

# ARIHANT TOURNESOL LIMITED

(CIN NO. L15315PN1991PLC061079)

**Regd. Office & Factory:**  
74/1, Village Bhogaon  
Barsi Road,  
North Solapur,  
Maharashtra  
Phone 95217-2351379

34-B, Jolly Maker Chambers-II,  
Nariman Point,  
Mumbai 400 021.  
Phone: 22024359 / 22025117  
Fax No. 22821776  
Email: [info@omegarealtech.com](mailto:info@omegarealtech.com)

To,  
BSE Limited  
Corporate Relationship Department  
1st Floor, New Trading Ring,  
PJ Tower, Dalal Street,  
Mumbai- 400001

Dear Sir/ Madam,  
Scrip Code:5026125

Sub: Annual Report under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the financial year ended 31<sup>st</sup> March, 2016.

With reference to the above captioned subject, enclosed herewith please find the Annual Report of the M/s. Arihant Tournesol Limited as per the requirement of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") for the financial year ended 31<sup>st</sup> March, 2016.

Kindly take the same on your record and oblige.

Thanking you,  
Yours faithfully,  
For Arihant Tournesol Limited



Authorized Signatory

Date: 11.01.2017  
Place: Mumbai

Encl. a/a

# ARIHANT TOURNESOL LIMITED

(CIN NO. L15315PN1991PLC061079)

**Regd. Office & Factory:**

74/1, Village Bhogaon  
Barsi Road,  
North Solapur,  
Maharashtra  
Phone 95217-2351379

34-B, Jolly Maker Chambers-II,

Nariman Point,

Mumbai 400 021.

Phone: 22024359 / 22025117

Fax No. 22821776

Email: [info@omegarealtech.com](mailto:info@omegarealtech.com)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting (AGM) of the Members of ARIHANT TOURNESOL LIMITED will be held on Friday, September 30, 2016 at 11.00 A.M. at the Registered Office of the Company situated at GAT 74/1 VILAGE BHOGAONBARS ROAD, NORTH SOLAPUR, DIST. SOLAPUR to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Balance Sheet as on March 31, 2016, and the Statement of Profit and Loss Account for the Financial Year ended on that date and the Reports of the Auditor's and the Directors' thereon.
2. To appoint a Director in place of Mr. Ajit Kumar Sethi, DIN: 00767663, who retires by rotation and being eligible has offered himself for re-appointment.
3. To re-appoint the Statutory Auditors of the Company and fix their remuneration and in this regard to consider if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), the consent of the Members be and is hereby accorded to re-appoint M/S. R. B. Pandya & Co., Chartered Accountants, Mumbai (Firm Registration Number 033788) as the Statutory Auditors of the Company, to hold office from conclusion of this meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company, in addition to the service tax and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company to be reimbursed for the financial year ending March 31, 2017."

By Order of the Board,  
For ARIHANT TOURNESOL LIMITED  
For ARIHANT TOURNESOL LTD.

  
Varsha Sethi - Director  
DIN: 00146830  
Add: 216, Samundra Mahal,

Place: Mumbai, Maharashtra.

Date: 02/09/2016

Note:

- 1) **A member entitled to attend and vote at the annual general meeting (AGM) is entitled to appoint a proxy to attend the meeting and vote on a poll instead of himself / herself and the proxy need not be a member.**

Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy should be deposited at the Registered office of the Company not later than FORTY-EIGHT HOURS before the commencement of the AGM.

- 2) Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 3) Members / Proxies are requested to bring duly- filled Attendance Slips sent herewith to attend the meeting along with the copy of Annual Report:
- 4) The enclosed proxy form, if intended to be used should reach the Registered Office of the Company duly completed, stamped and signed not less than forty eight hours before the time fixed for the meeting.
- 5) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 6) Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of Annual General Meeting so that the information required may be made available at the meeting.
- 7) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

- 8) The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2016 to 29th September, 2016 ( Both days inclusive) for the purpose of Annual General Meeting;
- 9) Corporate members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting;
- 10) Members are requested to notify changes, if any, in their Registered address to the Company's Registrar and Share Transfer Agent;
  
- 11) Members are requested to bring their copy of Annual Report to the Meeting;
- 12) All documents referred to in the notice are open for inspection at the Registered office of the Company Between 10.30 a.m. and 1.00 p.m. on all working days up to the date of the meeting;
- 13) Members are requested to address all correspondences to the Registrar and Share transfer Agents, M/s. Big Share Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(E), Mumbai - 400072, Tel No: + 91 22 28470652, Fax: + 91 22 28475207, Email: info@bigshareonline.com;
- 14) As per the provisions of the companies Act, 2013, facility for making nomination is available for shareholders, in respect of the shares held by them. Nomination Forms can be obtained from the Registrar and Transfer agent of the Company;
- 15) E - Voting In Compliance with Section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The procedure and instruction for e - Voting are as follows:

- i) The voting period begins from 07:30 P.M. (STARTING TIME) on Wednesday 28<sup>th</sup> September, 2016 and ends at 05:00 P.M. on Thursday 29<sup>th</sup> September, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 26-09-2016 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com);
- iii) Click on "Shareholders" tab
- iv) Now select ARIHANT TOURNESOL LIMITED from the drop down menu and click on "SUBMIT";

v) 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.

vi) Next enter the Image Verification as displayed and Click on Login.

vii) 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.

viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li><li>• 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.</li></ul>
DOB	<p>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,</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li></ul>

ix) After entering these details appropriately, click on "SUBMIT" tab:

x) 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.

xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xiii) 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.

xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions details.

xv) 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.

xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix) Note for Institutional Shareholders

- 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.

-A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

-After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

-A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

xxi) Pramod S. Shah & Associates, Company Secretary in Whole Time Practice (ICSI Membership Number: 334) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2(two) witness not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company;

The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL within 2 (two) working days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.

By Order of the Board,  
For ARIHANT TOURNESOL LIMITED

For ARIHANT TOURNESOL LTD.



Varsha Sethi - Director DIRECTOR

DIN: 00146830

Add: 216, Samundra Mahal,  
Worli, Mumbai-400 018

Place: Mumbai, Maharashtra.

Date: 02/09/2016

## ANNEXURE I

### DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER REGULATION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATION, 2015:

**Mr. Ajit Kumar Sethi**  
**Director**

Mr. Ajit Kumar Sethi has been actively associated with the Company for almost 9 years. He became the Director of M/s. Arihant Tournesol Limited dated 20/02/2007 and has been participating in making various policies and regulation of M/s. Arihant Tournesol Limited. He has been pillar of the group in the fields of technology, accounting and finance. He has a large number of relationships in the fields of his expertise.

### NAMES OF COMPANIES IN WHICH THE PERSON ALSO HOLDS DIRECTORSHIP AND THE MEMBERSHIP OF COMMITTEES OF THE BOARD:

<b>Name</b>	<b>Name of Companies</b>	<b>Directorship</b>	<b>Committee Member</b>
1	Arihant Tournesol Limited	Director	-
2	Vardhaman Housing Development Company Limited	Director	-
3	Konark Wood Panels Ltd	Director	-
4	Omega Gandhinagar Projects Limited	Director	-
5	Omega Investments and Properties Limited	Director	-



Form No. MGT 11  
Proxy form

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

CIN: L15315PN1991PLC061079

Name of the Company: **ARIHANT TOURNESOL LIMITED**

Registered office: GAT 74/1 VILAGE BHOGAONBARS ROAD, NORTH SOLAPUR,  
DIST. SOLAPUR, Maharashtra.

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

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

Sr. no	Name	Address	E-mail Id	Signature
1				
2				
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the  
\_\_\_\_\_ Annual general meeting of the Company, to be held on Friday, 30th September,  
2016 at 11.00 A.M. at the registered office of the Company situated at : GAT 74/1 VILAGE  
BHOGAONBARS ROAD, NORTH SOLAPUR, DIST SOLAPUR, Maharashtra and at any  
adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

- 1.....
- 2.....
- 3.....

