



# Amarnath Securities Limited

**23RD ANNUAL REPORT**

2016-2017

# BOARD OF DIRECTORS



**MR. OMKAR P HERLEKAR**  
Non Executive & Non Independent  
Promoter Director

**MR. HITESH K RUKE**  
Whole Time Director



**MR. LAXMIKANT R KABRA**  
Non Executive & Non Independent  
Director

INDEPENDENT DIRECTORS - Ms. Archana Dakhale  
Mr. Jaid Kojar  
Mrs. Dia Wadhvani



## **Amarnath Securities Limited**

1/104, Sarthak, Opp. C.T. Centre, B/H Swastik Cross Road,  
C.G. Road, Ahmedabad – 380009 Tel No. +91-22-4970 1092

E-mail : [amarnathsecurities@gmail.com](mailto:amarnathsecurities@gmail.com)



### CORPORATE INFORMATION

<b>Board of Directors</b>	Omkar P Herlekar - Non Executive & Non Independent Director
	Laxmikant Ramprasad Kabra - Non Executive & Non Independent Director
	Archana Dakhale - Non Executive & Independent Director
	Jaid Kojar - Non Executive & Independent Director
	Hitesh Ruke - Whole Time Director
	Dia Wadhvani - Non Executive & Independent Director
<b>Company Secretary</b>	Aparna Akadkar
<b>Bankers</b>	HDFC Bank Ltd.
<b>Registered Office:</b>	1/104, Sarthak, Opp. C.T. Centre, B/H Swastik Cross Road, C.G. Road, Ahmedabad – 380009 Tel No. +91(79) 30613939 E-mail : <a href="mailto:amarnathsecurities@gmail.com">amarnathsecurities@gmail.com</a>
<b>Registrar &amp; Share Transfer Agent:</b>	Bigshare Services Pvt Ltd, 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp . Vasant Oasis , Makwana Road , Marol, Andheri East, Mumbai 400059 , India. Phone No : 022-62638200, Fax No : 022-62638299 E Mail Id: <a href="mailto:sandeep@bigshareonline.com">sandeep@bigshareonline.com</a>
<b>Website</b>	<a href="http://www.amarnathsecurities.com">www.amarnathsecurities.com</a>
<b>Statutory Auditors</b>	M/s ANAM & Associates. (Chartered Accountant) 6 & 7, 3rd Floor, Niskha Avenue, Nr. Mehsana Urban Co-op. Bank, Swastik Cross Road, Navrangpura, Ahmedabad – 380 009

Committees		
Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee
Archana Dakhale ( <i>Chairperson</i> )	Archana Dakhale ( <i>Chairperson</i> )	Archana Dakhale( <i>Chairperson</i> )
Laxmikant Kabra	Jaid Kojar	Laxmikant Kabra
Jaid Kojar	Omkar Herlekar	Jaid Kojar



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**NOTICE**

NOTICE is hereby given that Twenty-Third Annual General Meeting of **AMARNATH SECURITIES LIMITED** will be held on Thursday, 28<sup>th</sup> September 2017 at the Registered office of the Company at 1/104, Sarthak, Opp. C. T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009 at 11:00 A.M. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2017, the Balance Sheet as at that date and the reports of the Board of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Laxmikant Kabra (holding DIN 00061346) who retires by rotation and being eligible offers himself for reappointment.
3. To Re-appoint Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the sixth Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

**“RESOLVED THAT** pursuant to provisions of section 139 of companies Act, 2013 and other applicable provisions, if any, for the time being in force M/s A N A M & Associates (Firm Registration No. 005496S), Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Sixth Annual General Meeting to be held in the calendar year 2022 (subject to the ratification of their appointment at every AGM of the company) on such remuneration as agreed upon by the Board of Directors.”

**SPECIAL BUSINESS**

4. To Appoint Mrs. Dia Wadhvani (DIN 07752120) as an Independent Director of the Company

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

**“RESOLVED THAT** Mrs. Dia Wadhvani (DIN 07752120), who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 27, 2017 and who holds office upto the date of this Annual General Meeting in terms of Section 161 (1) of the Companies Act, 2013 be and is hereby appointed as Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (ACT) and the rules framed thereunder, read with Schedule IV to the Act (Including any statutory modification(s) or re-enactment thereof, for the time being in force), Mrs. Dia Wadhvani has submitted a declaration that she meets criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent director of the Company with effect from March 27, 2017 for a period of 5 year upto the conclusion of the Annual General Meeting to be held in the calendar year 2022.”



5. Appointment of Mr. Hitesh Ruke(DIN 07752179) as a Whole-Time Director of the Company

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 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the Articles of Association of the Company and subject to such other approval(s), if any as may be required and subject to any conditions and/modifications as may be imposed and/or suggested by such authorities, while granting such approval(s), the consent of the Members of the Company be and is hereby accorded for the appointment of Mr. Hitesh Ruke (DIN 077521790), as Whole- Time Director of the Company for the period of five years with effect from March 27, 2017 on the terms and conditions & Remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration subject to the limits specified under provisions of Section 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, however, the overall remuneration paid to Mr. Hitesh Ruke (DIN 07752179), as Whole-Time Director, by way of basic remuneration, perquisites, commission and other allowance(s), shall not exceed 5% of the net profits of the Company and if there are more than one such director, 10% for all of them together in that financial year;

**RESOLVED FURTHER THAT** notwithstanding anything herein above stated where in any financial year during the tenure of Mr. Hitesh Ruke (DIN 07752179), as Whole-Time Director, the Company incurs any loss or its profits are inadequate in any financial year, the Company shall pay to Mr. Hitesh Ruke (DIN 07752179) the above remuneration by way of Basic salary, perquisites and other allowances as a minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such act(s), deed(s), matter(s) and things and they may take such steps necessary, expedient or desirable in this regard.”

**Notes:**

1. A member entitled to attend and vote at the Annual General Meeting (the “meeting”) is entitled to appoint a proxy and vote on a poll instead of himself and a proxy need not be a member of the Company. The instrument appointing proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. Members/proxies are requested to bring duly filled attendance slips and Ballot form along with their copy of annual report sent herewith to attend the meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the Entrance Pass and Ballot Form for attending the meeting.
5. In case of joint holders attending meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting
7. The company has notified closure of Register of Members and share transfer books from 22.09.2017 to 28.09.2017 (both days inclusive)
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. Bigshare Services Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address or bank mandates immediately to the Company/Registrars and Transfer Agents, M/s. Bigshare Services Private Limited.
10. 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 the 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 / Registrars and Transfer Agents, M/s. Bigshare Services Private Limited.
11. Non-Resident Indian Members are requested to inform M/s. Bigshare Services Private Limited, immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. 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.
12. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least Five days before the date of meeting, so that the information required may be made available at the meeting.





13. The equity Shares of the Company are listed on BSE Limited, Dalal Street, Mumbai-400001. The listing fees have been paid up-to-date.
14. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to provisions of section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled to M/s. Bigshare Services Private Limited. The prescribed form in this regard may be obtained from M/s. Bigshare Services Private Limited. Members holding shares in electronic form are requested to contact their DP directly for recording their nomination
15. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos.4 & 5 above is annexed hereto.
16. The Notice of AGM along with the Annual Report 2016-17 is being sent by electronic mode to those members whose email addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode.
17. To support 'Green initiative', members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
18. Voting through Electronic means:-  
In compliance with provision of Section 108 of the companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, the Company is pleased to provide members, the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. The e-voting facility is available at the link <https://www.evotingindia.co.in>.



**The instructions and process for e-voting as under:**

- i) The voting period begins on 25<sup>th</sup> September, 2017 at 9.00AM and ends on 27<sup>th</sup> September, 2017 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2017, may cast their vote electronically. The e-voting module shall be classified by CDSL for voting thereafter.
- ii) The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on 21<sup>st</sup> September, 2017.
- iii) CS Amit R. Dadheech, Practicing Company Secretary (Membership No.A22889) has been appointed as the Scrutinizer the e-voting process in a fair and transparent manner.
- iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- v) Click on “Shareholders” tab.
- vi) 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.
- vii) Next enter the Image Verification as displayed and Click on Login.
- viii) 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.
- ix) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field

- x) After entering these details appropriately, click on “SUBMIT” tab.
- xi) Members holding shares in physical form will then reach directly 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.
- xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- xiii) Click on the EVSN for **Amarnath Securities Limited** to vote.
- xiv) 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.
- xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xvi) 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.
- xvii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xviii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xix) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xxi) 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).
- xxii) The Results shall be declared alongwith the Scrutinizer's Report and shall be placed on the Company's website [www.amarnathsecurities.com](http://www.amarnathsecurities.com) and on the website of CDSL [www.evoting.cdsl.com](http://www.evoting.cdsl.com) within 2 (two) days of passing of the resolutions at the 23<sup>rd</sup> Annual General Meeting and will be communicated to BSE Limited, where the shares of the company are listed.

