 25.87 %                          |
|         | At the end of the year            | 31/03/2017 | 07,92,051                                 | 25.87 %                          | 07,92,051                               | 25.87 %                          |
| 2.      | <b>Santosh Kumar Saraswat</b>     |            |   |                                  |   |                                  |
|         | At the beginning of the year      | 01/04/2016 | 73,270                                    | 22.54 %                          | 73,270                                  | 22.54 %                          |
|         | Change during the year            | 26/07/2016 | 10,500                                    | 2.63 %                           | 83,770                                  | 25.17 %                          |
|         | "                                 | 05/08/2016 | 3,76,965                                  | 20.94 %                          | 4,60,735                                | 20.94 %                          |
|         | "                                 | 05/10/2016 | 75,000                                    | 08.70 %                          | 5,35,735                                | 17.50 %                          |
|         | At the end of the year            | 31/03/2017 | 5,35,735                                  | 17.50 %                          | 5,35,735                                | 17.50 %                          |

| Sr. No. | For Each of the Directors and KMP | Date       | 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 |
| 3.      | Abha Saraswat                     |            |   |                                  |   |                                  |
|         | At the beginning of the year      | 01/04/2016 | 48,776                                    | 15.01 %                          | 48,776                                  | 15.01 %                          |
|         | Change during the year            | 26/07/2016 | 7000                                      | 01.75 %                          | 55,776                                  | 13.94 %                          |
|         | "                                 | 05/08/2016 | 2,50,992                                  | 11.41 %                          | 3,06,768                                | 13.94 %                          |
|         | "                                 | 05/10/2016 | 32,708                                    | 03.80 %                          | 3,39,476                                | 11.09 %                          |
|         | At the end of the year            | 31/03/2017 | 3,39,476                                  | 11.09 %                          | 3,39,476                                | 11.09 %                          |
| 4.      | Ankita Saraswat                   |            |   |                                  |   |                                  |
|         | At the beginning of the year      | 01/04/2016 | 1,000                                     | 0.31 %                           | 1,000                                   | 0.31 %                           |
|         | Change during the year            | 05/08/2016 | 4,500                                     | 0.25 %                           | 5,500                                   | 0.25 %                           |
|         | "                                 | 05/10/2016 | 47,500                                    | 5.51 %                           | 53,000                                  | 1.73 %                           |
|         | At the end of the year            | 31/03/2017 | 53,000                                    | 1.73 %                           | 53,000                                  | 1.73 %                           |
| 5.      | Abhay Shrivastava                 |            |   |                                  |   |                                  |
|         | At the beginning of the year      | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | Change during the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | At the end of the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 6.      | Jitesh Tiwari                     |            |   |                                  |   |                                  |
|         | At the beginning of the year      | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | Change during the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | At the end of the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 7.      | Lokeshkumar Edival                |            |   |                                  |   |                                  |
|         | At the beginning of the year      | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | Change during the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | At the end of the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 8.      | Dashang Manharlal Khatri          |            |   |                                  |   |                                  |
|         | At the beginning of the year      | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | Change during the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |
|         | At the end of the year            | NIL        | NIL                                       | NIL                              | NIL                                     | NIL                              |

## 5. INDEBTEDNESS :-

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

[Amount in Lacs]

| Particulars   | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the Financial Year |                                  |                 |          |                    |
| i) Principal Amount                                 | 242.07                           | 94.81           | 0        | 336.88             |
| ii) Interest due but not paid                       | 0                                | 0               | 0        | 0                  |
| iii) Interest accrued but not due                   | 0                                | 0               | 0        | 0                  |
| Total (i+ii+iii)                                    | 242.07                           | 94.81           | 0        | 336.88             |
| Change in Indebtedness during the Financial year    |                                  |                 |          |                    |
| • Addition  | 10.38                            | 104.00          | 0        | 114.38             |
| • Reduction   | 67.94                            | 72.66           | 0        | 140.6              |
| Net Change  | 57.56                            | 31.34           | 0        | 88.90              |
| Indebtedness at the end of the financial year       |                                  |                 |          |                    |
| i) Principal Amount                                 | 184.51                           | 126.15          | 0        | 310.66             |
| ii) Interest due but not paid                       | 0                                | 0               | 0        | 0                  |
| iii) Interest accrued but not due                   | 0                                | 0               | 0        | 0                  |
| Total (i+ii+iii)                                    | 184.51                           | 126.15          | 0        | 310.66             |

## 6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :-

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

| Sr. No. | Particulars of Remuneration   | Name of MD/WTD/Manager                  |                                      |  | Total Amount (In `) |
|---------|---|---|--------------------------------------|--|---------------------|
|         |   | Chandresh Saraswat<br>Managing Director | Abha Saraswat<br>Whole-time Director | Ankita Saraswat<br>Whole-time Director |                     |
| 1       | Gross salary  |   |                                      |  |                     |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,14,980                                | 10,51,855                            | 4,54,990                               | 22,21,825           |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 0                                       | 72,730                               | 0                                      | 72,730              |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | 0                                       | 0                                    | 0                                      | 0                   |
| 2.      | Stock Option  | 0                                       | 0                                    | 0                                      | 0                   |
| 3.      | Sweat Equity  | 0                                       | 0                                    | 0                                      | 0                   |
| 4.      | Commission<br>- as % of profit<br>- others, specify                                 | 0                                       | 0                                    | 0                                      | 0                   |
| 5.      | Others, please specify  | 0                                       | 0                                    | 0                                      | 0                   |
|         | Total (A)   | 7,14,980                                | 11,24,585                            | 4,54,990                               | 22,94,555           |
|         | Ceiling as per the Act  |   |                                      |  | 30,00,000           |

B. Remuneration to other Directors :-

| Sr. No. | Particulars of Remuneration                  | Name of Directors<br>*(Independent Directors)                 |               | Total Amount<br>(In `) |
|---------|--|---|---------------|------------------------|
|         |  | Abhay Shrivastava   | Jitesh Tiwari |                        |
|         |  | *(Both Independent Directors were appointed as on 07/02/2017) |               |                        |
| 1.      | Independent Directors                        |   |               |                        |
|         | • Fee for attending board committee meetings | 0   | 0             | 0                      |
|         | • Commission                                 | 0   | 0             |                        |
|         | • Others, please specify                     | 0   | 0             | 0                      |
|         | Total (1)                                    | 0   | 0             | 0                      |
| 2.      | Other Non - Executive Directors              | 0   | 0             | 0                      |
|         | • Fee for attending board committee meetings | 0   | 0             | 0                      |
|         | • Commission                                 | 0   | 0             | 0                      |
|         | • Others, please specify                     | 0   | 0             | 0                      |
|         | Total (2)                                    | 0   | 0             | 0                      |
|         | Total (B) = (1 + 2)                          | 0   | 0             | 0                      |
|         | Total Managerial Remuneration                | 0   | 0             | 0                      |
|         | Overall Ceiling as per the Act               | 0   | 0             | 0                      |

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD :-

| Sr. No. | Particulars of Remuneration  | Key Managerial Personnel                      |        | Total Amount<br>(In `) |
|---------|--|---|--------|------------------------|
|         |  | CFO*  | CS*    |                        |
|         |  | *(CFO and CS were appointed w.e.f 07/01/2017) |        |                        |
| 1.      | Gross salary   |   |        |                        |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. | 1,14,610                                      | 60,660 | 1,75,270               |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961.                             | 0   | 0      | 0                      |
|         | (c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961              | 0   | 0      | 0                      |
| 2.      | Stock Option   | 0   | 0      | 0                      |
| 3.      | Sweat Equity   | 0   | 0      | 0                      |
| 4.      | Commission   | 0   | 0      | 0                      |
|         | - as % of profit   | 0   | 0      | 0                      |
|         | - others, specify...   | 0   | 0      | 0                      |
| 5.      | Others, please specify   | 0   | 0      | 0                      |
|         | Total  | 1,14,610                                      | 60,660 | 1,75,270               |

7. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:-

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

## ANNEXURE III

### 1. CONSERVATION OF ENERGY :-

- Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.
- Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- Various on-going measures for conservation of energy include (i) use of energy efficient lighting and better use of natural lighting, (ii) reduction of energy loss, and (iii) replacement of outdated energy intensive equipment.