Affix  
Revenue  
Stamp

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Note: 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

# ARIHANT Tournesol Limited

(CIN NO. L15315PN1991PLC061079)

**Regd. Office & Factory:**

74/1, Village Bhogaon  
Barsi Road,  
North Solapur,  
Maharashtra  
Phone 95217-2351379

34-B, Jolly Maker Chambers-II,  
Nariman Point,  
Mumbai 400 021.  
Phone: 22024359 / 22025117  
Fax No. 22821776  
Email: [info@omegarealtech.com](mailto:info@omegarealtech.com)

### Attendance Slip

Registered Folio / DP ID & Client ID	
Name	
Address of Shareholder	
No. of Shares held	

I/We hereby record my/our presence at 25<sup>th</sup> Annual General Meeting of the Company on Friday, 30<sup>th</sup> September, 2016 at 11.00 A.M. at the registered office of the Company situated at Registered office: GAT 74/1 VILAGE BHOGAONBARSIRoad, NORTH SOLAPUR, DIST SOLAPUR, Maharashtra.

Signature of Shareholder / Proxy Present.....

**Note: 1.**

1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy please bring copy of notice and annual report for reference at the meeting

**Route Map:**



# ARIHANT TOURNESOL LIMITED

(CIN No. L15315PN1991PLC061079)

Regd. Office & Factory  
74/1, Village Bhogaon  
Barsi Road,  
North Solapur,  
Maharashtra  
Phone: 95217-2351379

34-B, Jolly Maker Chambers-II  
Nariman Point,  
Mumbai 400 021.  
Phone: 22024359 / 22025117  
Fax No.22821776  
Email: info@omegarealtech.com

## Directors' Report

To,

The Members,

Arihant Tournesol Limited

Your Directors take pleasure in presenting the 25<sup>th</sup> Annual Report along with Audited Financial Statements of your Company for the Financial Year ended 31<sup>st</sup> March, 2016.

### The State of the Company's Affairs

#### 1. KEY FINANCIAL HIGHLIGHTS:

Particulars	For the Year ended 31 <sup>st</sup> March, 2016 (Rs.)	For the Year ended 31 <sup>st</sup> March, 2015 (Rs.)
Income	239,605.00	3,03,833.27
Expenditure	501,189.5	13,21,456.28
Profit/ (Loss) before Depreciation and Tax	(261,584.5)	(3,39,358.28)
Depreciation	(727,389.00)	9,81,498
Profit / (Loss) before Tax	(988,973.50)	(10,17,623.01)
Deferred Tax/Current Tax	(30,942.00)	4,62,271
Profit/ (Loss) after Tax	(1,351,471.50)	(5,55,352.01)

During the year under review your Company has reported a total income of Rs 239,605/- which has decreased by Rs. 64,228.27.

2. DIVIDEND:

With a view to repair past losses which resulted in erosion of reserves and conservation of resources for future betterment, the Board of Directors do not recommend any dividend for the year.

3. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013:

Since there is no manufacturing carried on by the Company, particulars required to be given in the terms of Section 134(3) ( c ) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of energy and Technology Absorption is not applicable.

The Company has no earning and expenditure in foreign Exchange.

4. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT;

There have been no Material changes and Commitments that have been affecting the financial position of the Company which have been occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

5. REVISION OF FINANCIAL STATEMENT OF THE COMPANY/THE REPORT OF THE BOARD :

Since there is no requirement for revision of Financial Statement for the year ended on 31<sup>st</sup> March, 2015 as per the provision of Section 131 of the Companies Act, 2013.

6. ANNUAL - RETURN EXTRACTS:

Extracts of the Annual Return as provided in Section 92(3) of the Companies Act, 2013 in MGT-9 is attached as Annexure-I

7. DETAILS OF NEW SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES:

Sr. No	Name of Company	Subsidiary / Joint ventures/ Associate Company	Date of becoming of Subsidiary/ Joint ventures/ Associate Company.
N.A.	N.A.	N.A.	N.A.

8. DETAILS OF THE COMPANY WHO CEASED TO BE ITS SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES.

Sr. No	Name of Company	Subsidiary / Joint ventures/ Associate Company	Date of cession of Subsidiary / Joint ventures/ Associate Company.
N.A.	N.A.	N.A.	N.A.

9. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

Sr. No	Name of Authority who has issued an order.	Date of Order.	Particulars of Order.
	NA	NA	NA

10. DEPOSITS:

During the year, the Company has not accepted any deposits covered under section 73 to 76 under the Companies Act, 2013.

**11. INTERNAL FINANCIAL CONTROL:**

The Company has adequate and effective control systems, commensurate with its size and nature of business, to ensure that assets are efficiently used and the interest of the Company is safe guarded and the transactions are authorized, recorded and reported correctly. Checks and balances are in place to determine the accuracy and reliability of accounting data. The preventive control systems provide for well-documented policy, guidelines, and authorization and approval procedures.

**12. BOARD MEETINGS:**

A calendar of Meetings is prepared and circulated in advance to the Directors. The Board met five times during the year. The details of which are given below:

Sr. No.	Date of Meetings	Leave of absence granted to
01	30 <sup>th</sup> April, 2015	N.A
02	31 <sup>st</sup> July, 2015	N.A
03	05 <sup>st</sup> September, 2015	N.A
04	31 <sup>st</sup> October, 2015	N.A
05	30 <sup>th</sup> January, 2016	N.A

**13. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

There has been no change in the Directors and key managerial personnel in a year under review.

Or

Changes in Directors and Key managerial personnels are as follows.

Sr. No	Name of the Director/Key managerial personal	Particulars	Date of Appointment and resignation
	NA	NA	

**14. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE COMPANIES ACT, 2013:**

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. In view of the above provisions, your Company has following Independent Directors:

Sr. No.	Name of the Independent Director	Date of appointment / Reappointment
1.	Dayanand Jagdish Jha	30/04/1999
2.	Rajender Lilaram Gurnani	23/11/2011
3.	Kalpita Laxman Sawant	23/11/2011

**15. NOMINATION AND REMUNERATION COMMITTEE:**

The 'Nomination and Remuneration Committee' consists of three Directors with two independent directors and one executive director with the Chairman being the Independent Director, and the said constitution is in accordance with the provisions of Section 178 of the Companies Act, 2013.

The Committee acts in accordance with the Terms of Reference as approved and adopted by the Board.

The Nomination and Remuneration Policy of the Company is provided in Annexure V.

The Composition of the Committee is as under:

**Chairman:** Mr. Dayanand Jha

**Members:** Ms. Kalpita Sawant and Mr. Rajender Gurnani.

**16. AUDIT COMMITTEE:**

In accordance with the provisions of Section 177 of the Companies Act, 2013 your Company has



constituted an "Audit Committee" comprising of minimum three directors consisting of two non- executive Independent directors and one executive director with the Chairman being Independent director. The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing.

**Chairman:** Mr. Dayanand Jha

**Members:** Mr. Rajender Gurnani and Ms. Kalpita Sawant

The functions of the Audit Committee are broadly:

- (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) Review and monitoring of internal control system and compliance of audit observations of the Auditors.
- (c) Review of the financial statements before submission to the Board.
- (d) Supervision of other financial and accounting matters as may be referred to by the Board.
- (e) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of internal control systems
- (f) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- (g) Reviewing the company's financial and risk management policies.
- (h) Overseeing vigil mechanism for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases.

The Audit Committee had meeting four times during the year on 30/04/2015, 31/07/2015, 31/10/2015 and 30/01/2016.

17. THE VIGIL MECHANISM:

Pursuant to Section 177 of the Companies Act, 2013, the company has established a 'Vigil Mechanism' for directors and employees to report their genuine concerns to the company. The company oversees this 'Vigil Mechanism' through the Audit Committee of the Board.

18. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

As the company has been incurring losses until last year, it was not obligatory upon the company to form a CSR committee pursuant to Section 135 of the Companies Act, 2013 and the Rules made there under.