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

**Sd**

**Aparna Akadkar**

**Company Secretary**

**Date: 11<sup>th</sup> August, 2017**

**Place: Ahmadabad**



## ANNEXURE TO THE NOTICE

## DETAILS OF THE DIRECTOR SEEKING APPOINTMENT OR RE-APPOINTMENT

[In pursuance of regulation 36(3) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2]

Name of Director	Mr. Hitesh Ruke	Mr. Laxmikant Kabra	Mrs. Dia Wadhvani
Director Identification No.	07752179	00061346	07752120
Date of Birth	October 18, 1995	March 09, 1969	October 19, 1986
Date of appointment on Board	March 27, 2017	March 01, 2011	March 27, 2017
Nationality	Indian	Indian	Indian
Qualifications	Commerce graduate from University of Mumbai	He is a is a Fellow member of the Institute of Chartered Accountants of India (ICAI) and is a commerce graduate from University of Mumbai	She is Bachelor of Commerce, graduated from University of Mumbai.
Expertise in specific functional areas	He is having over 3 years of experience in the field of accounts and finance and have hands on knowledge to look over day to day affairs of finance industry.	He has experience of over 23 years in the field of Income Tax, Company Law, Finance, Audit and Assurances services and Banking. During his tenure he has worked with Public Limited Companies such as Ficom Organics Limited and Rishiroop Rubber International Limited. Since Last 14 years, he has his own practice as a Chartered Accountant in Mumbai under the firm name M/s Laxmikant Kabra & Co., Chartered Accountants.	She has over 5 years of total experience in the field of teaching, accounts and finance industry.
List of Directorships held in Other Companies (Excluding Foreign, Private and Section 8 Companies)	NA	1) Ornate Educare Private Limited 2) Narendra Investments (Delhi) Limited 3) Omkar Speciality Chemicals Limited 4) Amarnath Securities Limited	NA
Memberships/ Chairmanships of Committees across Public Companies	Nil	1) Member of Audit Committee and CSR Committee in Omkar Speciality Chemicals Limited.	Nil



<b>including Amarnath Securities Limited</b>		2) Member of Audit Committee and Stakeholder Committee in Amarnath Securities Limited	
<b>Number of shares held in Amarnath Securities Limited</b>	Nil	Nil	Nil
<b>Relationships between the Directors inter-se</b>	None	None	None



**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 4:

The Board of Directors, at its meeting held on March 27, 2017 appointed Mrs. Dia Wadhvani (DIN 07752120) as an Additional Director in the capacity of Independent Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 130 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Dia Wadhvani (DIN 07752120) will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Dia Wadhvani (DIN 07752120) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. Dia Wadhvani (DIN 07752120) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mrs. Dia Wadhvani (DIN 07752120) as an Independent Director of the Company for a period up to March 26, 2022, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She will not be liable to retire by rotation.

In the opinion of the Board, Mrs. Dia Wadhvani (DIN 07752120), the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mrs. Dia Wadhvani (DIN 07752120) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members.



Item No 5:

Based on the recommendation of the Nomination and Remuneration Committee duly approved by the resolution passed at its meeting, the Board of Directors have appointed Mr. Hitesh Ruke as Whole-time Director of the Company w.e.f. March 27 2017, for a period of five years, subject to the approval of the members in General Meeting upon the terms and conditions set out in the Agreement to be entered into by the Company with him. The said agreement, inter-alia, contains the following material, terms and conditions:

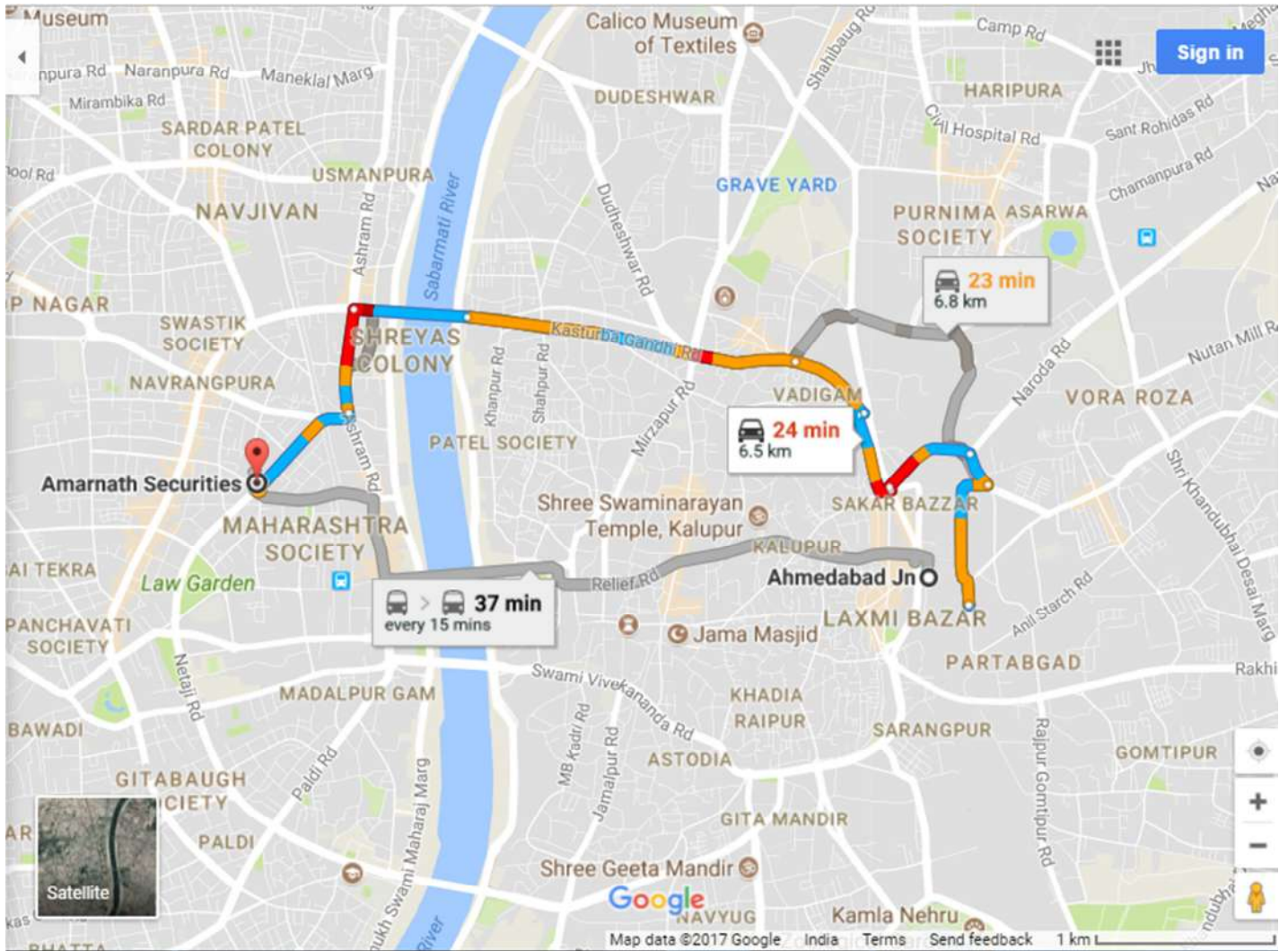
**The major terms and conditions of the appointment are listed herein below:**

- 1) Commission: payable at such intervals as may be decided by the Board of Directors;
- 2) Medical reimbursement: Reimbursement of actual expenses for self and family and/or allowance will be paid as decided by the Board of Directors from time to time;
- 3) Leave Travel Allowance
- 4) Other benefits – as per the rules of the Company:
  - A. Personal accident insurance
  - B. Earned/Privileged Leave
  - C. Gratuity
  - D. Leave Encashment
  - E. Company car and telephone (including mobile)
- 5) Period of appointment: Five years beginning from March 27, 2017 ending on March 26, 2022;
- 6) The appointment may be terminated by either party by giving three months' notice in writing of such termination or as may be mutually agreed between the parties;
- 8) Mr. Hitesh Ruke (DIN 07752179) shall perform such duties as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors;



**ROUTE MAP – AGM**

Direction for the 23rd Annual General Meeting of Amarnath Securities Limited to be held at 1/104, Sarthak, Opp. C. T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009 at 11:00 A.M. on Thursday, 28th day of September, 2017 at 11:00 a.m.