### 2. POWER CONSUMPTION IN RESPECT OF :-

- Total energy consumption and energy consumption per unit of production is given in the table below :

| PARTICULAR    | UNIT | 2016-17  | 2015-16  |
|---------------|------|----------|----------|
| Total Unit    | KWH  | 1,18,443 | 1,17,435 |
| Rate per Unit | `    | 7.96     | 7.44     |
| Total Amount  | `    | 9,42,487 | 8,73,820 |

### 3. TECHNOLOGY ABSORPTION :-

- The efforts made towards technology absorption: N.A.
- The benefits derived from technology absorption: N.A.
- The Company has not imported any technology for its products.
- The Company has not specific Research and Development Department. However, the Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.
- The Company has derived benefits of product diversification, cost reduction and better quality as a result of the above efforts.
- The research and development is an on-going exercise and suitable efforts will continue to be made in future.

### 4. FOREIGN EXCHANGE EARNING AND OUTGO :-

- The information required to be given in respect of foreign exchanges Earning and outgo for the F.Y. 2016-17 are as follows:

#### i. Foreign Exchange Earnings during F.Y. 2016-17 :

| Particulars          | Amount ( In ` ) |
|----------------------|-----------------|
| CIF Value of Exports | 91,34,317       |
| FOB Value of Exports | 88,43,532       |

#### ii. Foreign Exchange Outgo during F.Y. 2016-17 :

| Particulars            | Amount ( In ` ) |
|------------------------|-----------------|
| Advertisement Expenses | 55,876          |
| Travelling Expenses    | 29,721          |
| <b>Total</b>           | <b>85,597</b>   |

## ANNEXURE- IV

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

To,  
YUG DECOR LIMITED  
[Formerly Known As Yug Decor Pvt. Ltd.]  
Ahmedabad.

#### BUSINESS STRUCTURE AND DEVELOPMENT :-

Yug Decor Limited is currently engaged in the business of manufacturing of wood adhesives including rubber based glues and adhesive which are widely used in fast moving consumer market on days. The Company has filled up the opportunity in the business of paints with high standard of quality in the current competitive market.

As far your Company had focused on quality product to sustain its business and performed satisfactory on Indian market and done reasonably well on export front.

The Company has controlled and tried its best to lower the impact of high price inventory and take advantage of lower prices by timing the purchase of raw materials.

The Company is also judging the consumer taste in timely manner and introduced few developed products. The company has developed market for its products in domestic as well as international geographies.

#### ECONOMIC REVIEW :-

India has increasingly adopted free market principles and liberalized its economy to international trade after a fiscal pricing in 1991. The reforms largely favored industrial growth in country. Hence, the Country's economic growth progressed at a rapid pace with relatively large increases in per capita incomes.

The Global Gross Domestic Product (GDP) in the year 2017 grew is tepid and is likely to be moderate in terms of the international events. However, India is better placed. This momentum is expected to be maintained in the coming year with the new government and pro-growth policies.

#### OPPORTUNITIES AND THREATS :-

Looking to present optimistic environment in view of growth oriented Government policies related to trade, commerce and business, the future of your Company is bright and hopeful. However, the issue of concern is threat from international as well as domestic trade.

#### SEGMENT WISE PERFORMANCE :-

Total revenue of our Company is derived from adhesive and paints. Indian adhesive and paints market is highly competitive. But our Company has always put great emphasis to sustain satisfactory performance by focused on quality product to its customers and by performing reasonably well on export front.

#### RECENT TREND AND FUTURE OUTLOOK :-

In recent years' Indian economy under the new government has gathered strong momentum. The Company is optimistic about the recovery of Indian economy and the capital market. The country has to grow economically to with stand any international pressures from foreign countries. The way to economic growth begins with capital market development. The capital market industry in other words is backbone to economic growth in country.

#### RISKS AND CONCERNS :-

Our industry is mainly dependent on economic growth of country. The industrial growth is very sensitive which is dependent on many factors which may be social, financial, economic or political and also natural climatic conditions in the country. However, with the positive attitude of country which can mitigate the avoidable risks.



#### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :-

The Total gross revenue from operations of the Company during the financial year 2016-17 was ` 19,38,05,219/- against the total revenue of ` 19,37,84,444/- in the previous financial year 2015-16.

The Total expenses of the Company during the financial year 2016-17 was ` 16,53,13,611/- against the expenses of ` 16,86,09,614/- in the previous financial year 2015-16.

The Profit after tax is ` 31,33,959/- for the financial year 2016-17 as compare to ` 7,70,199/- in the previous financial year 2015-16.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :-

The Company has implemented proper system for safeguarding the operations/business of the Company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

The Company gets internal audit and verification done at regular intervals. The requirement of having internal auditor compulsory by statue in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of Company.

#### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT :-

The Company has undertaken Employee's development initiatives, which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to human resources and overall development.

#### CAUTIONARY STATEMENT :-

Certain statements in the reports of the Board of Directors and Management's discussions and analysis may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since Company's operations are influence by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

By Order of the Board of Directors  
For, YUG DECOR LIMITED

Sd/-

Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra,  
Ahmedabad - 380 015.

Date : 28/08/2017  
Place : Ahmedabad

Sd/-

Ankita Saraswat  
Whole-time Director  
DIN: 05342198

Address : Flat No. 7, Abhikram,  
27, Inkilab Society, Gulbai Tekra,  
Ahmedabad - 380 015.

# INDEPENDENT AUDITOR'S REPORT

To the Members of YUG DECOR LIMITED

## Report on the Financial Statements :-

We have audited the accompanying financial statements of YUG DECOR LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2017, 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 stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 (as amended). 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 adequate 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 :-

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 and the order under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. 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.

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 and read together with other notes and significant accounting policies thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs (financial position) of the Company as at 31st March 2017, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on other Legal and Regulatory Requirements :-

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of written representations received from the Directors as on 31st March, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B." Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note no. 25 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.
    - iv. The Company has provided requisite disclosure in financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S. O. 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management. Refer note 36 to the financial statements

For, P.D.GOINKA & CO  
FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-

CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

## “ Annexure A” to the Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of YUG DECOR LIMITED on the accounts of the company for the year ended 31st March, 2017]

- (i) In respect of it Company's fixed assets :
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As explained to us, fixed assets were physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any unsecured loans, to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans falling under Section 185 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees.
- (v) The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) As per information and explanation given to us by the management, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) In respect of statutory dues :
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Tax deducted at sources, Professional Tax, Sales Tax, value added tax (VAT), Service Tax, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.

| Name of Statue                | Nature of Dues  | Forum where dispute is pending   | Period to which the amount relates | Amount Involved (in Rs) | Amount unpaid (in Rs.) |
|-------------------------------|-----------------|----------------------------------|------------------------------------|-------------------------|------------------------|
| Gujarat Value Added Tax, 2006 | Value Added Tax | Commissioner (Appeal), Ahmedabad | F.Y. 2012-13                       | 10,13,962/-             | 4,24,925/-             |

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks, government or dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us the term loans have been applied by the Company during the year for the purposes for which they were raised.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the books of account, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 (with schedule V) of the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable.

(xiii) In our opinion, and according to the information and the explanation given to us, the company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and the explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable.

(xv) In our opinion and according to the information and the explanation given to us, during the year the company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.

(xvi) The company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For, P.D.GOINKA & CO  
FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-

CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

## ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of YUG DECOR LIMITED ('the Company') as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on that date.

### Management's Responsibility for Internal Financial Controls :-

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

### Auditors' Responsibility :-

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting :-

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting :-

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

#### Opinion :-

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the financial internal control over financial criteria established by the company considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, P.D.GOINKA & CO  
FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-

CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

YUG DECOR LIMITED  
(Formerly known as YUG DECOR PRIVATE LIMITED)