19. QUALIFICATION GIVEN BY THE AUDITORS

The Board of Directors of the Company has given their explanations or comments on every qualification, reservation or adverse remark or disclaimer made by Statutory Auditor—Refer Annexure II

20. QUALIFICATION GIVEN BY THE SECRETARIAL AUDITOR:

The Secretarial Audit Report for the Financial Year 2015-16 is provided to this report in Annexure VI.

The Board of Directors of the Company has given their explanations or comments on every qualification, reservation or adverse remark or disclaimer made by Statutory Auditor—Refer Annexure III

21. AUDITORS:

R.B. Pandya & Co., having membership no. 33788 who are the statutory auditors of your Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment. Members of the Company at the AGM held on 30<sup>th</sup>, September, 2014 had approved the appointment of R.B. Pandya & Co as the Statutory Auditors for a period of three financial years

i.e., up to Financial Year ended 2017. As required by the provisions of the Companies Act, 2013, their appointment should be ratified by members each year at the AGM. Accordingly, requisite resolution forms part of the notice convening the AGM.

22. LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

The company has not given any loan or guarantee or provided security in connection with a loan to any other body corporate during the year.

23. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

The Company has not entered into transactions with related parties in accordance with the provisions of the Section 188 of Companies Act, 2013 and the rules made thereunder.

24. RISK MANAGEMENT:

Your Directors have enlarged mandate of Audit Committee to include responsibility to assist the Board in (i) overseeing and approving the company's enterprise wide risk management framework; and (ii) periodic appraisal to assess any change needed in the context of changing business environment

25. PERFORMANCE EVALUATION:

The company has in place a policy on performance evaluation of independent directors, board, committees and individual directors. the board of directors evaluates its own performance in terms of operations of the company, financial results etc. the performance of committee(s) is evaluated by the board based on effectiveness of committee, its functioning and decisions etc. the board also reviews the performance of individual director(s) based on the contribution of the individual director to the board/ committee meetings, participation in discussions, inputs given in the meeting.

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of conduct for Independent Directors, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried by your company during

the year under review as per the evaluation criteria approved by the Board and based on guidelines given in Schedule IV to the Companies Act, 2013.

For the purpose of carrying out performance evaluation exercise, four types of Evaluation forms were devised in which the evaluating authority has allotted to the individual Director, the Board as a whole, its Committees and the Chairperson appropriate rating as Excellent, Very Good, Good or Satisfactory depending upon the performance.

Such evaluation exercise has been carried out:

- (i) of Independent Directors by the Board;
- (ii) of Non-Independent Directors by all the Independent Directors in separate meeting held for the purpose;
- (iii) of individual Directors by the Nomination and Remuneration Committee;
- (iv) of the Board by itself.

Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

26. EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

Your Company has not issued any equity shares with deferential voting Rights.

27. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONNEL:

Your company has not paid any remuneration to Director nor the Key Managerial Personnel

28. PARTICULARS OF EMPLOYEES:

None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

29. EMPLOYEES' STOCK OPTION PLAN:

Your Company has not issued any Employee Stock Option Plan to their employees as Company is not burgeoning rather is reviving from heavy losses.

30. SWEAT EQUITY SHARES:

Your Company has not issued any no. of Sweat equity shares according to section 54 of the Companies Act, 2014. Since the shares are not issued the details of issuance of sweat equity shares to its directors/ employees in accordance with Section 54 of the Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable.

31. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis report is provided in Annexure IV.

32. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively

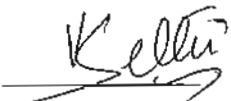
(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and with aid down internal financial controls to be followed by the company and that such systems were adequate and operating effectively.


**33. ACKNOWLEDGEMENT:**

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from all stakeholders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

**FOR ARIHANT TOURNESOL LIMITED**

**For and on behalf of the Board**

  
VARSHA RAJIVKUMAR SETHI - Director  
DIN : 00146830  
Address: 216, Samudra Mahal, Worli,  
Mumbai 400018  
Place: MUMBAI  
Date: 30/05/2016

  
DAYANAND JAGDISH JHA - Director  
DIN : 00659252  
Address: Abhilasha Co Op Housing Soc.,  
G D Ambedkar Marg, Kalachowkie,  
Mumbai - 400 033.

**ANNEXURE TO BOARD'S REPORT.**

**Annexure I Annual return**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

---

**I. REGISTRATION AND OTHER**

**DETAILS:**

i)	CIN:-	L15315PN1991PLC061079
ii)	Registration Date -	08 <sup>th</sup> April, 1991
iii)	Name of the Company -	ARIHANT TOURNESOL LIMITED
iv)	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
v)	Address of the Registered office and contact details	GAT 74/1 VILAGE BHOGAONBARS ROAD NORTH SOLAPUR, DIST SOLAPUR
vi)	Whether Listed	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt Ltd E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E) Mumbai - 400072 Contact No. 022-28523474 Email I'd: <a href="mailto:bigshare@bom7.vsnl.net.in">bigshare@bom7.vsnl.net.in</a>

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
	NA	NA	NA

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GL N	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	N.A.	N.A.	N.A.	N.A.	N.A.





(1) Institutions									
a. Mutual Fund / UTI	0	0	0	0	0	0	0	0	0
b. Banks / FI	0	200	200	0.0020	0	200	200	0.0020	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Cap fund	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIs	0	0	0	0	0	0	0	0	0
h. Foreign Venture Cap Funds	0	0	0	0	0	0	0	0	0
i. Others (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total B(1)</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>0.0020</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>0</b>	<b>0</b>
(2) Non Institutions									
a) Bodies Corporate	0	569300	569300	5.7515	0	569300	569300	5.7515	0
Indian									
Overseas									
b) Individuals									
Individual shareholders holding nominal share capital up to Rs. 1 lakhs	0	2615800	2615800	26.3985	0	2615800	2615800	26.3985	0
Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	1030100	1030100	10.4068	0	1030100	1030100	10.4068	0
c) Others (Specify)									
NRI	0	111200	111200	1.1234	0	111200	111200	1.1234	0
<b>Sub-total B(2)</b>	<b>0</b>	<b>4323600</b>	<b>4323600</b>	<b>43.6802</b>	<b>0</b>	<b>4323600</b>	<b>4323600</b>	<b>43.6802</b>	<b>0</b>
<b>Total public shareholding B=B(1)+B(2)</b>	<b>0</b>	<b>4323800</b>	<b>4323800</b>	<b>43.6802</b>	<b>0</b>	<b>4323800</b>	<b>4323800</b>	<b>43.6802</b>	<b>0</b>
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total A+B+C</b>	<b>0</b>	<b>9898300</b>	<b>9898300</b>	<b>100</b>	<b>0</b>	<b>9898300</b>	<b>9898300</b>	<b>100</b>	<b>0</b>

ii. Shareholding Promoters

Shareholder Name	Shareholding at beginning of the year	Shareholding at end of the year	% Change in shareholding
------------------	---------------------------------------	---------------------------------	--------------------------

	No. Of shares	% of total shares of the Co.	% of shares pledged/ encumbered to total shares	No. Of shares	% of total shares of the Co.	% of shares pledged / encumbered to total shares	during the year
KAMLA DEVI SETHI	20	0.0002	NIL	20	0.0002	NIL	N.A
R K SETHI	400	0.0040	NIL	400	0.0040	NIL	N.A
LAXMI DEVI SETHI	2000	0.0202	NIL	2000	0.020	NIL	N.A
PRABHADEVI SETHI	2000		NIL	2000		NIL	N.A
DEEPA SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
NIDHI SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
NISHI SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
SIDDHARTH SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
SANJAY SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
SEEMA SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
SAMTA SETHI	2200	0.0222	NIL	2200	0.0222	NIL	N.A
SARA RESINOUS CHEMICALS PVT. LTD.	3000	0.0303	NIL	3000	0.0303	NIL	N.A
R K SETHI H U F	3200	0.323	NIL	3200	0.323	NIL	N.A
VARSHA SETHI	8410	0.0850	NIL	8410	0.0850	NIL	N.A
R K SETHI	8510	0.0860	NIL	8510	0.0860	NIL	N.A
WESTERN INDIA PROJECT CONSER PVT LTD	9000	0.909	NIL	9000	0.909	NIL	N.A
RAJEEV KUMAR SETHI	14900	0.1505	NIL	14900	0.1505	NIL	N.A
WESTERN IND PROJ CONS SERV P. LTD.	20000	0.2021	NIL	20000	0.2021	NIL	N.A
KAMLA DEVI SETHI	24980	0.2524	NIL	24980	0.2524	NIL	N.A
WESTERN (I)	25600	0.258	NIL	25600	0.2586	NIL	N.A