## DIRECTOR'S REPORT

To,  
The Members

### **Amaranth Securities Ltd.**

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2017

### **FINANCIAL RESULTS:**

The summarized financial results for the year ended 31<sup>st</sup> March, 2017 are as under:

(Amount in Rs.)

Particulars	2016-17	2015-16
1. Profit before Interest, Depreciation and Tax	19,36,268	15,98,906
2. Interest	-	-
3. Depreciation	1,43,200	2,50,033
4. Profit(Loss) Before Tax	17,93,068	13,48,873
5. Provision for taxation	5,81,064	4,16,802
6. Profit(Loss) After Tax	12,12,004	9,32,071

### **OPERATIONS:**

The income and profits of the Company are derived from interest income and supplemented by profit on sale of investments.

### **DIVIDEND:**

Your Director do not recommend dividend for the year.

### **SHARE CAPITAL:**

The paid up equity share capital as on 31 March 2017 was Rs3,00,02,000/- divided into 30,00,200 equity share of Rs 10/- each. During the year under review the company has not made any fresh issue of shares.

### **TRANSFER OF UNPAID/UNCLAIMED DIVIDEND:**

The Company does not have any amount of Unpaid/Unclaimed Dividend which is required to be transferred to the Investors Education & Protection fund as required under Section of the Companies Act. There are no other statutory amount like outstanding unpaid Refund Amount on Share Applications, unpaid interests or principal of Deposits and Debentures etc lying with the company which are required to be transferred to Investors Education and Protection Fund.

### **COMPLIANCE WITH THE LISTING AGREEMENT:**

Company's shares are listed on BSE Ltd. and Company has complied with the mandatory provisions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchange.

### **MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2017 and the date of the director report.

**SIGNIFICANT OR MATERIAL ORDER PASSED BY REGULATORS/COURTS**

During the year under review, there were no significant or material orders passed by the regulators or court or tribunals impacting the going concern status and Company Operations in future.

**FIXED DEPOSITS:**

The company has not accepted the fixed deposits during the year under report.

**CORPORATE SOCIAL RESPONSIBILITY**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of Rs 500 crores or more or turnover of Rs 1000 crores or more net profit of Rs 5 crores during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years. Accordingly the provision of CSR activities under Companies Act, 2013 do not apply to our company.

**CORPORATE GOVERNANCE:**

As required by the existing Regulation 34(3) of the Listing Regulation, a detailed report on Corporate Governance is included in the Annual Report. The Auditors have certified the Company's compliance of the requirements of Corporate Governance in terms of Regulation 34(3) of the Listing Regulation and the same is annexed to the Report on Corporate Governance.

**PARTICULARS OF THE EMPLOYEES:**

The Company has no employee to whom the provision of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 apply and so it is not applicable to the company.

**JOINT VENTURE COMPANY/ASSOCIATES**

The Company has no Joint Venture Company/Associates as on date of this Balance Sheet.

**SUBSIDIARY**

The Company has no subsidiary as on date of this Balance Sheet.

**CONSOLIDATION OF ACCOUNTS**

In accordance with the Notification issued by the Ministry of Corporate Affairs, Government of India to amend the Companies (Accounts) Rules, 2014, vide notification dated 14th October 2014, No. G.S.R. 723(E), in rule 6, after existing provision of the Companies (Accounts) Rules, 2014. As such Consolidation of Accounts is not Applicable for the current financial year.

**RELATED PARTY TRANSACTION**

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. All the related party transactions are pre-approved by the Audit Committee. In view of this, disclosure in form AOC-2 has not been provided as the same is not applicable to the Company.

During the year, the Company has not entered into any contract/arrangement with related parties which could be considered materially significant related party transactions.

The details of the transaction with Related Party are provided in the accompanying financial statement.

**EXTRACTS OF ANNUAL RETURNS**

The details forming Part of the Extracts of Annual Returns is annexed as per Annexure 'A'



**DISCLOSURE OF INFORMATION AS REQUIRED UNDER SECTION 134 (3)(M) OF THE COMPANIES ACT, 2013(ACT) READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014**

**(i) CONVERSION OF ENERGY**

The Additional information required under the Act relating to conservation of energy is not applicable to your company.

**(ii) TECHNOLOGY ABSORPTION**

The Additional information required under the Act relating to technology absorption is not applicable to your company.

**(iii) FOREIGN EXCHANGE EARNINGS OR OUTGO**

The company has no foreign exchange earnings or outgoes during the year under review.

**AUDITORS:**

**Statutory Auditors**

M/s A N A M & Associates (Firm Registration No. 005496S), Chartered Accountant, Statutory Auditors of the Company, holds office till the conclusion of the ensuing Annual General Meeting and being eligible offer himself for re-appointment till the conclusion of Sixth Annual General Meeting to be held in the calendar year 2022 (subject to the ratification of their appointment at every AGM of the company). Further, they have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

**Internal Auditors**

Pursuant to the provision of Section 138 of the Companies Act, 2013 and the Companies (Accountants) Rules, 2014, the company has adequate internal audit system.

**Secretarial Audit**

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, the company has appointed M/s Shanu Mata & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as “**Annexure B**”

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company maintains adequate internal control systems, which provide, amongst other things, adequate support to all its operations and effectively handle the demands of the Company’s financial management systems.

The Company has in place effective systems safeguarding the assets and interest of the Company and ensuring compliance with law and regulations. The Company’s internal control systems are supplemented by an extensive programme of internal audit conducted by an external auditor to ensure adequate system of internal control.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 (5) of Companies Act, 2013, as amended, with respect to the Directors’ Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the accounts for the financial year ended 31st March,2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have 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 as at 31st March,2017 and of the Profit and Loss of the Company for the year ended 31st March,2017;

- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts for the financial year ended 31st March, 2017 on a going concern basis.
- v. 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.
- vi. 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

**DIRECTORS:**

In terms of the Articles of Association of the Company Mr. Laxmikant Kabra Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for reappointment. The directors recommend his reappointment as director of the company.

The Board appointed Mr. Hitesh Ruke (DIN 07752179) as Whole-time Director of your Company. It has been incorporated in the Notice of the ensuing Annual General Meeting. The terms of his appointment are given in the Explanatory Statement to the Notice of Annual General Meeting.

In the opinion of your Directors, Mr. Hitesh Ruke has the requisite qualifications and experience which would be useful to your Company and would enable him to contribute effectively in his capacity as Whole-time Director of your Company.

Mrs. Dia Wadhvani (DIN: 07752120) was appointed as an Additional Director in the capacity of Independent Director of the Company w.e.f. March 27 2017, pursuant to Section 149, 161(1) and other applicable provisions of Companies Act, 2013. The detailed profile of Mrs. Dia Wadhvani is given as a part of Notice of Annual General Meeting. The Board recommends appointment of Mrs. Dia Wadhvani as an Independent Director of the Company for the period of five years commencing from March 27, 2017 till March 26, 2022, in the ensuing Annual General Meeting of the Company.

All the appointments of Directors of the company are in compliance with the provisions of Section 164 of the Companies Act, 2013.

All independent directors have given the declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act,2013 and clause 49 of the listing Agreement.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

**NON-BANKING FINANCIAL COMPANIES (RESERVE BANK OF INDIA) DIRECTIONS:**

The Company follows the RBI Directive regarding NBFC Business.

**ACKNOWLEDGEMENT:**



The directors wish to thank and deeply acknowledge the cooperation and assistance received from the Bankers, Suppliers and shareholders. The Director also wishes to place on record their appreciation of the devoted services of employees of the company.

**Date: 11<sup>th</sup> August, 2017**  
**Place: Ahmedabad**

**For and on behalf of the Board of Directors**  
**Sd**  
**Omkar Herlekar**  
**Director**



## ANNEXURE A TO THE DIRECTORS' REPORT

FORM 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.]