CIN: L24295GJ2003PLC042531

Balance Sheet as at 31st March, 2017

|  | Note No. | As at 31st Mar-17 | As at 31st Mar-16 |
|--|----------|-------------------|-------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |          |                   |                   |
| 1 Shareholders' funds  |          | 3,62,64,826       | 1,88,34,267       |
| (a) Share Capital  | 1        | 3,06,17,660       | 32,50,000         |
| (b) Reserves and Surplus   | 2        | 56,47,166         | 1,55,84,267       |
| (c) Money Received against share warrants                                  |          |                   |                   |
| 2 Share Application money pending allotment                                |          | -                 | -                 |
| 3 Non- Current Liabilities   |          | 44,02,527         | 56,06,733         |
| (a) Long Term Borrowings   | 3        | 25,57,395         | 43,61,402         |
| (b) Deferred Tax Liability (Net)   | 4        | -                 | -                 |
| (c) Other Long Term Liabilities  | 5        | 8,83,976          | 6,25,448          |
| (d) Long Term Provisions   | 6        | 9,61,156          | 6,19,883          |
| 4 Current Liabilities  |          | 5,92,07,277       | 6,15,52,443       |
| (a) Short Term Borrowings  | 7        | 2,60,88,879       | 2,28,15,821       |
| (b) Trade Payable  |          |                   |                   |
| Total outstanding dues to Micro and Small Enterprises                      |          | -                 | -                 |
| Total outstanding dues of creditors other than Micro and Small Enterprises | 8        | 2,79,78,743       | 2,85,93,502       |
| (c) Other Current Liabilities  | 9        | 43,22,314         | 96,99,062         |
| (d) Short Term Provisions  | 10       | 8,17,341          | 4,44,058          |
|  | TOTAL    | 9,98,74,630       | 8,59,93,442       |
| <b>II. ASSETS</b>  |          |                   |                   |
| Non- Current Assets  |          | 87,66,013         | 79,49,932         |
| 1 (a) Fixed Assets   |          |                   |                   |
| i) Tangible Assets   | 17       | 72,41,928         | 67,90,844         |
| ii) Intangible Assets  | 17       | 16,952            | 8,100             |
| (b) Non- Current Investment  |          | -                 | -                 |
| (c) Deferred Tax Assets (Net)  | 4        | 5,03,960          | 3,18,465          |
| (d) Long Term Loans and Advances   | 11       | 10,03,173         | 8,32,523          |
| (e) Other Non- Current Assets  |          | -                 | -                 |
| 2 Current Assets   |          | 9,11,08,617       | 7,80,43,510       |
| (a) Current Investments  |          | -                 | -                 |
| (b) Inventories  | 12       | 1,11,15,648       | 91,67,575         |
| (c) Trade Receivables  | 13       | 6,36,62,561       | 6,74,96,004       |
| (d) Cash and Cash Equivalents  | 14       | 1,35,04,066       | 36,676            |
| (e) Short Term Loans and Advances  | 15       | 6,19,844          | 6,36,757          |
| (f) Other Current Assets   | 16       | 22,06,498         | 7,06,498          |
|  | TOTAL    | 9,98,74,630       | 8,59,93,442       |

Significant Accounting Policies and Notes on Financial Statements 1 to 41

As per our attached report of even date

For and on behalf of the Board of Directors

For, P.D.GOINKA & CO

FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-  
CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

Sd/-  
Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Sd/-  
Dashang M. Khatri  
Company Secretary

Place : AHMEDABAD  
Date : 28th August, 2017

Sd/-  
Ankita Saraswat  
Whole-time Director  
DIN: 05342198

Sd/-  
Lokeshkumar Edival  
Chief Financial Officer



## Profit and Loss statement for the year ended 31st March, 2017

|  | Note<br>No. | For the Financial<br>Year ended on<br>31st March, 2017 | For the Financial<br>Year ended on<br>31st March, 2016 |
|--|-------------|--|--|
| I. Revenue from Operations   | 18          | 17,50,43,054   | 17,67,51,084   |
| II. Other Income   | 19          | 3,77,659   | 35,067   |
| III. Total Revenue ( I + II )  |             | 17,54,20,713   | 17,67,86,151   |
| IV. Expenses:  |             |  |  |
| Cost of Materials Consumed   | 20          | 9,57,65,049  | 10,36,72,068   |
| Purchase of Stock-in- Trade  | 21          | 2,74,21,302  | 2,88,41,813  |
| Changes in Inventories of Finished Goods,<br>Work in progress and Stock in Trade | 22          | (14,97,424)  | (6,64,771)   |
| Employee benefits expenses   | 23          | 1,99,42,373  | 1,56,58,425  |
| Financial Costs  |             | 39,04,323  | 56,96,960  |
| Depreciation and Amortization Expenses   |             | 16,50,384  | 12,15,084  |
| Other Expenses   | 24          | 2,36,82,311  | 2,11,02,078  |
| Total Expenses   |             | 17,08,68,318   | 17,55,21,657   |
| V. Profit before Tax (III-IV)  |             | 45,52,395  | 12,64,494  |
| VI. Tax Expenses:  |             |  |  |
| 1) Current Tax   |             | 16,03,931  | 7,29,690   |
| 2) Deferred Tax  |             | (1,85,495)   | (2,35,395)   |
| VII. Profit (Loss) for the period (V-VI)   |             | 31,33,959  | 7,70,199   |
| VIII. Earnings per equity share  |             |  |  |
| 1) Basic and Dilited   |             | 1.21   | 0.37   |

Significant Accounting Policies and Notes on Financial Statements 1 to 41

As per our attached report of even date

For, P.D.GOINKA & CO  
FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-  
CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

For and on behalf of the Board of Directors

Sd/-  
Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Sd/-  
Dashang M. Khatri  
Company Secretary

Place : AHMEDABAD  
Date : 28th August, 2017

Sd/-  
Ankita Saraswat  
Whole-time Director  
DIN: 05342198

Sd/-  
Lokeshkumar Edival  
Chief Financial Officer

## Cash Flow Statement for the year ended March 31, 2017

| Particulars   | Amount in `           |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
|   | For the year ended    |                       |                       |
|   | 31-Mar-17             | 31-Mar-16             |                       |
| <b>A Cash flows from operating activities:</b>                    |                       |                       |                       |
| Net profit before taxation and extraordinary items                | 45,52,395             | 12,64,493             |                       |
| Adjustments for:  |                       |                       |                       |
| Depreciation and Amortisation                                     | 16,50,384             | 12,15,084             |                       |
| (Profit)/Loss on sale of assets [Net]                             | (75,468)              | -                     |                       |
| Interest income   | (2,50,106)            | -                     |                       |
| Interest expenses   | 39,04,323             | 56,96,960             |                       |
| Bad debts written off   | 18,73,275             | -                     |                       |
| Provisions for employee benefits                                  | 3,41,273              | 6,19,883              |                       |
| Total   | 74,43,681             | 75,31,927             |                       |
| Operating profit before working capital changes                   | 1,19,96,076           | 87,96,420             |                       |
| Adjustments for:  |                       |                       |                       |
| [Increase]/ Decrease in Trade Receivables                         | 19,60,168             | 42,80,357             |                       |
| [Increase]/ Decrease in Inventories                               | (19,48,073)           | (15,70,848)           |                       |
| [Increase]/ Decrease in Other Current Assets                      | (15,00,000)           | -                     |                       |
| Decrease/ [Increase] in Short Term Advances                       | 16,913                | 8,70,437              |                       |
| Decrease/ [Increase] in Long Term Advances                        | (1,70,650)            | (13,427)              |                       |
| Increase/ [Decrease] in Trade Payables                            | (6,14,759)            | (5,34,991)            |                       |
| Increase/ [Decrease] in Other Current Liabilities                 | (53,76,748)           | 20,24,215             |                       |
| Increase/ [Decrease] in Other Long Term Liabilities               | 2,58,528              | 1,51,856              |                       |
| Increase/ [Decrease] in Short Term Provision                      | 3,73,283              | -                     |                       |
| Total   | (70,01,338)           | 52,07,599             |                       |
| Cash generated from operations                                    | 49,94,738             | 1,40,04,019           |                       |
| Direct taxes paid [Net of refunds]                                | (16,03,931)           | (8,30,974)            |                       |
| Net cash from operating activities                                | 33,90,807             | 1,31,73,045           |                       |
| <b>B Cash flows from investing activities:</b>                    |                       |                       |                       |
| Purchase of fixed assets  | (20,34,852)           | (30,46,465)           |                       |
| Interest received   | 2,50,106              | -                     |                       |
| Net cash from investing activities                                | (17,84,746)           | (30,46,465)           |                       |
| <b>C Cash flows from financing activities:</b>                    |                       |                       |                       |
| Issue of Share Capital  | 1,42,96,600           | 14,00,000             |                       |
| Repayment of Long Term Borrowings                                 | (18,04,007)           | (11,50,935)           |                       |
| Short Term Borrowings [Net]                                       | 32,73,058             | (48,35,751)           |                       |
| Interest paid   | (39,04,323)           | (56,96,960)           |                       |
| Net cash used in financing activities                             | 1,18,61,328           | (1,02,83,646)         |                       |
| <b>Net increase/ [decrease] in cash and cash equivalents</b>      | <b>1,34,67,390</b>    | <b>(1,57,066)</b>     |                       |
| <b>Cash and cash equivalents at the beginning</b>                 | <b>36,676</b>         | <b>1,93,742</b>       |                       |
| <b>Cash and cash equivalents at the end</b>                       | <b>1,35,04,066</b>    | <b>36,676</b>         |                       |
| <b>Notes to the Cash Flow Statement</b>                           |                       |                       |                       |
| 1 All figures in brackets are outflows.                           |                       |                       |                       |
| 2 Previous year's figures have been regrouped wherever necessary. |                       |                       |                       |
| 3 Cash and cash equivalents comprise of:                          |                       |                       |                       |
|   | <u>As at March 31</u> | <u>As at March 31</u> | <u>As at March 31</u> |
|   | 2017                  | 2016                  | 2015                  |
| a Cash on Hand  | 3,78,229              | 8,288                 | 1,80,259              |
| b Balances with Banks   | 1,31,25,837           | 28,388                | 13,483                |
| c Total   | 1,35,04,066           | 36,676                | 1,93,742              |