PROJ CONS SERV PVT. LTD.		6					
WESTERN INDIA PROJ CON SERV P. LTD.	26000	0.262 7	NIL	26000	0.2627	NIL	N.A
VARSHA SETHI	29000	0.293 0	NIL	29000	0.2930	NIL	N.A
K C SETHI	33500	0.338 4	NIL	33500	0.3384	NIL	N.A
RAJIV KUMAR SETHI	75000	0.757 7	NIL	75000	0.7577	NIL	N.A
KAMLADEVI SETHI	100000	1.010 3	NIL	100000	1.0103	NIL	N.A
R M SANGHVI	100000	1.010 3	NIL	100000	1.0103	NIL	N.A
SARA RESINOUS & CHEMICALS (P) LTD	131180	1.325 3	NIL	131180	1.3253	NIL	N.A
WESTERN INDIA PROJ CONST SERV P LTD	263700	2.664 1	NIL	2637000	2.6641	NIL	N.A
SARA RESINOUS & CHEMICALS P LTD	2893000	2.922 7	NIL	289300	2.9227	NIL	N.A
OMEGA INVESTMENT & PROPERTIES LTD	546700	5.523 2	NIL	546700	5.5232	NIL	N.A
SARA RESINOUS CHEMICALS PVT LTD	607100	6.133 4	NIL	607100	6.1334	NIL	N.A
WESTERN INDIA PROJECT CONS SERV PVT LTD	800000	8.082 2	NIL	800000	8.0822	NIL	N.A
OMEGA INVESTMENT & PROPERTIES LTD	1135600	11.47 27	NIL	1135600	11.472 7	NIL	N.A
SARA RESINOUS CHEMICALS PVT. LTD.	1300000	13.13 36	NIL	1300000	13.133 6	NIL	N.A

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

Shareholder Name	Shareholding at beginning of the year		Cumulative Shareholding during the year	
	No. Of shares	% of total shares of the Co.	No. Of shares	% of total shares of the Co.
At the beginning of the year	5574500	56.3177	5574500	56.3177
KAMLA DEVI SETHI	20	0.0002	20	0.0002
R K SETHI	400	0.0040	400	0.0040
LAXMI DEVI SETHI	2000	0.0202	2000	0.020
PRABHADEVI SETHI	2000	0.0202	2000	0.0202
DEEPA SETHI	2200	0.0222	2200	0.0222
NIDHI SETHI	2200	0.0222	2200	0.0222
NISHI SETHI	2200	0.0222	2200	0.0222
SIDDHARTH SETHI	2200	0.0222	2200	0.0222
SANJAY SETHI	2200	0.0222	2200	0.0222
SEEMA SETHI	2200	0.0222	2200	0.0222
SAMTA SETHI	2200	0.0222	2200	0.0222
SARA RESINOUS CHEMICALS PVT. LTD.	3000	0.0303	3000	0.0303
R K SETHI H U F	3200	0.323	3200	0.323
VARSHA SETHI	8410	0.0850	8410	0.0850
R K SETHI	8510	0.0860	8510	0.0860
WESTERN INDIA PROJECT CONSER PVT LTD	9000	0.909	9000	0.909
RAJEEV KUMAR SETHI	14900	0.1505	14900	0.1505
WESTERN IND	20000	0.2021	20000	0.2021

PROJ CONS SERV P. LTD.				
KAMLA DEVI SETHI	24980	0.2524	24980	0.2524
WESTERN (I) PROJ CONS SERV PVT. LTD.	25600	0.2586	25600	0.2586
WESTERN INDIA PROJ CON SERV P. LTD.	26000	0.2627	26000	0.2627
VARSHA SETHI	29000	0.2930	29000	0.2930
K C SETHI	33500	0.3384	33500	0.3384
RAJIV KUMAR SETHI	75000	0.7577	75000	0.7577
KAMLADEVI SETHI	100000	1.0103	100000	1.0103
R M SANGHVI	100000	1.0103	100000	1.0103
SARA RESINOUS & CHEMICALS (P) LTD	131180	1.3253	131180	1.3253
WESTERN INDIA PROJ CONST SERV P LTD	263700	2.6641	2637000	2.6641
SARA RESINOUS & CHEMICALS P LTD	2893000	2.9227	289300	2.9227
OMEGA INVESTMENT & PROPERTIES LTD	546700	5.5232	546700	5.5232
SARA RESINOUS CHEMICALS PVT LTD	607100	6.1334	607100	6.1334
WESTERN INDIA PROJECT CONS SERV PVT LTD	800000	8.0822	800000	8.0822
OMEGA INVESTMENT & PROPERTIES LTD	1135600	11.4727	1135600	11.4727
SARA RESINOUS CHEMICALS	1300000	13.1336	1300000	13.1336

PVT. LTD.				
Date wise Increase /Decrease in promoters share holding during the year specifying the reason for increase / decrease	NA	NA	NA	NA
KAMLA DEVI SETHI	20	0.0002	20	0.0002
R K SETHI	400	0.0040	400	0.0040
LAXMI DEVI SETHI	2000	0.0202	2000	0.020
PRABHADEVI SETHI	2000	0.0202	2000	0.0202
DEEPA SETHI	2200	0.0222	2200	0.0222
NIDHI SETHI	2200	0.0222	2200	0.0222
NISHI SETHI	2200	0.0222	2200	0.0222
SIDDHARTH SETHI	2200	0.0222	2200	0.0222
SANJAY SETHI	2200	0.0222	2200	0.0222
SEEMA SETHI	2200	0.0222	2200	0.0222
SAMTA SETHI	2200	0.0222	2200	0.0222
SARA RESINOUS CHEMICALS PVT. LTD.	3000	0.0303	3000	0.0303
R K SETHI H U F	3200	0.323	3200	0.323
VARSHA SETHI	8410	0.0850	8410	0.0850
R K SETHI	8510	0.0860	8510	0.0860
WESTERN INDIA PROJECT CONSER PVT LTD	9000	0.909	9000	0.909
RAJEEV KUMAR SETHI	14900	0.1505	14900	0.1505
WESTERN IND PROJ CONS SERV P. LTD.	20000	0.2021	20000	0.2021

KAMLA DEVI SETHI	24980	0.2524	24980	0.2524
WESTERN (I) PROJ CONS SERV PVT. LTD.	25600	0.2586	25600	0.2586
WESTERN INDIA PROJ CON SERV P. LTD.	26000	0.2627	26000	0.2627
VARSHA SETHI	29000	0.2930	29000	0.2930
K C SETHI	33500	0.3384	33500	0.3384
RAJIV KUMAR SETHI	75000	0.7577	75000	0.7577
KAMLADEVI SETHI	100000	1.0103	100000	1.0103
R M SANGHVI	100000	1.0103	100000	1.0103
SARA RESINOUS & CHEMICALS (P) LTD	131180	1.3253	131180	1.3253
WESTERN INDIA PROJ CONST SERV P LTD	263700	2.6641	2637000	2.6641
SARA RESINOUS & CHEMICALS P LTD	2893000	2.9227	289300	2.9227
OMEGA INVESTMENT & PROPERTIES LTD	546700	5.5232	546700	5.5232
SARA RESINOUS CHEMICALS PVT LTD	607100	6.1334	607100	6.1334
WESTERN INDIA PROJECT CONS SERV PVT LTD	800000	8.0822	800000	8.0822
OMEGA INVESTMENT & PROPERTIES LTD	1135600	11.4727	1135600	11.4727
SARA RESINOUS CHEMICALS PVT. LTD.	1300000	13.1336	1300000	13.1336
At the end of the	5574500	56.3177	5574500	56.3177

year				
------	--	--	--	--

**(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		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	806,300	6.9043	806,300	6.9043
1	R K JAIN	174,400	1.76	174,400	1.76
2	STABLE CONSTRUCTIONS PVT LTD	122,900	1.24	122,900	1.24
3	VARDHAMAN PLYBOARD INDS. LTD.	88,200	0.89	88,200	0.89
4	PARAG C MEHTA	81,000	0.82	81,000	0.82