### I. REGISTRATION AND OTHER DETAILS

CIN	<b>L67120GJ1994PLC023254</b>
Registration Date	<b>12<sup>th</sup> October, 1994</b>
Name of Company	<b>AMARNATH SECURITIES LIMITED</b>
Category/Sub-category of the Company	<b>Company having Share Capital</b>
Address of the Registered office & contact details	<b>1/104, Sarthak, Opp. C. T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009 Gujarat India</b>
Whether listed company	<b>Yes</b>
Name, Address & contact details of the Registrar & Transfer Agent, if any	<b>Bigshare Services Private Limited, Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri – East, Mumbai – 400059</b>

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
01	Investment Activity	6430	100

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

Sr.	Name and Address of the Company	CIN/ GLN	Holding, Subsidiary and Associate Companies	% of shares Held	Applicable Section
<b>NIL</b>					



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

**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1035000	-	1035000	34.54	21,16,824	-	21,16,824	70.56	36.06
b) Central/ State Govt	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>1035000</b>	<b>-</b>	<b>1035000</b>	<b>34.50</b>	<b>21,16,824</b>	<b>-</b>	<b>21,16,824</b>	<b>70.56</b>	<b>36.06</b>
(2) Foreign									
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central/ State Govt	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2. Non-Institutions									
a) Bodies Corporate	236861	-	<b>236861</b>	7.90	74895	-	74895	2.50	<b>(5.40)</b>
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	10523	156310	166833	5.56	83904	67110	150948	5.03	<b>(0.53)</b>
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	13422196	219200	1561396	52.04	426028	306400	732428	24.41	(27.63)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Directors									
Non Resident Indians	<b>110</b>	-	<b>110</b>	<b>0.00</b>	<b>110</b>	-	<b>110</b>	<b>0.00</b>	<b>0.00</b>
Overseas Corporate	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	<b>11,700</b>	-	<b>11,700</b>	<b>0.39</b>	<b>0.39</b>
Individuals – HUF	-	-	-	-	<b>11</b>	-	<b>11</b>	<b>0.00</b>	<b>0.00</b>
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>1589690</b>	<b>375510</b>	<b>1965200</b>	<b>65.50</b>	<b>509866</b>	<b>373510</b>	<b>883376</b>	<b>29.44</b>	<b>(36.06)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1589690</b>	<b>375510</b>	<b>1965200</b>	<b>65.50</b>	<b>509866</b>	<b>373510</b>	<b>883376</b>	<b>29.44</b>	<b>(36.06)</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-



Grand Total (A+B+C)	2623690	376510	3000200	100	2626690	3,73,510	3000200	100.00	-
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## ii. Shareholding of Promoters

Sr	Shareholder's Name	Shareholding at the beginning of the year (01/04/2016)			Shareholding at the end of the year (31/03/2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Omkar Herlekar	0	-	-	21,16,824	70.56	-	70.56

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

Sr. No.	Name of the Promoter	No. of Shares	Particulars
1	Gaurav Chavda	4,00,000	Vide Share Purchase Agreement dated 26 <sup>th</sup> May, 2016
2	Bhavesh Tanna	2,70,000	
3	Manharben Chavda	2,30,000	
4	Laxmiknat Kabra	1,35,000	

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

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01/04/2016)		Cumulative Shareholding during the year (31/03/2017)	
		No. of Shares	% of total share of the Company	No. of Shares	% of total share of the Company
1	Satabdi Computer Private Limited	1,35,000	4.50	60,071	2.00
2	Bebi Padhir	-	-	48,400	1.61
3	Shivali Joshi	-	-	48,000	1.61
4	Gajanan Kulkarni	-	-	45,000	1.49
5	Rahul Mehta	-	-	30,314	1.01
6	Amrish Gadge	-	-	27,100	0.90
7	Sumant M Kharasamble	-	0.00	25,100	0.84
8	Rishikesh Pravin Herlekar	25,000	0.83	25,000	0.83
9	Pravin Shivdas Herlekar	25,000	0.83	25,000	0.83
10	Anita Petiwale	25,000	0.83	25,000	0.83



**v. INDEBTEDENESS**

The company has not availed any loan during the year and is a debt free company.

**vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-Time Director and/or Manager:**

The company has not paid any remuneration to Managing Director, Whole-Time Director and/or Manager.

**B. Remuneration to Other Director:**

The company has not paid any remuneration to Other Director.

**C. Remuneration to Key Managerial Personal other than MD/Manager/WTD:**

The company has paid Gross Salary of Rs.1,80,000 to Company Secretary of the Company i.e. Mrs. Aparna Akadkar.

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

There were no penalties, punishments, compounding of offences for the year ending March 31, 2017.



**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Amarnath Securities Limited**  
1/ 104, Sarthak, Opp. C. T. Centre  
B/H. Swastik Cross Road, C. G. Road  
Ahmedabad, Gujrat - 380009.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Audit Period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**
- (vi) The Company is a Non deposit taking Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). Therefore, there are specific legal requirement applicable to the Company such as prudential norms by Reserve Bank of India issued by time to time regarding which the Company has complied with the following:
  - (a) The Company has filed required forms with RBI related to compliances. The Company has submitted all the documents called by RBI time to time in a prescribed manner.
  - (b) The Company declared that it has not accepted any deposit from public or any other during the audit period.

We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations **(as mention in the Annexure - I)** to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015



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

**We further Report That,**

*The couple of forms required to be filed under the provisions of the companies act, 2013 were filed after the statutory period along with the additional filing fees.*

**We further report that:**

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

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

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

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the year under report, the Company has not undertaken event/ action having a major bearing in the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

**For Shanu Mata & Associates  
Company Secretaries**

sd

**Shanu Mata  
(Proprietor)  
M. No.: 45276, CP. No.: 17999  
Date: 11.08.2017  
Place: Mumbai**



### Report on Corporate Governance

The Company is in compliance with the requirements stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with regard to corporate governance.

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

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

#### **BOARD OF DIRECTORS**

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

As on 31<sup>st</sup> March, 2017, the Board of Directors of the Company comprised six (6) members, of whom One (1) is Executive Director, two (2) Non-Executive and Non-Independent Director and other three (3) are Independent Director. In accordance with the provisions of the Companies Act, 2013, Mr. Laxmikant Kabra Directors, retires by rotation and is eligible for re-appointment. Pursuant to Clause 49 of the Listing Agreement, profile of Director seeking re-appointment, has been given along with the Notice of the Annual General Meeting. None of the Directors is related to one another.

##### **b) Board Meetings :**

4 Board/Committee Meetings were held at Ahmedabad during the year under review comprising 5 Board Meetings and 4 meetings of various Committees. The Board Meetings were held on, 2<sup>nd</sup> May 2016, 10<sup>th</sup> August, 2016, 12<sup>th</sup> November 2016, 13<sup>th</sup> February, 2017 and 27<sup>th</sup> March 2017. The category of each Director, together with his attendance at Board Meetings, the number of his Directorships and memberships of the SEBI-designated Board Committees of other companies as well as his holding in the Company, as on 31<sup>st</sup> March, 2017 are given below:

Name of Director	Category of Director	Board Meetings attended during 2016-17	No. of Directorships of other Indian Companies as on 31 <sup>st</sup> March, 2017	Membership of Mandatory Committee of other companies as on 31 <sup>st</sup> March 2017		No. of ordinary shares held as on 31 <sup>st</sup> March, 2017
				Chairman	Member	
<b>Hitesh Ruke*</b>	Whole-Time Director	0	0	NIL	NIL	-
<b>Omkar Herlekar</b>	Non-Executive & Non Independent	5	6	NIL	1	21,16,824
<b>Laxmikant Kabra</b>	Non-Executive & Non Independent	5	7	1	3	-
<b>Dia Wadhvani*</b>	Non-Executive & Independent	0	0	NIL	NIL	-
<b>Jaid Kojar</b>	Non-	5	1	NIL	NIL	-



	Executive & Independent					
<b>Archana Dakhale</b>	Non-Executive & Independent	5	3	NIL	3	-

All the Directors (Except Mr. Hitesh Ruke & Mrs. Dia Wadhvani who were not directors in previous year) have attended the last Annual General Meeting held on 30<sup>th</sup> September 2016.

\*Mr. Hitesh Ruke (WholeTime Director) and Mrs. Dia Wadhvani (Independent Director) were appointed on 27<sup>th</sup> March, 2017 hence they were not eligible to attend any Board Meeting during the Financial Year 2016-17.

### Management & Function of the Board:

The day-to-day management of the Company is conducted by the Chairman & Managing Director in consultation with the Board of Directors. The required information as enumerated in LODR erstwhile Annexure I to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings.