As per our report of even date

For, P.D.GOINKA & CO  
FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-  
CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

For and on behalf of the Board of Directors

Sd/-  
Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Sd/-  
Dashang M. Khatri  
Company Secretary

Place : AHMEDABAD  
Date : 28th August, 2017

Sd/-  
Ankita Saraswat  
Whole-time Director  
DIN: 05342198

Sd/-  
Lokeshkumar Edival  
Chief Financial Officer

## I COMPANY OVERVIEW

YUG DECOR LIMITED (Formerly known as YUG DECOR PRIVATE LIMITED) is engaged in manufacturing and trading of various types of Adhesives/Glues such as Water based adhesives, Solvent based adhesives, various type of Paints and Wood Finishes and its related packing materials.

## II SIGNIFICANT ACCOUNTING POLICIES

### A) (i) Accounting basis and Convention :

The Financial Statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India. The company has been following accrual System of accounting both as to income and expenditure.

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

### (ii) Revenue Recognition :

Sale of Products is recognized when substantial risk and rewards of ownership in the goods are transferred to the buyers, which is generally on the dispatch of goods. Sales includes Excise duty and Sales tax/VAT/CST so far as it is taxable and excludes returns.

Sale of services is recognized on rendering of services based on agreements/arrangements with the concerned parties.

### (iii) Use of Estimates :

The preparation of financial statements requires estimates and assumptions which affect the reported amount of assets, liabilities, revenues and expense of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

### B) Fixed Assets :

#### (i) Tangible assets

Tangible assets are stated at cost of acquisition or construction less accumulated depreciation.

#### (ii) Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortisation.

### C) Depreciation / Amortisation :

Depreciation on tangible assets is charged on WDV method on pro-rata basis at the rates specified in Schedule II of the Companies Act, 2013.

Intangible assets are amortised on a straight line basis in five annual installments.

### D) Inventories :

Inventories are valued at lower of cost and net realisable value. Cost is generally ascertained on FIFO basis. In case of work-in-progress and finished goods, appropriate overheads are included. Obsolete inventories are adequately provided for. Excise duty of finished goods lying in factories and custome duty on raw materials in bonded ware house are considered for valuation of inventories, as applicable.

**E) Borrowing cost :**

Borrowing costs directly attributable to acquisition or construction of qualifying assets (i.e. those fixed assets which necessarily take a substantial period of time to get ready for their intended use) are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**F) Investments :**

Investments are stated at Cost.

**G) Income Tax Accounting :**

(a) Current Tax Provision is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

(b) Deferred Tax is recognised, on timing difference, being the difference between taxable income and book profits that originate in one period and are capable of reversal in one or more subsequent periods.

**H) Contingent Liabilities :**

Contingent liabilities are not provided for in the accounts and are shown separately in the notes on accounts.

**I) Impairment of Assets :**

At each balance sheet date, the company assesses whether there is any indication that an asset may be impaired. If any indication exists, The company estimates the recoverable amount. If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss to the extent of carrying amount exceeds recoverable amount.

**J) Provisions :**

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

**K) Cash and Cash Equivalents :**

Cash and Cash equivalents includes cash and cheque on hand, demand deposits with banks, fixed deposits and other short term highly liquid investments with original maturities of three months or less.

**L) Foreign Currency Transactions :**

Transactions in foreign currencies are recorded in Indian Rupees using the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, recorded monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the balance sheet date. All realised and unrealised exchange adjustment gains and losses are dealt with in the profit and loss account.

**M) Employee Benefits :**

Employee benefits payable wholly within twelve months of the end of the reporting period are classified as short term employee benefits and are recognized as the employee renders service on an undiscounted basis. Contribution to Defined Contribution Scheme such as Provident Fund is charged to Statement of Profit and Loss as incurred. The Company also provide for retirement/ post retirement benefits in the form of gratuity. For current period, the company has provided gratuity provision on estimate basis without Actuarial valuation. As a policy Actuarial Valuation will be done at the end of financial year.

# NOTES ON FINANCIAL STATEMENTS

## Notes on Financial Statements for the Financial Year ended 31st March, 2017

|   |  | (Amount in `)        |                      |
|---|--|----------------------|----------------------|
|   |  | As at 31st<br>Mar-17 | As at 31st<br>Mar-16 |
| 1 | SHARE CAPITAL  |                      |                      |
|   | <u>Authorised</u>                                    |                      |                      |
|   | 42,50,000 (P.Y. 4,00,000) Equity Shares of ` 10 each | 4,25,00,000          | 40,00,000            |
|   | <u>Issue, Subscribed &amp; Paid up</u>               |                      |                      |
|   | 30,61,766 (P.Y. 3,25,000) Equity Shares of ` 10 each | 3,06,17,660          | 32,50,000            |

### 1.1 Details of Shareholders holding more than 5% shares

| Name of The Share Holder   | As at 31st<br>Mar-17 |        | As at 31st<br>Mar-16 |        |
|----------------------------|----------------------|--------|----------------------|--------|
|                            | No. of Shares        | % Held | No. of Shares        | % Held |
| Abha Saraswat              | 3,39,468             | 11.09  | 48,776               | 15.01  |
| Chandresh Saraswat         | 7,92,051             | 25.87  | 87,182               | 26.83  |
| Chandresh Saraswat HUF     | 2,20,920             | 7.22   | 27,850               | 8.57   |
| Nisha Saraswat             | 2,41,965             | 7.90   | 17,080               | 5.26   |
| Santosh Kumar Saraswat     | 5,35,735             | 17.50  | 73,270               | 22.54  |
| Santosh Kumar Saraswat HUF | 2,04,961             | 6.69   | 32,842               | 10.11  |

### 1.2 The Reconciliation of the Number of shares outstanding is set out below.

| Particulars                                 | As at 31st<br>Mar-17 | As at 31st<br>Mar-16 |
|---|----------------------|----------------------|
| Equity Shares at the beginning of the year  | 3,25,000             | 3,00,000             |
| Add: Bonus Shares issued during the year    | 18,00,000            | -                    |
| Add: Fresh Shares issued during the year    | 9,36,766             | 25,000               |
| <u>Equity Shares at the end of the year</u> | <u>30,61,766</u>     | <u>3,25,000</u>      |

### 1.3 Rights, Preferences and restrictions attached to shares

The Equity shares of the Company, having face value of ` 10/- per share, rank pari passu in all respects including voting rights and entitlement of dividend.

## 2 RESERVES AND SURPLUS

|   |               |             |
|---|---------------|-------------|
| <u>Securities Premium</u>               |               |             |
| As per Last Balance Sheet               | 1,19,72,495   | 1,08,22,495 |
| Add: On Issue of Shares                 | 54,73,532     | 11,50,000   |
| Total                                   | 1,74,46,027   | 1,19,72,495 |
| Less: Utilised in issue of Bonus Shares | (1,57,22,495) | -           |
| Less: Shares Issue expenses written off | (5,44,592)    | -           |
| Closing Balance                         | 11,78,940     | 1,19,72,495 |
| Total (A)                               |               |             |