5	BNT ASSOCIATES LIMITED	80,700	0.82	80,700	0.82
6	SURENDRA S CHAUDHARY	69,900	0.71	69,900	0.71
7	HARISH TAPARIA	53,000	0.54	53,000	0.54
8	ESQUIRE ENERGY LTD	48,200	0.49	48,200	0.49
9	NEELACHAL GIL HILLS & REFN P LTD	45,400	0.46	45,400	0.46
10	JAGANNATH RAMLAL KABRA	42,600	0.43	42,600	0.43
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
1	R K JAIN	174,400	1.76	174,400	1.76
2	STABLE CONSTRUCTIONS PVT LTD	122,900	1.24	122,900	1.24
3	VARDHAMAN PLYBOARD INDS. LTD.	88,200	0.89	88,200	0.89
4	PARAG C MEHTA	81,000	0.82	81,000	0.82
5	BNT ASSOCIATES LIMITED	80,700	0.82	80,700	0.82
6	SURENDRA S CHAUDHARY	69,900	0.71	69,900	0.71

7	HARISH TAPARIA	53,000	0.54	53,000	0.54
8	ESQUIRE ENERGY LTD	48,200	0.49	48,200	0.49
9	NEELACHAL GIL HILLS & REFN P LTD	45,400	0.46	45,400	0.46
10	JAGANNATH RAMLAL KABRA	42,600	0.43	42,600	0.43
	At the End of the year ( or on the date of separation, if separated during the year)	806,300	6.9043	806,300	6.9043

v. Shareholding of Directors and Key Managerial Personnel:

(Section 203 of the Companies Act, 2013 regarding appointment of Key Managerial Personnel is not applicable to the Company)

Name of Director	Shareholding at beginning of the year		Shareholding at the end of the year	
	No. Of share	% of total shares of the Co.	No. Of shares	% of total shares of the Co.
At the beginning of the year	37,410	0.378	37,410	0.378
Ms. Varsha Sethi	37,410	0.378	37,410	0.378
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				

At the end of the year	37,410	0.378	37,410	0.378
Ms. Varsha Sethi				

## V. INDEBTNESS

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	28,321,754.68	-	-	28,321,754.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	28,321,754.68			28,321,754.68
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	28,321,754.68	-	-	28,321,754.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	28,321,754.68			28,321,754.68

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

---

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
1	Gross salary	NIL	NIL		NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL		NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL		NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL		NIL
2	Stock Option	NIL	NIL		NIL
3	Sweat Equity	NIL	NIL		NIL
4	Commission	NIL	NIL		NIL
	- as % of profit	NIL	NIL		NIL
	- others, specify...	NIL	NIL		NIL
5	Others, please specify	NIL	NIL		NIL
		NIL	NIL		NIL
	<b>Total (A)</b>	NIL	NIL		NIL
	Ceiling as per the Act				

**B. Remuneration to other directors:**

Sr. No	Particulars of Remuneration	Name of Directors	Total Amount

	1. Independent Directors	NIL	NIL	NIL
	<ul style="list-style-type: none"> <li>• Fee for attending board / committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>			
	<b>Total (1)</b>	NIL	NIL	NIL
	2. Other Non-Executive Directors	NIL	NIL	NIL
	<ul style="list-style-type: none"> <li>• Fee for attending board / committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>			
	<b>Total (2)</b>	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	NIL	NIL	NIL
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary	N.A	N.A	N.A	N.A
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961				
2.	Stock Option	NIL	NIL	NIL	NIL

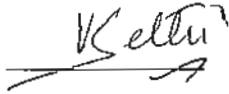
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission as % of profit others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total</b>	NIL	NIL	NIL	NIL

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

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

FOR ARIHANT TOURNESOL LIMITED

For and on behalf of the Board



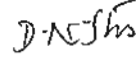
VARSHA RAJIVKUMAR SETHI - Director

DIN : 00146830

Address: 216, Samudra Mahal, Worli,

Mumbai 400018

Place: MUMBAI



DAYANAND JAGDISH JHA - Director

DIN : 00659252

Address: Abhilasha Co Op Housing Soc.,

G D Ambedkar Marg, Kalachowkie,

Mumbai - 400 033

ANNEXURE II

Response of Management pertaining to Qualification given by Statutory Auditor for the F.Y 2015-16:

Qualification given by the Auditors	Board Clarification on the same.
1. Non Provision in the accounts for an amount of Rs. 33.13 Lacs (Previous Year Rs. 33.13 Lacs) on account of claims filed against the company, not acknowledged as debts, the matter being under dispute.	The Claim of Rs. of Rs. 33.13 Lacs filed against the Company are Frivolous in nature hence the Company has not acknowledged the same as debts.
2. The company doesn't have a whole time company secretary as required by Section 203 of Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel).	The Company is looking for a suitable candidate for competent person to act as Company Secretary of the Company
3. Appointment of Internal Auditor	The Company is unable to find a professional who shall conduct the Internal auditor at a mutually convenient terms pertaining to fees.

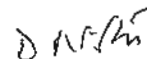
FOR ARIHANT TOURNESOL LIMITED

For and on behalf of the Board



VARSHA RAJIVKUMAR SETHI - Director

DIN : 00146830



DAYANAND JAGDISH JHA - Director

DIN : 00659252



Address: 216, Samudra Mahal, Worli,  
Mumbai 400018  
Place: MUMBAI

Address: Abhilasha Co Op Housing Soc.,  
G D Ambedkar Marg, Kalachowkie,  
Mumbai - 400 033

### ANNEXURE III

Response of Management pertaining to Qualification given by Secretarial Auditor for the F.Y 2015-16:

Qualification given by the Auditors	Board Clarification on the same.
<p><u>Part A of Annexure I</u></p> <ol style="list-style-type: none"><li>1. Pursuant to section 85 of the Act, the Company has not maintained the Register of Charges and enters therein particulars of all the charges registered with the Registrar as well as particulars of any modification of a charge and satisfaction of charge;</li><li>2. As per section 88 of the Act read with Rule 21(1)(a) of the Companies (Management and Administration) Rules, 2014, the Company has not maintained the Attendance Register of Members and Register of Proxies;</li><li>3. Pursuant to section 94 of the Act, the Company has kept its statutory records at the place other than the registered office without obtaining consent of the Shareholders of the Company which ought to have obtained by way of passing of special resolution;</li><li>4. Pursuant to section 128 of the Act, the Company has kept its financial statements, accounts and relevant papers at the place other than the registered office and has not informed the Registrar of Companies;</li></ol>	<ol style="list-style-type: none"><li>1. Earlier the Company is to maintain the Charge Register under the Old Companies Act, 1956, as the Company is inoperative and has not taken loan from Financial Institution. The Management take note of the same and will start to maintain the Charge registers.</li><li>2. The Management has taken the note of the same will start the process to maintain the register at the earliest.</li><li>3. The Management has taken the note of the same and will initiate the process.</li><li>4. The Management has taken the note and initiates the process in this regard.</li></ol>

5. As per section 136 of the Act, the Company has not placed its financial statements on the website of the Company as Company is not maintaining any website;

6. As per section 138 of the Act and the Rule 13 of the Companies (Accounts) Rules, 2014, the Company, being a listed entity is required to appoint Internal Auditor, but the Company has not appointed an Internal Auditor;

7. Section 170 of the Act read with Rule 17(1) & (2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has not maintained the Register containing such particular of its Directors and KMP include the details of securities held by each of them;

8. Section 186(9) of the Act, read with Rule 12 of the Companies (Meetings of Board and its Power) Rules, 2014, the Company has not maintained the Register of Loans, Guarantee, Security and Acquisition made by the Company;

9. As per section 203 of the Act, the Company is required to appoint Chief Financial Officer, a Key Managerial Personnel, but the Company has not appointed Managing Director, Company Secretary and Chief Financial Officer;

10. Pursuant Para 4.1 of SS-1, the Company had not maintained the attendance registers for the Meetings of the Board and Meetings of the Committee;

5. The Company has started the process of developing an Website for the Company and will place all the records which is required to place on Website.