### COMMITTEES OF THE BOARD

Currently the Boards have three committees viz:

#### a) Audit Committee

##### Composition:

The Audit Committee has been constituted in conformity with the requirements of Section – 177 of the Companies Act, 2013 together with Regulation 18 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

At present the Audit Committee comprises of 1 Non Independent director and 2 Independent Directors. All the members are financially literate and have adequate accounting knowledge. The Audit Committee met four times during the financial year

Details of the composition, number of meetings held during the year and attendance thereat are as under:

Name	Designation	No. of Committee Meetings attended
Archana Dakhale	Non Executive – Independent Director (Chairperson)	4
Laxmikant Kabra	Non-Executive - Non Independent Director (Member)	4
Jaid Ismail Kojar	Non Executive – Independent Director (Member)	4

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

Members of the Audit Committee have requisite financial and management expertise.

The Statutory Auditors are invited to attend and participate at meetings of the Committee.



**The scope of the Audit Committee includes:**

- a. Overview of the company's financial reporting process and the disclosure of its financial Information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
  - Matters required to be included in the Director's Responsibilities Statement to be include in the board report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualifications in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements.
  - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with interests of Company at large.
- d. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the periodical financial statements with management before submission to the board for their approval.
- f. Reviewing the adequacy of internal audit function, the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- g. Discussion with internal auditors any significant findings and follow up there on.
- h. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- i. Discussions with external auditors before the audit commence nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- j. Reviewing the Company's financial and risk management policies.
- k. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

**b) Stakeholders' Relationship Committee**

The Stakeholder's Relationship / shareholders Committee (SRC) is formed in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations. This committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, as well as those required under Act and the Listing Regulations.





Composition of the SRC and details of meetings attended by the Directors during the year under review:

Name	Designation	No. of Committee Meetings attended
Archana Dakhale	Non-Executive Independent Director (Chairperson)	4
Jaid Ismail Kojar	Non Executive – Independent Director (Member)	4
Laxmikant Kabra	Non Executive –Non Independent Director (Member)	4

#### c) Nomination & Remuneration Committee:

During FY 2016-17, four Meetings of the Nomination and Remuneration Committee were held on 2<sup>nd</sup> May 2016, 10<sup>th</sup> August 2016, 12<sup>th</sup> November, 2016 and 12<sup>th</sup> February, 2017 respectively. The composition of the Nomination and Remuneration Committee and the attendance of the Members at its Meetings held during FY 2016-17, is given below:

Name	Designation	No. of Committee Meetings attended
Archana Dakhale	Independent/Non-Executive Director (Chairperson)	4
Jaid Ismail Kojar	Independent/ Non-Executive Director	4
Omkar Herlekar	Non Executive –Non Independent Director (Member)	4

#### Code of Conduct for Senior Management

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

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

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

#### SHAREHOLDERS INFORMATION:

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

For the Year	Location	Date & Time	Special Resolution passed Yes or No
2015-16	1/104, Sarthak, Opp. C.T. Centre,B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009	30 <sup>th</sup> September, 2016 9:30 am	No
2014-15	1/104, Sarthak, Opp. C.T. Centre,B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009	30 <sup>th</sup> September, 2015 9:30 am	No
2013-14	1/104, Sarthak, Opp. C.T. Centre,B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009	30 <sup>th</sup> September, 2014 9:30 am	Yes



### Location and time of Annual General Meetings

<b>Registered office</b>	: 1/104, Sarthak, Opp. C.T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009
<b>Financial year</b>	: 1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017
<b>Date &amp; Time of Annual General Meeting</b>	: 28 <sup>th</sup> September, 2017 at 11.00 a.m.
<b>Venue</b>	: 1/104, Sarthak, Opp. C. T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009
<b>Book Closure Date</b>	: 22 <sup>nd</sup> September, 2017 to 28 <sup>th</sup> September, 2017 (both days inclusive) for Annual General Meeting.
<b>Dividend payment date</b>	: N.A.
<b>Listing on Stock Exchanges</b>	: BSE Ltd., P.J.Towers, Dalal Street, Mumbai 400001.
<b>Stock Code &amp; ID</b>	: BSE : 538465 & “AMARSEC”
<b>ISIN</b>	: INE745P01010
<b>Demat of Shares</b>	: Available on National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). 87.55% of the Company’s shares are in dematerialised mode.
<b>Compliance Officer</b>	: Aparna Akadkar, Company Secretary

### Financial calendar

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

Financial reporting for the quarter ending June 30, 2016	1 <sup>st</sup> week of August, 2016
Financial reporting for the half year ending September 30, 2016	1 <sup>st</sup> Week of November, 2016
Financial reporting for the quarter ending December 31, 2016	1 <sup>st</sup> Week of February, 2017
Financial reporting for the year ending March 31, 2017	Last week of May, 2017
Annual General Meeting for the year ending March 31, 2017	1 <sup>st</sup> week of September, 2017

### Means of communication

The unaudited quarterly results and audited results for the year are published in one English newspaper and at least one vernacular newspaper shortly after its submission to the Stock Exchanges.

The Company’s website [www.amarnathsecurities.com](http://www.amarnathsecurities.com) contains relevant information including matters pertaining to investor relations, shareholder benefits, as well as quarterly/annual financial results.

### Distribution of Shareholding as on March 31<sup>st</sup>, 2017

No. of Equity shares held	No of share holders	% of shareholders	No of shares held	% of holding
1-5000	229	85.45	98,327	3.28
5001-10000	6	2.24	52,621	1.75
10001-20000	12	4.48	1,86,299	6.21
20001-30000	13	4.85	3,14,344	10.48
30001-40000	1	0.37	30,314	1.01
40001-50000	3	1.12	1,41,400	4.71
50001-100000	1	0.37	60,071	2.00



100001 & above	1	0.37	21,16,824	70.56
Total	266	100.00	30,00,200	100.00

#### Categories of shareholders as on March 31<sup>st</sup>, 2017

	Category	No. of Shares	% of shares
<b>A</b>	Promoter's Holding		
1	Indian Promoters	21,16,824	70.56
2	Foreign Promoters	-	-
	Sub total	<b>21,16,824</b>	<b>70.56</b>
<b>B</b>	Non Promoters		
3	Institutional Investors	--	--
	A Mutual Funds and UTI	--	--
	B Banks, Financial Inst., Insurance Com.	--	--
	Sub total	--	--
4	Non – Institutional Investors		
	A Bodies Corporate	74,895	2.5
	B Individuals/HUF	7,96,671	26.55
	C NRIs / Clearing Member/OCBs	11,810	0.40
	Sub total	8,83,376	29.44
	<b>GRAND TOTAL</b>	<b>30,00,200</b>	<b>100.00</b>

#### Disclosures

- (1) There are no materially significant related party transactions of the Company with key managerial personnel which have potential conflict with the interest of the Company at large.
- (2) Details of non – compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017: NIL.

#### DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

- (3) As provided under clause 49 of the listing Agreement with the Stock Exchange, the Board has laid down a code of conduct for all Board Members and Senior Management of the company. The Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2017.

Date: 11<sup>th</sup> August 2017  
Place Ahmedabad

For and on behalf of the Board of Directors  
S/d-  
Omkar Herlekar  
Director

**CERTIFICATION**

The Board of Directors  
**Amarnath Securities Limited,**  
Ahmedabad.

We, have reviewed financial statements and the cash flow statement of Amarnath Securities Limited for the year ended 31st March, 2017 and that to the best of our knowledge and belief, we state that:

- a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to taken to rectify these deficiencies.
- d) we have indicated to the auditors and the Audit committee that
- (i) there have been no significant changes in internal control over financial reporting during the year;
- (ii) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

**Date: 11<sup>th</sup> August 2017**  
**Place Ahmedabad**

**For and on behalf of the Board of Directors**  
**S/d-**  
**Hitesh Ruke**  
**Director**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. **Economy and Markets:**

Major leading indicators suggest that the economic activity is gradually improving. This is driven by improving global demand and a remonetisation-led pickup in domestic activity. The International Monetary Fund (IMF) expects India to resume the 8% growth path in the medium term. This should happen as soon as the short-term dislocation to consumption from demonetisation passes. The nation is expected to remain the fastest growing economy on the back of high private consumption levels and gradually implemented domestic reforms. Your Company sees growth picking up significantly, supported by a normal monsoon, modest costs of borrowing, pay hikes for state government employees and stronger export demand. The Goods & Services Tax, (GST) implemented in July 2017, will also have long term structural benefits, despite short-term execution and adjustment risks during the course of FY18.