|                                 |  | (Amount in `)        |                      |
|---------------------------------|--|----------------------|----------------------|
|                                 |  | As at 31st<br>Mar-17 | As at 31st<br>Mar-16 |
| Profit and Loss Account Balance |  |                      |                      |
|                                 | As per Last Balance Sheet                | 36,11,772            | 28,41,573            |
|                                 | Add: Profit for the year                 | 31,33,959            | 7,70,199             |
|                                 | Total                                    | 67,45,731            | 36,11,772            |
|                                 | Less: Utilised for issue of Bonus Shares | (22,77,505)          | -                    |
|                                 | Closing Balance                          | 44,68,226            | 36,11,772            |
|                                 | Total (B)                                |                      |                      |
|                                 | Grand Total (A+B)                        | 56,47,166            | 1,55,84,267          |
| <br>                            |  |                      |                      |
| 3                               | LONG TERM BORROWINGS                     |                      |                      |
|                                 | <u>SECURED</u>                           |                      |                      |
|                                 | <u>Vehicles Loans</u>                    |                      |                      |
|                                 | HDFC Bank Limited                        | 6,72,503             | -                    |
|                                 | Volkswagen Finance Private Limited       | 10,56,000            | 13,90,685            |
|                                 | - against hypothecation of Vehicles      |                      |                      |
|                                 | Total (A)                                | 17,28,503            | 13,90,685            |
|                                 | <u>UNSECURED</u>                         |                      |                      |
|                                 | <u>From Directors</u>                    |                      |                      |
|                                 | Abha Saraswat                            | -                    | 1,30,000             |
|                                 | Chandresh Saraswat                       | -                    | 2,10,000             |
|                                 | <u>From NBFC</u>                         |                      |                      |
|                                 | Bajaj Finserv Limited                    | 3,37,357             | 10,31,497            |
|                                 | Capital First Limited                    | 4,91,535             | 15,27,984            |
|                                 | Magma Fincorp Limited                    | -                    | 71,236               |
|                                 | Total (B)                                | 8,28,892             | 29,70,717            |
|                                 | Grand Total (A+B)                        | 25,57,395            | 43,61,402            |
| <br>                            |  |                      |                      |
| 4                               | DEFERRED TAX ASSET / (LIABILITY)         |                      |                      |
|                                 | Related to Fixed Asset                   | 2,06,963             | 1,26,921             |
|                                 | Related to Gratuity                      | 2,96,997             | 1,91,544             |
|                                 |  | 5,03,960             | 3,18,465             |
| <br>                            |  |                      |                      |
| 5                               | OTHER LONG TERM LIABILITIES              |                      |                      |
|                                 | Security Deposits (Distributors)         | 8,83,976             | 6,25,448             |
|                                 | Total                                    | 8,83,976             | 6,25,448             |
| <br>                            |  |                      |                      |
| 6                               | LONG TERM PROVISIONS                     |                      |                      |
|                                 | Provision for Gratuity                   | 9,61,156             | 6,19,883             |
|                                 | Total                                    | 9,61,156             | 6,19,883             |

|  | As at 31st<br>Mar-17 | (Amount in `)<br>As at 31st<br>Mar-16 |
|--|----------------------|---------------------------------------|
| <b>7 SHORT TERM BORROWINGS</b>   |                      |                                       |
| <u>SECURED</u>   |                      |                                       |
| <u>Working Capital Loan From</u>   |                      |                                       |
| Allahabad Bank   | 1,60,88,879          | 2,28,15,821                           |
| - Primarily secured against hypothecation charge over entire Current Assets of the Company both Present and Future.  |                      |                                       |
| - Collaterally secured against mortgaged against Factory Land and building situated at Santej , Dist- Gandhinagar and hypothecation of existing Plant and Machineries of the Company having W.D.V. ` 41.75 Lacs. |                      |                                       |
| - Pledge of FDR of ` 22.06 Lacs  |                      |                                       |
| <u>UNSECURED</u>   |                      |                                       |
| Intercorporate Loan  | 1,00,00,000          | -                                     |
|  | <u>2,60,88,879</u>   | <u>2,28,15,821</u>                    |
| <b>8 TRADE PAYABLES</b>  |                      |                                       |
| Total Outstanding dues to Micro and Small Enterprises  | -                    | -                                     |
| Total Outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 38 )  | 2,79,78,743          | 2,85,93,502                           |
|  | <u>2,79,78,743</u>   | <u>2,85,93,502</u>                    |
| <b>9 OTHER CURRENT LIABILITIES</b>   |                      |                                       |
| Current Maturities of Long Term Borrowings (Note 3)  |                      |                                       |
| HDFC Bank Limited  | 3,02,494             | 1,85,495                              |
| Volkswagen Finance Private Limited   | 3,31,322             | 2,99,834                              |
| Bajaj Finserv Limited  | 6,87,868             | 16,43,944                             |
| Capital First Limited  | 10,28,109            | 18,19,256                             |
| Magma Fincorp Limited  | 70,290               | 7,67,572                              |
| Religare Finvest Limited   | -                    | 18,80,005                             |
| Tata Capital Financial Service Limited   | -                    | 7,39,615                              |
| Duties and Taxes   | 3,53,462             | 4,86,298                              |
| Payable to Employees   | 4,68,361             | 5,47,312                              |
| Creditor for Expenses  | 10,80,408            | 13,29,730                             |
|  | <u>43,22,314</u>     | <u>96,99,062</u>                      |
| <b>10 SHORT TERM PROVISION</b>   |                      |                                       |
| Income Tax Payable (Net of Advance Tax and TDS)  | 6,51,920             | 1,80,924                              |
| Provision for Excise Duty on Finished Goods (Net of CENVAT Credit Receivable)  | 1,65,421             | 2,63,134                              |
|  | <u>8,17,341</u>      | <u>4,44,058</u>                       |
| <b>11 LONG TERM LOANS AND ADVANCES</b>   |                      |                                       |
| Advances recoverable in Cash or Kind or for value to be received   | 5,89,037             | 5,89,037                              |
| Prepaid Expenses   | 25,000               | -                                     |
| Security Deposits  | 3,89,136             | 2,43,486                              |
|  | <u>10,03,173</u>     | <u>8,32,523</u>                       |

|  | As at 31st<br>Mar-17 | (Amount in `)<br>As at 31st<br>Mar-16 |
|--|----------------------|---------------------------------------|
| 12 INVENTORIES   |                      |                                       |
| Raw Materials  | 52,33,550            | 47,18,186                             |
| Packing Materials  | 19,76,695            | 20,41,410                             |
| Work in Progress   | 4,22,463             | 3,69,649                              |
| Traded Goods   | 1,04,061             | 2,33,280                              |
| Finished Goods   | 33,78,879            | 18,05,050                             |
|  | 1,11,15,648          | 91,67,575                             |
| 13 TRADE RECEIVABLES<br>(Unsecured and Considered Good)  |                      |                                       |
| Outstanding for a period exceeding six months from the date they are due for payment   | 17,36,947            | 51,93,219                             |
| Others   | 6,19,25,614          | 6,23,02,785                           |
|  | 6,36,62,561          | 6,74,96,004                           |
| 14 CASH AND BANK BALANCES  |                      |                                       |
| Cash and Cash Equivalent   |                      |                                       |
| Cash on Hand   | 3,78,229             | 8,288                                 |
| - (As certified by the Management)   |                      |                                       |
| -Balances with Scheduled Banks   |                      |                                       |
| In Current Account   |                      |                                       |
| Allahabad Bank   | 1,12,66,257          | 17,998                                |
| -Balances with Non Scheduled Banks   |                      |                                       |
| In Current Account   |                      |                                       |
| ICICI Bank   | 18,59,579            | 10,390                                |
|  | 1,35,04,066          | 36,676                                |
| 15 SHORT TERM LOANS AND ADVANCES<br>(Unsecured considered Good)  |                      |                                       |
| Advances recoverable in Cash or Kind or for value to be received   | 5,75,041             | 4,78,449                              |
| Balance with Excise Department   | 2,803                | 28,958                                |
| Security Deposits  | 42,000               | 1,29,350                              |
|  | 6,19,844             | 6,36,757                              |
| 16 OTHER CURRENT ASSET   |                      |                                       |
| <u>Other Bank Balances</u>   |                      |                                       |
| In Term Deposit Accounts (Term Deposit Receipts Pledge with Bank towards Cash Credit)<br>(Maturity more than 3 months but less than 12 months) | 22,06,498            | 7,06,498                              |
|  | 1,57,10,564          | 7,43,174                              |