6. By taking serious note of the same the Company is in process of appointment of Internal Auditor.

7. The Management has taken the note of the same will start the process to maintain the register at the earliest.

8. The Management has taken the note of the same will start the process to maintain the register at the earliest.

9. The Company is looking for a suitable candidate for competent person to act as Company Secretary, and Chief Financial Officer of the Company.

10. The Company has maintained the Attendance Registers but it has been misplace, the management assure they will again maintain the Register giving complete details of present of Directors.

<p>11. As per point No. VII of schedule IV of the Act, The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management; but the Company had not hold a separate meeting of Independent Director during the audit period;</p>	<p>11. The Management has taken the note of the same and will hold separate meeting of Independent Directors.</p>
<p><b>Part B of Annexure I</b></p> <ol style="list-style-type: none"> <li>1. Regulation 6(1) / Clause 47(a) - The Company has not appointed Company Secretary who will act as Compliance officer of the Company and responsible for monitoring of share transfer process;</li> <li>2. Regulation 6(2)(d) / Clause 47(f) - The Company has not designated any email id for the grievance redressal nor have they displayed the email id for the same on their websites;</li> <li>3. Regulation 10(1) - The Company is not adopted the electronic filing mode for submission of various quarterly, half yearly and annually compliance, other disclosures, reports and results etc;</li> <li>4. Regulation 17(5)(a) / Clause 49(I)(D)(i) - The Company do not have Code of Conduct for its Board Members and senior management of the Company and the same is not placed on the website of the Company;</li> <li>5. Regulation 27(2)(a) / Clause 49(VI)(ii) - The Company has not submitted the Compliance Report on Corporate Governance for the quarter ended 30th June, 2015 and quarter ended 31st March, 2016</li> </ol>	<ol style="list-style-type: none"> <li>1. The Company is looking for a suitable candidate to act as Company Secretary of the Company.</li> <li>2. The Management has taken the note will provide the designated email address for grievance redressal.</li> <li>3. From this Financial Year the Company already started the process of submission of documents with Bombay Stock Exchange.</li> <li>4. The management has taken the note of the same will develop the Code of Conduct for its Board Members and Senior Managements.</li> <li>5. As per the provision of SEBI (LODR) Regulation, 2015 the Corporate Governance provision are not applicable to the Company, for the same we already submit half yearly the non-applicability letter to stock exchange.</li> </ol>

<p>within 15 days from the close of the quarter;</p> <p>6. Regulation 27(2)(c) / Clause 49(V) - The Company has neither taken Certification from CEO/ CFO or Managing Director pertaining to financial statement nor the same forms part of the annual report for 2015;</p> <p>7. Regulation 30(6) / Clause 41(I)(f) - The financial results are not submitted within 30 / 15 minutes of conclusion of Board Meeting in which they were considered;</p> <p>8. Regulation 31(2): The Company has not maintained the 100% Shareholding of Promoter(s) and Promoter group in dematerialised form;</p> <p>9. Regulation 33(3)(c)(i) / Clause 41(I)(c)(i) - The quarterly unaudited financial results submitted by the Company to the Stock Exchanges are not accompanied by Limited Review Report of the Statutory Auditors/ Chartered Accountants for the quarter ended 30th June, 2015 and quarter ended 31st March, 2016;</p> <p>10. Regulation 33(3)(d) / Clause 41(I)(d) - The Company has not submitted audited financial statements for the entire financial year within sixty days of end of the financial year;</p> <p>11. Regulation 33(3)(f) / Clause 41(I)(ea) &amp; (eaa) - The Company has not submitted half yearly statement of Assets and Liabilities for the half year ended on 30th September, 2015;</p> <p>12. Regulation 34 / Clause 49(IV)(F) - The Company has not provided</p>	<p>6. The Company is yet to appoint CEO / CFO in the Company, afterward will follow the procedure of certification.</p> <p>7. The Company has inadvertently miss the time line for submission of financial result, we are taking the note of the same.</p> <p>8. The Management has taken the note of the same will initiate the process in this regard.</p> <p>9. The Management has taken the note of the same and will take care in future.</p> <p>10. The Management has taken the note of the same will take care in future.</p> <p>11. The Management has taken the note of the same will take care in future.</p> <p>12. The Management has taken the note</p>
--	---

<p>Management Discussion &amp; Analysts as a part of Directors' Report in the annual report for 2015;</p> <p>13. Regulation 34(3) / Clause 49(I)(D)(ii) - Neither the Board of Directors nor the senior management have confirmed the compliance with Code of Conduct. The Annual Report for 2015, do not contain declaration to this effect signed by CEO;</p> <p>14. Regulation 46: The Company has not maintain the disseminating of basic information on Company' website;</p> <p>15. Regulation 47(1)(a) / Clause 41(III)(b) - The Company has not issued public notice of Board Meeting in newspapers, neither in English nor in regional language newspaper, but the appropriate notice was circulated to the concerned directors before holding of every Board meeting;</p> <p>16. Regulation 47(1)(b) / Clause 41(VI) - The Company has not published its financial results in any of the newspapers, neither in English nor in regional language newspapers, which they ought to have published within 48 hours of conclusion of the Board Meeting;</p> <p>17. Regulation 30(1) and (2) - The Company, its promoters and persons mentioned in that regulations, have not made necessary disclosures under these regulations;</p> <p>18. Regulation 8 - The Company does not have Code of practices and procedures for fair disclosures and the Company has not published the same on its website;</p>	<p>of the same will take care in future, in this Director Report the Company has included the Management Discussion &amp; Analysts (MDA).</p> <p>13. The Company is yet to develop the Code of Conduct for the Senior Management, will initiate the process, and give adequate disclosure in Directors Report.</p> <p>14. The Company is in process of developing the Website, once developed will update the same.</p> <p>15. The Management has taken the note of the same will take care in future.</p> <p>16. The Management has taken the note of the same will take care in future.</p> <p>17. The Management has taken the note of the same will take care in future.</p> <p>18. The Management has taken note of the same and will initiate the process.</p>
---	--

--	--

FOR ARIHANT TOURNESOL LIMITED

For and on behalf of the Board

*V Kellu*

VARSHA RAJIVKUMAR SETHI - Director

DIN : 00146830

Address: 216, Samudra Mahal, Worli,

Mumbai 400018

Place: MUMBAI

*D Jagdish*

DAYANAND JAGDISH JHA - Director

DIN : 00659252

Address: Abhilasha Co Op Housing Soc.,

G D Ambedkar Marg, Kalachowkie,

Mumbai - 400 033.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Indian Economy:

During FY 2015-16, India's GDP grew by 7.6%, making it one of the fastest growing major economies in the world. The investment cycle in India is showing positive growth and consumption expenditure is improving. This growth is likely to be sustainable on the back of the Government's focus on industrial activities, infrastructure development and ease of doing business.

### Industry Structure and Developments:

The news on the Indian Economy is mixed. Banks like Credit Suisse and Deutsche Bank have downgraded the Indian market and have flagged global investors over India's slower than expected reform process. By the end of fiscal 2016, the sentiment seemed to have turned negative, reflecting perhaps excessive optimism about the pace of reform and therefore the potential rate of growth of the economy and corporate profitability in the immediate aftermath of the 2014 elections.