2. **Financial Review:** During the year under review, income from operations stood at Rs3,425,195/- and Profit after tax stood at Rs1,212,004/-.

3. **Opportunities and Threats:** The Board decided defocusing in the lending business the same being not the expertise segment of current management however the same is on hold till the time management is confident to enter different segment to make is possible for stake holders growth in long term without any adverse effect.

As we get into an environment which is likely to be largely positive over medium to long term, there may be significant roadblocks in the shorter term. The implementation of GST is likely to cause certain short term disturbances. Your Company acknowledges these possible negative factors and has a plan to mitigate them through its deep domain knowledge, strong risk framework and an efficient collection mechanism.

4. **Risk and Concern:** Bullish trend in Equity Market, Commodities and Real estate will affect volume and profitability of Government Securities business. Changes in the rate of Interest will affect Company's Profitability.

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

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

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

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

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



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Amarnath Securities Limited

#### (1) Report on the Financial Statements

We have audited the accompanying financial statements of Amarnath Securities Limited which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### (2) 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 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 Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### (3) Auditor's Responsibility

- (i) Our responsibility is to express an opinion on these financial statements based on our audit.
- (ii) 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.
- (iii) We conducted our audit in accordance with the Standards on Auditing specified under 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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.
- (iv) 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- (v) 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended as on that date.

## (4) Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the Order), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

## (5) 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 purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014
- e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the 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 A.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company did not have any pending litigations;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.

**For A N A M & Associates**  
**Chartered Accountants**  
**Firm Registration no: 005496S**  
**Sd/-**  
**CA. Nazim F Rajaiwala**  
**Partner**  
**Membership no: 131829**

**Place : Ahmedabad**  
**Date : 22<sup>nd</sup> May, 2017**



## Annexure A to Independent Auditor's Report

**Referred to in paragraph 6(f) of the Independent Auditors' Report of even date to the members of Amarnath Securities Limited on the standalone financial statements for the year ended 31 March 2017**

### **Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of Amarnath Securities Limited. ('the Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's responsibility for internal financial controls**

2. 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 (ICAI). 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**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





### **Inherent limitations of internal financial controls over financial reporting**

7. 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 control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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.

### **Annexure B to Independent Auditor's Report**

#### **Referred to in paragraph 5 of the Independent Auditors' Report of even date to the members of Amarnath Securities Limited on the standalone financial statements as of and for the year ended 31 March 2017**

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) There are no immovable properties held by the Company
2. The Company is an investment company, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
4. The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185. Company is registered as a Non Banking Finance Company hence provisions of section 186 in respect of investments made are not applicable to the Company.
5. The Company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the products of the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, service tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at 31 March 2017 which have not been deposited on account of a dispute, are as follows:



8. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the Balance Sheet date, the provisions of clause 3(viii) of the Order are not applicable to the Company.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has not paid/provided for managerial remuneration.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. The Company has not entered into any transactions with related parties.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The Company is required to, and has been registered under section 45-IA of the Reserve Bank of India Act, 1934 as Non-Deposit accepting NBFC.

**For A N A M & Associates**  
**Chartered Accountants**  
**Firm Regn. no: 005496S**  
**Sd/-**  
**CA. Nazim F Rajaiwala**  
**Partner**  
**Membership no: 131829.**

**Place : Ahmedabad**  
**Date : 22<sup>nd</sup> May, 2017**



## BALANCE SHEET AS AT 31ST MARCH 2017

(Amount in Rs)

PARTICULARS	Note No.	As at 31st March 2017	As at 31st March 2016
<b>EQUITY AND LIABILITIES</b>			
<b>(I) Shareholders' funds</b>			
(1) Share capital	<b>2</b>	30,002,000	30,002,000
(2) Reserves and surplus	<b>3</b>	3,445,900	2,233,896
		32,235,896	31,303,825
<b>(II) Non-current liabilities</b>			
(1) Long Term Borrowings	<b>4</b>	286,400	-
		286,400	-
<b>(III) Current liabilities</b>			
(1) Short-term provisions	<b>5</b>	440,110	49,207
(2) Other current liabilities	<b>6</b>	79,000	156,778
		519,110	205,985
<b>TOTAL</b>		<b>34,253,410</b>	<b>32,441,882</b>
<b>ASSETS</b>			
<b>(I) Non-current assets</b>			
(1) Fixed assets			
(a) Tangible assets	<b>7</b>	313,992	457,192
(2) Long term investments	<b>8</b>	2,493,708	1,985,389
(3) Long term loans and advance	<b>9</b>	29,984,573	28,660,479
(4) Deferred tax assets	<b>17</b>	42,334	20,479
(5) Other non-current assets	<b>10</b>	-	47,465
		32,834,607	31,171,004
<b>(II) Current assets</b>			
(1) Cash and bank balances	<b>11</b>	97,250	994,808
(2) Other current assets	<b>12</b>	1,321,552	276,070
		1,418,802	1,270,878
<b>TOTAL</b>		<b>34,253,410</b>	<b>32,441,882</b>

See accompanying notes forming part of the financial statements

1-20

As per our report of even date attached

**For, A N A M & Associates**

Chartered Accountants

Firm Reg. No 005496S

Sd/-

**Nazim F. Rajaiwala****Partner**

(M. No. 131829)

**For and on behalf of the Board of Directors****AMARNATH SECURITIES LTD.**

Sd/-

**Hitesh Ruke****Whole Time Director**

(DIN No.07752179)

Sd/-

**Omkar Herlekar****Director**

(DIN No.1587154)

Sd/-

**Aparna Akadkar****Company Secretary**

(M No. A26958)

Place : Ahmedabad

Date : 22-05-2017

Place : Ahmedabad

Date : 22-05-2017



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rs)

PARTICULARS	Note No.	For the Year Ended 31 March 2017	For the Year Ended 31 March 2016
<b>I Revenue</b>			
Revenue from operations (Gross)	12	3,425,195	3,732,280
Other operating income	13	-	37,324
<b>Total Revenue</b>		<b>3,425,195</b>	<b>3,769,604</b>
<b>II Expenses:</b>			
Employee benefits expense	14	516,502	815,590
Depreciation	6	143,200	250,033
Other expenses	15	972,425	1,355,108
<b>Total expenses</b>		<b>1,632,127</b>	<b>2,420,731</b>
<b>III Profit before tax (I-II)</b>		<b>1,793,068</b>	<b>1,348,873</b>
<b>IV Less: Tax expense:</b>			
Current tax		602,920	449,347
Deferred tax (Credit )/Charged	16	-21,856	-32,545
		581,064	416,802
<b>V Profit for the year (III-IV)</b>		<b>1,212,004</b>	<b>932,071</b>
<b>VI Earnings per equity shares of face value</b>			
Rs 10 each Basic and Diluted (in Rs)	18	0.40	0.31

See accompanying notes forming part of the financial statements

1-20

As per our report of even date attached

**For, A N A M & Associates**

Chartered Accountants

Firm Reg. No 005496S

Sd/-

**Nazim F. Rajaiwala****Partner**

(M. No. 131829)

Place : Ahmedabad

Date : 22-05-2017

**For and on behalf of the Board of Directors****AMARNATH SECURITIES LTD.**

Sd/-

**Hitesh Ruke****Whole Time Director**

(DIN No.07752179)

Place : Ahmedabad

Date : 22-05-2017

Sd/-

**Omkar Herlekar****Director**

(DIN No.1587154)

Sd/-

**Aparna Akadkar****Company Secretary**

(M No. A 26958)