## Note 17

### FIXED ASSETS AND DEPRECIATION

| Description                   | Gross Block           |  |   | Depreciation          |  |   | Net Block          |                     |                     |
|-------------------------------|-----------------------|--|---|-----------------------|--|---|--------------------|---------------------|---------------------|
|                               | Opening<br>01.04.2016 | Addition<br>adjustment during the year | (Deduction)<br>adjustment during the year | Opening<br>01.04.2016 | Addition<br>adjustment during the year | (Deduction)<br>adjustment during the year | Upto<br>31.03.2017 | As at<br>31.03.2017 | As at<br>31.03.2016 |
|                               |                       |  |   |                       |  |   |                    |                     |                     |
| <u>Tangible Asset</u>         |                       |  |   |                       |  |   |                    |                     |                     |
| Free Hold Land (Factory Land) | 2,76,697              | -                                      | -   | -                     | -                                      | -   | -                  | 2,76,697            | 2,76,697            |
| Factory Building              | 21,17,982             | -                                      | -   | 12,95,107             | 76,897                                 | -   | 13,72,004          | 7,45,978            | 8,22,875            |
| Plant and Machinery           | 70,43,355             | 8,37,765                               | -   | 39,32,740             | 6,64,550                               | -   | 45,97,290          | 32,83,830           | 31,10,615           |
| Furniture & Fixtures          | 4,90,115              | 15,000                                 | -   | 4,18,471              | 19,559                                 | -   | 4,38,030           | 67,085              | 71,644              |
| Vehicles including Car        | 38,46,655             | 13,67,487                              | (10,31,542)                               | 14,13,012             | 8,39,564                               | (8,07,010)                                | 14,45,566          | 27,37,034           | 24,33,643           |
| Computer & Printer            | 3,38,403              | 99,600                                 | -   | 2,98,172              | 43,587                                 | -   | 3,41,759           | 96,244              | 40,231              |
| Office Equipment              | 1,40,535              | -                                      | -   | 1,05,396              | 79                                     | -   | 1,05,475           | 35,060              | 35,139              |
| Total                         | 1,42,53,742           | 23,19,852                              | (10,31,542)                               | 74,62,898             | 16,44,236                              | (8,07,010)                                | 83,00,124          | 72,41,928           | 67,90,844           |
| <u>Intangible Asset</u>       |                       |  |   |                       |  |   |                    |                     |                     |
| Trademarks                    | 76,400                | 15,000                                 | -   | 68,300                | 6,148                                  | -   | 74,448             | 16,952              | 8,100               |
| Total :-                      | 1,43,30,142           | 23,34,852                              | (10,31,542)                               | 75,31,198             | 16,50,384                              | (8,07,010)                                | 83,74,572          | 72,58,880           | 67,98,944           |
| Capital Work-in-Progress      |                       |  |   |                       |  |   |                    |                     |                     |
| Previous Year 2015-16         | 1,12,83,677           | 30,46,465                              | -   | 63,16,114             | 12,15,084                              | -   | 75,31,198          | 67,98,944           | 49,67,563           |

Note 1. Amortisation period of the trademarks is for 5 years as estimated by the management.

Note 2. One Car is registered in the name of a Director.

|   | As at 31st<br>Mar-17 | (Amount in `)<br>As at 31st<br>Mar-16 |
|---|----------------------|---------------------------------------|
| <b>18 REVENUE FROM OPERATIONS</b>   |                      |                                       |
| Sales of Products   | 19,29,37,263         | 19,34,28,978                          |
| Export Incentives   | 1,39,055             | 1,39,316                              |
| Export Service  | 7,28,901             | 2,16,150                              |
|   | <u>19,38,05,219</u>  | <u>19,37,84,444</u>                   |
| Less: Excise Duty Recovered   | 1,87,62,165          | 1,70,33,360                           |
|   | <u>17,50,43,054</u>  | <u>17,67,51,084</u>                   |
| <b>19 OTHER INCOME</b>  |                      |                                       |
| Interest Income- (TDS ` 25,011 P.Y. ` 956)  | 2,50,106             | 9,560                                 |
| Exchange Gain   | 1,27,553             | 25,507                                |
|   | <u>3,77,659</u>      | <u>35,067</u>                         |
| <b>20 COST OF MATERIAL CONSUMED</b>   |                      |                                       |
| <u>Raw Materials</u>  |                      |                                       |
| Opening Stock   | 47,18,186            | 25,13,378                             |
| Add : Purchase  | 7,71,30,915          | 8,74,85,939                           |
| Add: Freight Inward   | 16,07,015            | 11,99,806                             |
|   | <u>8,34,56,116</u>   | <u>9,11,99,123</u>                    |
| Less: Closing Stock   | 52,33,550            | 47,18,186                             |
| Total (A)   | <u>7,82,22,566</u>   | <u>8,64,80,937</u>                    |
| <u>Packing Materials</u>  |                      |                                       |
| Opening Stock   | 20,41,410            | 14,50,120                             |
| Add : Purchase  | 1,74,15,415          | 1,77,32,056                           |
| Add: Packing Expenses   | 62,353               | 50,365                                |
|   | <u>1,95,19,178</u>   | <u>1,92,32,541</u>                    |
| Less: Closing Stock   | 19,76,695            | 20,41,410                             |
| Total (B)   | <u>1,75,42,483</u>   | <u>1,71,91,131</u>                    |
| Total Cost of Material Consumed (A+B)   | <u>9,57,65,049</u>   | <u>10,36,72,068</u>                   |
| <b>21 PURCHASE OF STOCK IN TRADE</b>  |                      |                                       |
| Purchase  | 2,73,87,464          | 2,88,02,075                           |
| Freight Inward and Other Expenses   | 33,838               | 39,738                                |
|   | <u>2,74,21,302</u>   | <u>2,88,41,813</u>                    |
| <b>22 CHANGES IN INVENTORIES OF FINISHED GOODS,<br/>WORK IN PROGRESS AND STOCK IN TRADE</b> |                      |                                       |
| <u>Opening Balance</u>  |                      |                                       |
| Finished Goods- Traded  | 2,33,280             | 2,19,613                              |
| Finished Goods- Manufactured  | 18,05,050            | 14,77,976                             |
| Work-In- Progress   | 3,69,649             | 45,619                                |
|   | <u>24,07,979</u>     | <u>17,43,208</u>                      |
| <u>Closing Balance</u>  |                      |                                       |
| Finished Goods- Traded  | 1,04,061             | 2,33,280                              |
| Finished Goods- Manufactured  | 33,78,879            | 18,05,050                             |
| Work-In- Progress   | 4,22,463             | 3,69,649                              |
|   | <u>39,05,403</u>     | <u>24,07,979</u>                      |
| Decrease/ (Increase) in Stock   | <u>(14,97,424)</u>   | <u>(6,64,771)</u>                     |

|  | (Amount in `)        |                      |
|--|----------------------|----------------------|
|  | As at 31st<br>Mar-17 | As at 31st<br>Mar-16 |
| <b>23 EMPLOYEE BENEFIT EXPENSES</b>      |                      |                      |
| Salary, Wages and Bonus                  | 1,90,28,693          | 1,49,61,850          |
| Contribution to Provident and Other Fund | 59,362               | 56,400               |
| Workmen Compensation Insurance           | 18,877               | 17,962               |
| Gratuity Expenses                        | 8,25,873             | 6,19,883             |
| Staff Welfare                            | 9,568                | 2,330                |
|  | <b>1,99,42,373</b>   | <b>1,56,58,425</b>   |

|   |                    |                    |
|---|--------------------|--------------------|
| <b>24 OTHER EXPENSES</b>                    |                    |                    |
| 1 Consumption of Stores and spare parts     | 35,085             | 26,565             |
| 2 Power & fuel                              | 13,42,422          | 11,94,314          |
| 3 Rent Expenses                             | 15,66,000          | 9,24,000           |
| 4 Rates & Taxes                             | 86,61,965          | 92,91,850          |
| 5 Auditor Remuneration                      | 80,000             | 70,000             |
| 6 Bank Charges                              | 3,13,658           | 3,12,987           |
| 7 Brokerage & Commission                    | 10,16,669          | 7,17,143           |
| 8 Conveyance                                | 4,83,478           | 4,98,566           |
| 9 Petrol/Diesel Delivery Vehicles           | 2,56,292           | 1,90,740           |
| 10 Insurance                                | 1,87,202           | 1,35,301           |
| 11 Electricity Expenses                     | 58,480             | 1,09,115           |
| 12 Freight & Clearance Expenses             | 6,37,789           | 5,56,718           |
| 13 General Charges                          | 3,55,449           | 3,21,482           |
| 14 Legal & Professional Fees                | 3,98,073           | 1,69,052           |
| 15 Postage & Courier                        | 79,287             | 99,038             |
| 16 Printing & Stationary                    | 1,03,872           | 81,860             |
| 17 Scheme, Sample, Rebate & Discount        | 24,49,074          | 32,87,710          |
| 18 Repairs & Maintenance                    | 10,70,386          | 5,57,197           |
| 19 Telephone, Mobile and internet charges   | 1,02,490           | 1,11,633           |
| 20 Advertisement & Sales Promotion Expenses | 4,55,795           | 5,12,530           |
| 21 Travelling Expenses                      | 21,86,034          | 17,43,302          |
| 22 Export Incentive Expenses Written off    | 45,004             | 1,90,975           |
| 23 Bad Debt Written Off                     | 18,73,275          | -                  |
| 24 Loss/(Profit) on Sale of Fixed Asset     | (75,468)           | -                  |
|   | <b>2,36,82,311</b> | <b>2,11,02,078</b> |

**25 Contingent Liabilities (to the extend not provided for)**

(a) Claims against the company not acknowledged as debts

|             | Current Year | Previous Year |
|-------------|--------------|---------------|
| - Sales Tax | 10,13,962    | 5,89,037      |

The company is in appeal in regard to assessment made against which Rs.589,037 is already paid under protest and shown in long term loans and advances as advances recoverble in cash and kind.