In India, investment opportunities are huge. The Government's focus is on development and inclusive growth. With seamless execution, focus on process improvement, providing end to end solutions to customer and quality operation, the company continues to deliver in its focus areas of investment activities.

### Opportunities and Threats:

The Government of India has set up Invest India as the national investment promotion and facilitation agency under the initiative. In addition, a full-fledged Investment Facilitation Cell has been set-up primarily to support all investment queries as well as to handhold and liaise with various agencies on behalf of potential investors.

The primary reason for growth in the investment industry can be attributed to increasing trade reforms in Government Policy, increased Government spending on investment sector and rise in domestic consumption. The change in the political and social conditions, the monetary and interest rate policies of India and other countries have also helped in maintaining the momentum in the investment activities of the Company. The management is focus on overall growth of the Company.

Constant fluctuations due to interest rate fluctuations, downstream in business cycle, economic recession and other economic factors which are beyond the control has placed some threat on the Company policies in investment decisions. Frequent updates in regulatory market and law are constant challenge for smooth operations of the Company.

Further, opportunities bring itself competition. The different levels of competition have led to the price cutting as well.

*Segment-wise or product-wise performance:*

As compared to the previous reporting period, there is decrease in the income of the company in the current reporting period by Rs. 64,228.27 /-

The Company, with superior methodologies and improved process and systems, will focus on positioning the revenues and lead towards high growth path in future.

The Company is only operating in one segment.

*Outlook, Risks and Concerns:*

Some economists are of the view that the Indian Economy on the whole is doing fine, but there are risks to global growth which can slowdown more which is bound to affect India. The current government which is at its mid-point has a critical task of implementing the announced reforms during 2016-17.

There are several opportunities for the sector and the outlook for the coming months will continue to remain positive.

*Internal control systems and their adequacy:*

Your Company ensures that appropriate risk management limits, control mechanisms and mitigation strategies are in place through its efficient and effective Internal Control System and the same completely corresponds to its size, scale and complexity of operations. The Company strives to put several checks and balances in place to ensure that confidentiality is maintained. Effective procedures and mechanisms are rolled out by a full-fledge Internal Audit System to ensure that the interest of the Company is safeguarded at all times. In addition to this, the Risk Assessment policy of the organization is reviewed on a quarterly basis by the Audit Committee / Board of Directors of your Company.

**Discussion on financial performance with respect to operational performance:**

Total income achieved during the year under review is INR. 239,605 as against INR. 303,833.27 in the previous year.

**Cautionary Statement:**

Your Company endeavors to perform and attempt to deliver the best at all times. However, the statements made in this report describing the Company's objectives, expectations or



predictions shall be read in conjunction with the government policies as issued and amended from time to time, the micro as well as macroeconomic scenario prevailing at that time, global developments and such other incidental factors that may extend beyond the control of the Company and Management. Keeping this in view, the actual results may materially vary from those expressed in the statement.

**Material developments in Human Resources / Industrial Relations front, including number of people employed:**

The Company is committed in ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. It strongly believes in maintaining the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

**Annexure V**

**Nomination and Remuneration Policy**

**1 .Purpose of the Policy:**

The Nomination and Remuneration Committee ("**Committee**") of the Company and this Policy shall be in compliance with the provisions of Section 178 of the Companies Act, 2013.

**The Policy is framed with the objective(s):**

1. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the working potential of all the Directors and Key managerial Personnel (KMP) of the Company;
2. To ascertain that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

3. To ensure that the remuneration to Directors and Key Managerial Personnel (KMP) of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
4. To lay down criteria with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration;
5. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
6. To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and
7. To lay down criteria for appointment, removal of directors and Key Managerial Personnel and evaluation of their performance.

## 2. Definitions:

2.1 Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2 Board means Board of Directors of the Company.

2.3 Directors mean Directors of the Company

2.4 Policy or this Policy means, "Nomination and Remuneration Policy."

2.5 Key Managerial Personnel means

2.5.1. Chief Executive Officer or the Managing Director or the Manager;

2.5.2. Whole-time director;

2.5.3. Chief Financial Officer;

2.5.5. such other officer as may be prescribed.

## 3. ROLE OF COMMITTEE

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee.

The Committee shall:

- 3.1.1 Identify persons who are qualified to become Directors and Key Managerial Personnel (KMP) who may be appointed in accordance with the criteria laid down.
- 3.1.2 Recommend to the Board appointment and removal of Directors and KMP and shall carry out evaluation of every director's performance.
- 3.1.3 Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.4 Recommend to the Board a policy, relating to the remuneration for the Directors and Key Managerial personnel and other employees.
- 3.1.5 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and Key Managerial Personnel and such other factors as the Committee shall deem appropriate.
- 3.1.6 Make independent/ discreet references, where necessary, well in time to verify the accuracy of the information furnished by the applicant.

### **3.2. Policy for appointment and removal of Director and Key Managerial Personnel (KMP)**

#### **3.2.1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **3.2.2. Criteria for Remuneration to Directors, Key Managerial Personnel and Senior Management:**

- (a) **Performance:** The Committee shall while determining remuneration ensure that the performance of the Director and Key Managerial Personnel and their commitment and efficiency is constructive and beneficial in generating commercial for the Company.
- (b) **Responsibilities and Accountability:** The roles and responsibilities towards the organisation and the position of the Director and Key Managerial Personnel shall be formerly evaluated to fix the remuneration.
- (c) **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- (d) **Flexibility:** The Remuneration payable shall be flexible to meet both the needs of individuals and those of the Company while complying with relevant tax and other legislation.
- (e) **Affordability and Sustainability:** The remuneration payable is affordable and on a sustainable basis.

### 3.2.3. Remuneration to Directors and Key Managerial Personnel:

The Committee shall ensure that the Remuneration payable to Directors and Key Managerial Personnel shall be paid after complying with the provisions of Section 197 and Schedule V and such other applicable provisions of the Companies Act, 2013.

### 3.2.4. Term / Tenure

#### a) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

### 3.2.5. Evaluation

The Committee shall carry out evaluation of performance of every Director and KMP at regular interval (yearly).

### 3.2.6. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and Key Managerial Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### 3.2.7. Retirement

The Director and Key Managerial Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## 3.3 Policy relating to the Remuneration for the Whole-time and Director.

### 3.3.1. General

- a) The remuneration / compensation / commission etc. to the Whole-time Director, and Key Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.
- b) In determining the remuneration of Whole-time Director and Key Managerial Personnel the Committee should consider among others:
  - Conducting benchmarking with companies of similar type on the remuneration package;
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - Clear linkage of remuneration and appropriate performance benchmarking; and
  - Remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives to the working of the Company and its goals.

- c) Increments including bonuses, incentive and other rewards to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be approved by the Shareholders of the Company and/or Central Government, wherever required.

### **3.3.2. Remuneration to Non- Executive / Independent Director**

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof.

## **4. Membership**

- 4.1 Members of the Committee shall be appointed by the Board with a minimum of three Non-Executive Directors out of which not less than one-half shall be Independent Director.
- 4.2 The Chairman of the Committee shall be elected from members amongst themselves who shall be an Independent Director. In the absence of the Committee's Chairman, the remaining members present shall elect one of themselves to chair the meeting.
- 4.3 Only members of the Committee have the right to attend and vote at the Committee meetings and any other person required to attend the meeting will have no right to vote.
- 4.4 The Chairperson of the Committee or, in his absence, any other member of the Committee authorised by him in this behalf shall attend the general meetings of the Company.

## **5. Frequency of the meetings**

The Committee shall meet at such times so as to enable it to carry out its powers, functions, roles & responsibilities.