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	For the Year Ended 31 March, 2017		For the Year Ended 31 March, 2016	
<b><u>Cash flows from Operating Activities</u></b>				
Net Profit before Taxes		1,793,068		1,348,873
<b>Adjustments:-</b>				
Profit on sale of Assets			(37,324)	
Depreciation / Amortization	<u>143,200</u>	<u>143,200</u>	<u>250,033</u>	<u>212,709</u>
<b><u>Operating Profit Before Working capital changes</u></b>		1,936,268		1,561,582
Adjustments for :-				
(Increase)/ decrease in other assets	(2,369,576)		731,705	
(Increase)/ decrease in Provision For Expenses	30,000		-	
Increase/ (decrease) in other current liability	<u>(77,778)</u>	<u>(2,417,354)</u>	<u>37,222</u>	<u>768,927</u>
Cash Generated from Operations		(481,086)		2,330,509
Income Tax (Paid ) / Refunded		<u>(194,552)</u>		<u>(484,151)</u>
<b>(I) Net Cash from Operating Activities</b>		<b>(675,638)</b>		<b>1,846,358</b>
<b><u>Cash flows from Investing Activities</u></b>				
Purchase of Fixed Assets	-		200,000	-
Purchase of Investments	<u>(508,321)</u>		<u>(1,985,389)</u>	
<b>(II) Net Cash from Investment Activities</b>		<b>(508,321)</b>		<b>(1,785,389)</b>
<b><u>Cash Flows from Financing Activities</u></b>				
Loan Form Director	<u>286,400</u>			-
<b>(III) Net Cash from Finance Activities</b>		<b>286,400</b>		
<b><u>Net Increase in Cash and Cash Equivalents</u></b>		<b>(897,558)</b>		<b>60,969</b>
<b>Cash &amp; Cash Equivalents at beginning of period</b>		<b><u>994,808</u></b>		<b><u>933,839</u></b>
<b>Cash &amp; Cash Equivalents at end of period</b>		<b>97,250</b>		<b>994,808</b>

## Notes:

- 1) The above Cash flow Statement has been prepared under the indirect method as set out in accounting Standard 3 on "Cash flow Statement".
- 2) Cash & cash equivalents consist of cash on hand, balance in bank account and bank deposits.
- 3) Previous year's figures are regrouped / reclassified wherever necessary in order to confirm to current period's groupings and classifications.

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For, A N A M & Associates**

Chartered Accountants  
Firm Reg. No 005496S

Sd/-

**Nazim F. Rajaiwala**

**Partner**

(M. No. 131829)

Place : Ahmedabad

Date : 22-05-2017

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

**AMARNATH SECURITIES LTD.**

Sd/-

**Hitesh Ruke**

**Whole Time Director**

(DIN No.07752179)

Place : Ahmedabad

Date : 22-05-2017

Sd/-

**Omkar Herlekar**

**Director**

(DIN .1587154)

Sd/-

**Aparna Akadkar**

**Company Secretary**

(ACS No. 26958)

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017****NOTE 1: SIGNIFICANT ACCOUNTING POLICIES:****Basis of Preparation of Financial Statements:**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (“GAAP”) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 prescribed by the Central Government, relevant provisions of the Companies Act, 1956 (to the extent applicable), the Companies Act, 2013 (to the extent notified) and guidelines issued by the Securities and Exchange Board of India. As clarified by General Circular No. 08/2014 dated 4th April 2014 issued by the Ministry of Corporate Affairs, financial statements for the year ended 31st March 2014 have been prepared in accordance with the Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Presentation and Disclosure of Financial Statements:**

All assets and liabilities have been classified as current & non-current as per Company’s normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months however for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as its operating cycle.

**Use of Estimates:**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the application of accounting policies, reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates and assumptions used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialize. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**Fixed Assets:**

Tangible assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and accumulated impairment losses, if any.

Cost of fixed assets includes non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs for bringing the asset to its working condition for its intended use.

**Depreciation/Amortization:**

Depreciation is provided using written down value method on pro-rata basis at the rates prescribed under Schedule XIV of the Companies Act, 1956 except in respect of the following assets, which are depreciated at higher rates than the rates specified in the schedule XIV consequent to management’s estimate of useful life of the asset. Depreciation on individual assets whose cost does not exceed five thousand rupees has been provided at the rate of hundred per cent in the year of capitalization.

**Investments:**

- a) Investments are classified into current and long-term investments.
- b) Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.
- c) Current investments are carried at lower of cost and fair value (net asset value in case of units of mutual fund) determined on category wise basis. Long term investments are carried at cost. However, provision for diminution in value of long term investments is made to recognize a decline, other than temporary, on an individual investment basis. Investments in liquid mutual funds are classified as cash and cash equivalents.
- d) The cost of investments comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
- e) Investment transactions are accounted for on a trade date basis. In determining the holding cost of investments and the gain or loss on sale of investments, the Weighted Average method is followed.

**Revenue Recognition:**

- a) Sales of goods are recognized when significant risks and rewards of ownership of the goods have passed to the buyer that coincides with delivery and are recorded net of sales tax, rebates, trade discounts and sales returns.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

**Taxes on Income**

- a) Tax expenses comprise of current tax, deferred tax charge or credit and adjustments of taxes for earlier years.
- b) Provision for current tax is made as per the provisions of Income Tax Act, 1961.
- c) Deferred tax charge or credit reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years and are measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each balance sheet date. At each balance sheet date the Company re-assesses



unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably/ virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### Cash and Cash Equivalents:

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term highly liquid investments / mutual funds that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

#### Cash Flow Statement:

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

#### Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential equity shares.

#### Provisions and Contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management's estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. Provisions are recognized in the financial statements in respect of present probable obligations, for amounts which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company.

Particulars	As at 31st March 2017 Number of Shares		As at 31st March 2016 Number of shares	
<b>NOTE 2: SHARE CAPITAL</b>				
(a) Authorized				
Equity shares of Rs.10/- each Issued, Subscribed & fully Paid	4,000,000	40,000,000	4,000,000	40,000,000
(b) up				
Equity shares of Rs.10/- each	<u>3,000,200</u>	<u>30,002,000</u>	<u>3,000,200</u>	<u>30,002,000</u>
<b>TOTAL</b>	<b><u>3,000,200</u></b>	<b><u>30,002,000</u></b>	<b><u>3,000,200</u></b>	<b><u>30,002,000</u></b>

#### Notes:

- (i) Rights, Preferences and Restrictions attached to equity shares:
- i) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.





- ii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 1956.
- iii) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the Company.

- (ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Number of shares		Number of shares	
Opening Balance	3,000,200	30,002,000	3,000,200	30,002,000
Issued during the year	-	-	-	-
Closing Balance	<b>3,000,200</b>	<b>30,002,000</b>	<b>3,000,200</b>	<b>30,002,000</b>

- (iv) Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

- (iii) Details of shares held by each shareholder holding more than 5% shares:

Name of the shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Omkar Pravin Herlekar	21,16,824	70.56	650,000	21.67%
Gaurav R. Chavda			400,000	13.33%
Bhavesh Dhirajlal Tanna			270,000	9.00%
Manharben R. Chavda			230,000	7.67%

Particulars	As at 31st March 2017	As at 31st March 2016
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### NOTE 3: RESERVES AND SURPLUS

(a) <b>Surplus in Statement of Profit and Loss</b>	1,862,584	1,041,460
Add: Profit for the year	1,212,004	932,071
Less: Assets Retain Earning	-	-
Less: Statutory Reserve	-	(110,947)
Closing Balance	<b><u>3,074,588</u></b>	<b><u>1,862,584</u></b>
(b) <b>Statutory Reserve</b>		
Opening Balance	371,312	260365
Add: Transfer from Profit & Loss	-	110,947
<b>Closing Balance</b>	<b><u>371,312</u></b>	<b><u>371,312</u></b>
TOTAL	<b><u>3,445,900</u></b>	<b><u>2,233,896</u></b>

**NOTE 4 : LONG-TERM BORROWINGS**

(a) Mr. Omkar Pravin Herlekar	<u>286,400</u>	<u>-</u>
<b>TOTAL</b>	<b><u>286,400</u></b>	<b><u>-</u></b>

**NOTE 5 : SHORT TERM PROVISION**

(a) Provision For Mat	35,965	35,965
(b) Provision For Expenses	30,000	-
(c) Provision For Income Tax (Net Taxes Paid)	<u>374,145</u>	<u>13,242</u>
<b>TOTAL</b>	<b><u>440,110</u></b>	<b><u>49,207</u></b>

**NOTE 6 : OTHER CURRENT LIABILITIES**

(a) Duties and Taxes	-	77,778
(b) Creditors for Expense	<u>79,000</u>	<u>79,000</u>
<b>TOTAL</b>	<b><u>79,000</u></b>	<b><u>156,778</u></b>

**NOTE 8 : LONG-TERM INVESTMENTS**

(a) Fixed Deposits	<u>2,493,708</u>	<u>1,985,389</u>
<b>TOTAL</b>	<b><u>2,493,708</u></b>	<b><u>1,985,389</u></b>

**NOTE 9 : LONG-TERM LOANS AND ADVANCES**

Unsecured, considered good unless otherwise stated

(a) Advance to others	<u>2,99,84,573</u>	<u>2,86,60,479</u>
<b>TOTAL</b>	<b><u>2,99,84,573</u></b>	<b><u>2,86,60,479</u></b>