**26 Estimated amount of contracts remaining to be executed on capital account**

|             | Current Year | Previous Year |
|-------------|--------------|---------------|
| Commitments | -            | -             |

27 Employee Benefits AS-15

As per revised Accounting Standard 15 (AS-15) "Employee Benefits", The Company has recognised in the financial statements in respect of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2017.

(a) Component of Employer Expenses recognized in Statement of Profit and Loss Account

|                           | Current Year    | Previous Year   |
|---------------------------|-----------------|-----------------|
| Gratuity Liability        | 8,25,873        | 6,19,883        |
| Total Expenses recognized | <u>8,25,873</u> | <u>6,19,883</u> |

(b) Net Liability/ (Asset) recognized in Balance Sheet

|                                   | Current Year    | Previous Year   |
|-----------------------------------|-----------------|-----------------|
| Present Value of Obligation       | 9,61,156        | 6,19,883        |
| Fair Value of Plan Assets         | -               | -               |
| Net Liability/ (Asset) recognised | <u>9,61,156</u> | <u>6,19,883</u> |

28 AUDITORS REMUNERATION (Exclusive of Service Tax)

|                | Current Year  | Previous Year |
|----------------|---------------|---------------|
| Audit Fees     | 70,000        | 60,000        |
| Tax Audit Fees | 10,000        | 10,000        |
| Total          | <u>80,000</u> | <u>70,000</u> |

29 Remuneration to managing and whole time directors included in respective head of expenses in Note 23 is

|                 | Current Year     | Previous Year    |
|-----------------|------------------|------------------|
| (a) Salary      | 16,06,435        | 13,80,000        |
| (b) Bonus       | 1,30,790         | 1,14,960         |
| (c) Gratuity    | 4,84,600         | -                |
| (d) Electricity | 72,730           | 96,910           |
| Total           | <u>22,94,555</u> | <u>15,91,870</u> |

30 Pursuant to Accounting Standard (AS) 22 "Accounting for Taxes on Income", the Component and classification of deferred tax assets and liabilities on account of timing differences as on 31st March, 2017 and 31st March, 2016 are given below:

|  | Current Year      | Previous Year     |
|--|-------------------|-------------------|
| Deffered Tax                           |                   |                   |
| <u>Deffered Tax Liability/(Assets)</u> |                   |                   |
| Related to Fixed Assets                | (2,06,963)        | (1,26,921)        |
| Related to Gratuity                    | (2,96,997)        | (1,91,544)        |
| Deffered Tax Liability/(Assets) - Net  | <u>(5,03,960)</u> | <u>(3,18,465)</u> |

31 (a) Percentage of Consumption Raw Materials.

| Particulars                 | Year ended on 31.03.2017 |             | Year ended on 31.03.2016 |             |
|-----------------------------|--------------------------|-------------|--------------------------|-------------|
|                             | % of total consumption   | Amount `    | % of total consumption   | Amount `    |
| a) Imported ( on highseas ) | -                        | -           | 1.13                     | 9,81,066    |
| b) Indegenious              | 100.00                   | 7,82,22,566 | 98.87                    | 8,54,99,871 |
| Total                       | 100.00                   | 7,82,22,566 | 100.00                   | 8,64,80,937 |

(b) Percentage of Consumption Stores

| Particulars    | Year ended on 31.03.2017 |          | Year ended on 31.03.2016 |          |
|----------------|--------------------------|----------|--------------------------|----------|
|                | % of total consumption   | Amount ` | % of total consumption   | Amount ` |
| a) Imported    | -                        | -        | -                        | -        |
| b) Indegenious | 100.00                   | 35,085   | 100.00                   | 26,565   |
| Total          | 100.00                   | 35,085   | 100.00                   | 26,565   |

32 Related Party Disclosure in accordance with Accounting Standard 18

| Nature of Transaction/ Name of Related Party                    | Current Year | Previous Year |
|---|--------------|---------------|
| <u>(a) Remunerations and Allowances</u>                         |              |               |
| Abha Saraswat (Whole Time Director)<br>(Resigned on 31.01.2017) | 11,24,585    | 4,21,900      |
| Chandresh S. Saraswat (Managing Director)                       | 7,14,980     | 7,14,980      |
| Ankita Saraswat (Whole Time Director)                           | 4,54,990     | 4,54,990      |
| Lokeshkumar Edival (Chief Financial Officer) w.e.f 07.01.2017   | 1,14,610     | -             |
| Dashang M. Khatri (Company Secretary) w.e.f. 07.01.2017         | 60,660       | -             |
| Pooja Saraswat (Employee- Relative of KMP)                      | 2,85,120     | 2,36,590      |
| <u>(b) Rent Paid</u>  |              |               |
| Chandresh S. Saraswat   | 3,00,000     | 1,74,000      |
| <u>(c) Loan taken</u>   |              |               |
| Chandresh S. Saraswat (Managing Director)                       | 4,00,000     | 35,00,000     |
| <u>(d) Loan Repaid</u>  |              |               |
| Abha Saraswat (Whole Time Director)<br>(Resigned on 31.01.2017) | 1,30,000     | -             |
| Chandresh S. Saraswat (Managing Director)                       | 6,10,000     | 33,70,000     |
| <u>(e) Loan Outstanding Balance</u>                             |              |               |
| Abha Saraswat (Whole Time Director)<br>(Resigned on 31.01.2017) | -            | 1,30,000      |
| Chandresh S. Saraswat (Managing Director)                       | -            | 2,40,000      |

33 Other Expenditure in Foreign Currency

|                                     | Current Year  | Previous Year |
|-------------------------------------|---------------|---------------|
| Foreign Currency Remittance Charges | 55,876        | 33,625        |
| Travelling Expenses                 | 29,721        | -             |
| Total                               | <u>85,597</u> | <u>33,625</u> |

34 Earning in Foreign Exchange - FOB Export

91,41,882

67,50,656

( Including deemed export of ` 2,98,350 Prev. Year ` 1,39,950)

35 Non Hedge Foreign Currency Exposures as at the Balance Sheet Date:

| Particulars       | Current Year |          | Previous Year |                 |
|-------------------|--------------|----------|---------------|-----------------|
|                   | USD          | INR      | USD           | INR             |
| Trade Receivables | -            | -        | 8,064         | 5,34,909        |
| Total             | <u>-</u>     | <u>-</u> | <u>8,064</u>  | <u>5,34,909</u> |

36 SCHEDULE III to the Companies Act, 2013 has been amended to require disclosure in the financial statements of "Specified Bank Notes" held and transacted during the period from 8th November, 2016 to 30th December, 2016.

| Particulars                           | Specified Bank Notes* | Other Denomination Notes | Total     |
|---------------------------------------|-----------------------|--------------------------|-----------|
| Closing Cash in hand as on 08.11.2016 | 57,50,500             | 1,23,197                 | 58,73,697 |
| Add : Permitted Receipts              | -                     | 7,32,688                 | 7,32,688  |
| Less: Permitted Payments              | 13,000                | 5,66,064                 | 5,79,064  |
| Less: Amount deposited in Banks       | 57,37,500             | 1,71,561                 | 59,09,061 |
| Closing cash in hand as on 30.12.2016 | -                     | 1,18,260                 | 1,18,260  |

\* For the purpose of this note, the term Specified Bank Notes shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November 2016.

37 Debtors, Creditors, Loans & Advances are subject to confirmation by parties. The company has issued confirmation letters to such parties and differences if any, shall be reconciled in the current year.

38 There is no Micro and Small Enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company.

39 Excise duty deducted from turnover represents amount of excise duty collected by the company on sale of goods.

40 This year the Company does not have any identified reportable segment, so reporting as per Accounting Standard -17 (AS-17 Segment Reporting) issued by ICAI, is not applicable to the Company.

41 Previous Year figures have been be-grouped and re-arranged wherever necessary to conform to the current year presentation.

Signatures to Notes 1 to 41 forming part of Balance Sheet and Profit and Loss Account.