AMARNATH SECURITIES LIMITED.  
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Note 7 Fixed Assets

Particulars	Useful Life	Gross block			Depreciation			Net Block		
		As at 1 April, 2016	Additions	Deduction	As at 1 April, 2016	For the Year	Deduction / Adjustments	Upto 31 March, 2017	As at 31 March, 2017	As at 31 March, 2016
<u>Tangible Assets</u>										
Furniture and Fixtures	10	484,990	-	-	190,831	76,160	-	266,991	217,999	294,159
Air Conditionor	5	84,520	-	-	33,080	23,184	-	56,264	28,256	51,440
Computer and Printer	6	254,560	-	-	142,967	43,856	-	186,823	67,737	111,593
<b>Total (A)</b>		<b>824,070</b>	<b>-</b>	<b>-</b>	<b>366,878</b>	<b>143,200</b>	<b>-</b>	<b>510,078</b>	<b>313,992</b>	<b>457,192</b>
<u>Intangible Assets</u>										
<b>Total (B)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>		<b>824,070</b>	<b>-</b>	<b>0</b>	<b>366,878</b>	<b>143,200</b>	<b>0</b>	<b>510,078</b>	<b>313,992</b>	<b>457,192</b>
Previous Year		(1,338,844)	-	(514,774)	(468,943)	(250,033)	(352,098)	(366,878)	(457,192)	(869,901)

(Amount in Rs.)

**NOTE 10 : OTHER NON-CURRENT ASSETS**

(a) MAT Credit Entitlement	-	47,465
<b>TOTAL</b>	<b>-</b>	<b>47,465</b>

**NOTE 11 : CASH AND CASH EQUIVALENTS**

(a) Cash on hand	5,161	860,528
(b) Balance with banks		
(i) In current accounts	92,089	134,280
<b>TOTAL</b>	<b>97,250</b>	<b>994,808</b>

**NOTE 12 : OTHER CURRENT ASSETS**

(a) Interest receivable	1,321,552	16,812
(b) Prepaid Expenses	-	259,258
<b>TOTAL</b>	<b>1,321,552</b>	<b>276,070</b>

**NOTE 13 : REVENUE FROM OPERATIONS**

(a) Sale of service (Refer Note (i) below)	3,425,195	3,732,280
<b>TOTAL</b>	<b>3,425,195</b>	<b>3,732,280</b>

**NOTE 14 : OTHER OPERATING INCOME**

Profit on sale of assets	-	37,324
Long term capital gain on sale of shares	-	-
	<b>-</b>	<b>37,324</b>

**NOTE 15 : EMPLOYEE BENEFITS EXPENSE**

Salaries, wages and bonus	516,502	815,590
<b>TOTAL</b>	<b>516,502</b>	<b>815,590</b>

**NOTE 16 : OTHER EXPENSES**

Advertisement Exp.	74,080	66,563
Audit Fees	15,000	15,000
Bank Charges	6,187	741
Books and Periodicals	-	-
Listing Expenses	274,291	273,236
Meeting Expenses	85,260	96,840
Office Expenses	62,592	183,078
Postage & Courier	-	-
Printing & Stationery	25,356	65,390
Professional Fees	328,058	518,520
Register Charges	28,982	20,000
Rent	36,000	49,500
Repairs and Maintenance	-	-
ROC Filing Fees	600	-
Telephone and Mobile	5,572	13,250
Traveling & Conveyance Exps	30,447	52,990



<b>TOTAL</b>	<b><u>972,425</u></b>	<b><u>1,355,108</u></b>
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**17) Deferred Tax:-****Deferred Tax Liability on account of:**

(i) Depreciation and Amortisation	<u>(42,334)</u>	<u>(20,479)</u>
<b>Net Deferred tax Liabilities/(Assets)</b>	<b><u>(42,334)</u></b>	<b><u>(20,479)</u></b>

The Net Deferred tax charge of Rs 21,856/- (Previous year Rs 32545/-) for the year has been recognized in the Statement of Profit and Loss

**18) Related Party Disclosures: -**

**Related party disclosures as required by (AS-18) "Related Party Disclosures" are given below:**

**Relationships:-****Loan From Director**

Mr. Omkar Herlekar	286,400	-
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**Note: Related party relationship is as identified by the Company and relied upon by the Auditors.**

**19) Earnings Per Share: -**

Particular	As at 31.03.2017	As at 31.03.2016
(a) Face value per share (₹)	10	10
(b) Weighted Average No. of Shares		
(i) For Basic EPS	3,000,200	3,000,200
(ii) For Diluted EPS	3,000,200	3,000,200
(c) Net Profit for the year attributable to equity shareholders (₹)	1212004	932071.23
(d) Basic Earnings Per Share (₹) (c / b(i))	0.40	0.31
(e) Diluted Earnings Per Share (₹) (c / b(ii))	0.40	0.31

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

**For, A N A M &****Associates**

Chartered Accountants

Firm Reg. No 005496S

**Sd/-****Nazim F. Rajaiwala****Partner**

(M. No. 131829)

Place : Ahmedabad

Date : 22-05-2017

**For and on behalf of the Board of Directors****AMARNATH SECURITIES LTD.****Sd/-****Hitesh Ruke****Whole Time Director**

(DIN No.07752179)

Place : Ahmedabad

Date : 22-05-2017

**Sd/-****Omkar Herlekar****Director**

(DIN No.1587154)

**Sd/-****Aparna Akadkar****Company Secretary**

(ACS No. 26958)



**PROXY FORM**

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

**Amarnath Securities Limited**  
 CIN: L67120GJ1994PLC023254  
 Registered office: 1/104, Sarthak, Opp. C. T. Centre,  
 B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009  
 [CIN: L67120GJ1994PLC023254] [Email: [amarnathsecurities@gmail.com](mailto:amarnathsecurities@gmail.com) ]  
 [Website: [www.amarnathsecurities.com](http://www.amarnathsecurities.com)] [Tel No. +91(022) 49701092]

**23<sup>rd</sup> Annual General Meeting – September 28, 2017**

Name of the member(s):  
 Registered address:  
 E-mail Id:  
 Folio No/ Client Id: DP ID:

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

1. Name:.....Address:.....  
 E-mail Id:.....Signature:.....or failing him;
2. Name:.....Address:.....  
 E-mail Id:.....Signature:.....or failing him;
3. Name:.....Address:.....  
 E-mail Id:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Thursday, September 28, 2017 at 11.00 a.m. at 1/104, Sarthak, Opp. C. T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion Number	Description	Optional*	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Financial Statements for the financial year ended 31st March, 2017.		
2	Re-appointment of Mr. Laxmikant Kabra (DIN 00061346) who retires by rotation and being eligible, seeks re-appointment.		
<b>Special Business</b>			
3	Appointment of Ms. Dia Wadhvani (DIN 07752120) as an Independent Director of the Company		
4	Appointment of Mr. Hitesh Ruke (DIN 07752179) as a Whole-Time Director, for a period of five years.		

Signed this..... day of..... 2017

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

AFFIX  
 Re. 1/-

**Notes:**  
**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.**  
 \* it is optional to put a ‘√’ in the appropriate column against the Resolutions indicated in the Box. If you leave the ‘For’ or ‘Against’ column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



**Amarnath Securities Limited**

Registered office: 1/104, Sarthak, Opp. C. T. Centre,  
B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009  
[CIN: L67120GJ1994PLC023254] [Email: [amarnathsecurities@gmail.com](mailto:amarnathsecurities@gmail.com) ]  
[Website: [www.amarnathsecurities.com](http://www.amarnathsecurities.com)] [Tel No. +91(022) 49701092]

**ATTENDANCE SLIP**  
**23<sup>rd</sup> Annual General Meeting – September 28, 2017**

**Registered Folio No. / DP ID No. / Client ID No.:**

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**Number of shares held:**

--	--	--	--	--	--	--	--	--	--

DP ID.  
Client ID.

Folio No.  
No. of Shares

Name and address of Shareholder/Proxy holder

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I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 at 1/104, Sarthak, Opp. C. T. Centre, B/h. Swastik Cross Road, C.G. Road, Ahmedabad – 380 009 at 11.00 A.M and at any adjournment thereof in respect of such resolutions as are indicated below:

Name of Member/Proxy	Member's/proxy Signature
(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)	