As per our attached report of even date.

For and on behalf of the Board of Directors

For, P.D.GOINKA & CO  
FRN - 103260W  
CHARTERED ACCOUNTANTS

Sd/-  
CA Pankaj Goenka  
Partner  
M. No. 110986

Place : AHMEDABAD  
Date : 28th August, 2017

Sd/-  
Chandresh S. Saraswat  
Managing Director  
DIN: 01475370

Sd/-  
Dashang M. Khatri  
Company Secretary

Place : AHMEDABAD  
Date : 28th August, 2017

Sd/-  
Ankita Saraswat  
Whole-time Director  
DIN: 05342198

Sd/-  
Lokeshkumar Edival  
Chief Financial Officer

# YUG DECOR LIMITED

[Formerly known as Yug Decor Pvt. Ltd.]

CIN: L24295GJ2003PLC042531



Regd. Office : 1011, Sakar-V, B/h. Natraj Cinema, Ashram Road, Ahmedabad - 380 009,  
Gujarat, India. Tel : 079 30020584 / 48955109 Email : account@yugdecor.com

## ATTENDANCE SLIP

To be handed over at the Entrance.

I/We hereby record my/our presence at the 14th Annual General Meeting of the Company held at Registered Office 1011, Sakar-V, B/h. Natraj Cinema, Ashram Road, Ahmedabad - 380 009, Gujarat, India on 29th September, 2017 at 11:00 A.M.

Folio No. / Client ID / DPID No. : \_\_\_\_\_

Permanent Account Number : \_\_\_\_\_

Full Name of the Shareholder : \_\_\_\_\_

Signature : \_\_\_\_\_

Full Name of Proxy : \_\_\_\_\_

Signature : \_\_\_\_\_

(To be filled in if the Proxy attends instead of the Member)



# YUG DECOR LIMITED

[Formerly known as Yug Decor Pvt. Ltd.]

CIN: L24295GJ2003PLC042531



Regd. Office : 1011, Sakar-V, B/h. Natraj Cinema, Ashram Road, Ahmedabad - 380 009,  
Gujarat, India. Tel : 079 30020584 / 48955109 Email : account@yugdecor.com

## 14th Annual General Meeting – 29th September, 2017

Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

Email: \_\_\_\_\_

Folio No./Client ID: \_\_\_\_\_

DP ID: \_\_\_\_\_

I/ We, being the Member(s) of \_\_\_\_\_ Shares of the Yug Decor Limited, hereby appoint

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him / her

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Signature: \_\_\_\_\_

or failing him / her

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 14th Annual General Meeting of the Company, to be held on 29th September, 2017 at 11:00 A.M. at 1011, Sakar-V, B/h Natraj Cinema, Ashram Road, Ahmedabad - 380 009, Gujarat, India and at any adjournment thereof :

| Sr. No. | Resolutions  | Optional* |         |
|---------|--|-----------|---------|
|         |  | For       | Against |
| 1.      | To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended at March 31, 2017 together with the Report of Board of Directors and Report of Auditor thereon (Ordinary resolution)                            |           |         |
| 2.      | To appoint Mr. Santosh Kumar Saraswat (DIN : 00236008), who retires by rotation and being eligible offers himself for re-appointment. (Ordinary resolution)  |           |         |
| 3.      | To reappoint M/s. P. D. GOINKA & Co., Chartered Accountants, Ahmedabad; Statutory Auditors of the Company to hold office from the conclusion of 14th AGM until the conclusion of the 15th AGM and to fix their remuneration, if any. (Ordinary resolution) |           |         |
| 4.      | Authority to Board of Directors under Section 180(1)(C) of The Companies Act, 2013 To Borrow Money for the purpose of the Company. (Special resolution).   |           |         |
| 5.      | Authority to Board of Directors under Section 180(1)(A) of The Companies Act, 2013 To Sell Lease or otherwise dispose of the Undertakings of the Company. (Special resolution)   |           |         |

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2017

\_\_\_\_\_  
Signature of the Member

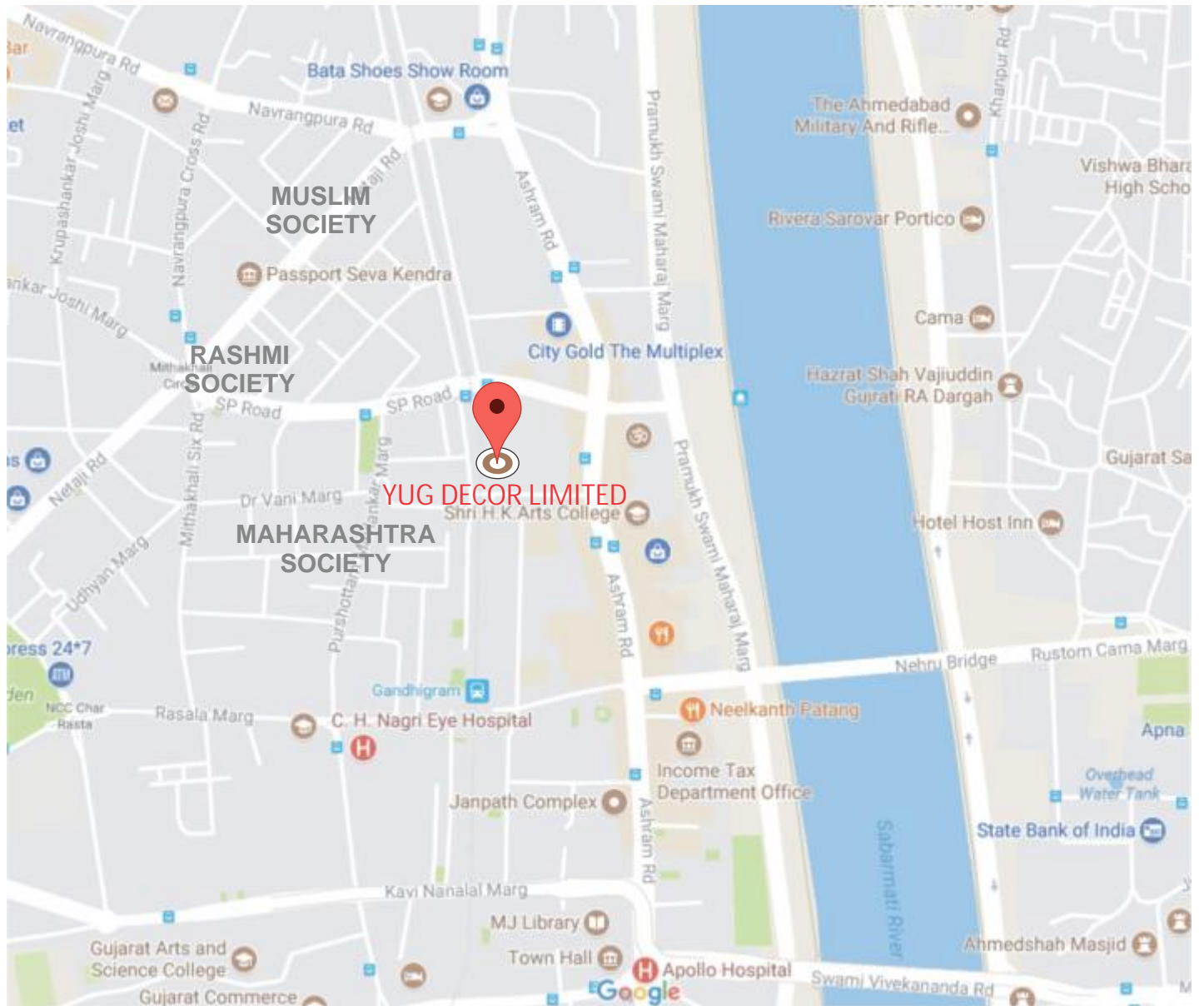
\_\_\_\_\_  
Signature of the proxy holder(s)

Affix  
Rs. 1/-  
Revenue  
Stamp

#### 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 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 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. \*This is only optional. Please put '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 the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
5. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.

## Route Map of the Venue of the AGM



Landline No. : 079 30020584 / 48955109







## **YUG DECOR LIMITED**

CIN : L24295GJ2003PLC042531

Regd. Office : 1011, Sakar-V, B/h. Old Natraj Cinema,  
Ashram Road, Ahmedabad-380 009, Gujarat, INDIA.

Website : [www.yugdecor.com](http://www.yugdecor.com) • E-mail : [account@yugdecor.com](mailto:account@yugdecor.com)

Phone : 079 2658 0920 / 079 4895 5109