## **6. Committee Members' Interests**

- 6.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

6.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. **Minutes of Committee Meeting**

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

**Annexure VI**

**Form MR - 3**



# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

Form No. MR-3

## SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members,  
**ARIHANT TOURNESOL LIMITED**  
Gat 74/1 Village, Bhogaon Barsi Road,  
North Solapur, Dist - Solapur,  
Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARIHANT TOURNESOL 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, 2016 ('Audit Period') complied with the statutory provisions listed hereunder except as provided in Annexure-I 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, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956 **except for the matter listed below under Annexure - I**;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing – **(Not Applicable as there are no Foreign Exchange earnings or expenditure or transaction enter into by Company during the year)**;
- (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







# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14<sup>th</sup> May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15<sup>th</sup> May, 2015);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable as the Company has not issued any further share capital during the audit period);**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable during the audit period);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable 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 during the audit period) and;**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable during the audit period);**

(vi) As the Company is not carrying on any business or manufacturing activity at its factory site there are no other specifically applicable laws to the Company pertaining to the industrial unit/ factory are applicable to the Company during the period under review, except the following;

- (i) Income Tax Act, 1961;
- (ii) Chapter V of Finance Act, 1994 (Service Tax)
- (iii) Depositories Act, 1996;
- (iv) Indian Contract Act, 1872;
- (v) Land Acquisition Act, 1984;

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1<sup>st</sup> July, 2015;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 made effective 1<sup>st</sup> December, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above **except for the matter listed below under Annexure - 1.**





# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

## **We further report that**


The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

During our audit we have found adequate records, paper, documents so as to ascertain that 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the information provided and after inspection of minutes of the meeting of the Board of Directors we can state that majority decisions are carried through while the dissenting member's views were captured and recorded as part of the minutes.

As the Company is not carrying on any manufacturing or business activities, there are no 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.

**For R. Bhandari & Co.**  
Company Secretaries

  
**Raghunath Bhandari**  
Proprietor  
M. No. FCS 8048  
CoP No. 15381



Date: 30<sup>th</sup> July, 2016  
Place: Mira Road



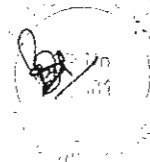
# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane - 401107

## Annexure – I

- A. **Non Compliances under the Companies Act, 2013 and the rules made thereunder and the applicable provisions of the Companies Act, 1956 and Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meeting (SS-2):**
1. Pursuant to section 85 of the Act, the Company has not maintained the Register of Charges and enters therein particulars of all the charges registered with the Registrar as well as particulars of any modification of a charge and satisfaction of charge.
  2. As per section 88 of the Act read with Rule 21(1)(a) of the Companies (Management and Administration) Rules, 2014, the Company has not maintained the Attendance Register of Members and Register of Proxies.
  3. Pursuant to section 94 of the Act, the Company has kept its statutory records at the place other than the registered office without obtaining consent of the Shareholders of the Company which ought to have obtained by way of passing of special resolution.
  4. Pursuant to section 128 of the Act, the Company has kept its financial statements, accounts and relevant papers at the place other than the registered office and has not informed the Registrar of Companies.
  5. As per section 136 of the Act, the Company has not placed its financial statements on the website of the Company as Company is not maintaining any website.
  6. As per section 138 of the Act and the Rule 13 of the Companies (Accounts) Rules, 2014, the Company, being a listed entity is required to appoint Internal Auditor, but the Company has not appointed an Internal Auditor.
  7. Section 170 of the Act read with Rule 17(1) & (2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has not maintained the Register containing such particular of its Directors and KMP include the details of securities held by each of them.
  8. Section 186(9) of the Act, read with Rule 12 of the Companies (Meetings of Board and its Power) Rules, 2014, the Company has not maintained the Register of Loans, Guarantee, Security and Acquisition made by the Company.
  9. As per section 203 of the Act, the Company is required to appoint Chief Financial Officer, a Key Managerial Personnel, but the Company has not appointed Managing Director, Company Secretary and Chief Financial Officer.
  10. Pursuant Para 4.1 of SS-1, the Company had not maintained the attendance registers for the Meetings of the Board and Meetings of the Committee.
  11. As per point No. VII of schedule IV of the Act, The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent





# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

directors and members of management; but the Company had not hold a separate meeting of Independent Director during the audit period.

**B. (I) Non Compliances under SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 / Listing Agreement and other Acts, Rules and Regulations pertaining to that:**

1. Regulation 6(1) / Clause 47(a) - The Company has not appointed Company Secretary who will act as Compliance officer of the Company and responsible for monitoring of share transfer process etc.
2. Regulation 6(2)(d) / Clause 47(f) - The Company has not designated any email id for the grievance redressal nor have they displayed the email id for the same on their websites.
3. Regulation 10(1) - The Company is not adopted the electronic filing mode for submission of various quarterly, half yearly and annually compliance, other disclosures, reports and results etc.
4. Regulation 17(5)(a) / Clause 49(I)(D)(i) - The Company do not have Code of Conduct for its Board Members and senior management of the Company and the same is not placed on the website of the Company.
5. Regulation 27(2)(a) / Clause 49(VI)(ii) – The Company has not submitted the Compliance Report on Corporate Governance for the quarter ended 30<sup>th</sup> June, 2015 and quarter ended 31<sup>st</sup> March, 2016 within 15 days from the close of the quarter.
6. Regulation 27(2)(c) / Clause 49(V) - The Company has neither taken Certification from CEO/ CFO or Managing Director pertaining to financial statement nor the same forms part of the annual report for 2015.
7. Regulation 30(6) / Clause 41(I)(f) - The financial results are not submitted within 30 / 15 minutes of conclusion of Board Meeting in which they were considered.
8. Regulation 31(2): The Company has not maintained the 100% Shareholding of Promoter(s) and Promoter group in dematerialised form.
9. Regulation 33(3)(c)(i) / Clause 41(I)(c)(i) - The quarterly unaudited financial results submitted by the Company to the Stock Exchanges are not accompanied by Limited Review Report of the Statutory Auditors/ Chartered Accountants for the quarter ended 30<sup>th</sup> June, 2015 and quarter ended 31<sup>st</sup> March, 2016.
10. Regulation 33(3)(d) / Clause 41(I)(d) - The Company has not submitted audited financial statements for the entire financial year within sixty days of end of the financial year.
11. Regulation 33(3)(f) / Clause 41(I)(ea) & (eaa) - The Company has not submitted half yearly statement of Assets and Liabilities for the half year ended on 30<sup>th</sup> September, 2015.





# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

12. Regulation 34 / Clause 49(IV)(F) - The Company has not provided Management Discussion & Analysts as a part of Directors' Report in the annual report for 2015.
13. Regulation 34(3) / Clause 49(I)(D)(ii) - Neither the Board of Directors nor the senior management have confirmed the compliance with Code of Conduct. The Annual Report for 2015, do not contain declaration to this effect signed by CEO.
14. Regulation 46: The Company has not maintain the disseminating of basic information on Company' website.
15. Regulation 47(1)(a) / Clause 41(III)(b) - The Company has not issued public notice of Board Meeting in newspapers, neither in English nor in regional language newspaper, but the appropriate notice was circulated to the concerned directors before holding of every Board meeting.
16. Regulation 47(1)(b) / Clause 41(VI) - The Company has not published its financial results in any of the newspapers, neither in English nor in regional language newspapers, which they ought to have published within 48 hours of conclusion of the Board Meeting.

## (II) SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 2011:

1. Regulation 30(1) and (2) - The Company, its promoters and persons mentioned in that regulations, have not made necessary disclosures under these regulations.

## (III) SEBI (Prohibition of Insider Trading) Regulation, 2015:

1. Regulation 8 - The Company does not have Code of practices and procedures for fair disclosures and the Company has not published the same on its website.

## C. The Matter on which we are unable to comment or provide our opinion:

We tried to provide comments/ opinions/ concerns/ observations, to the extent possible on all the matters, compliances made available for our inspection during our audit.

We are unable to comment or provide our opinion on the matters which are out of our preview and which are not disclose to us during the audit.

## D. The court cases, litigations, matters against the Company:

We have been informed by the Company that there are no court cases, litigations, matters against the Company, except as provided herein below:

### 1. SUIT NO. 107740/1997

G. K. Investments v/s Arihant Tournesol & Ors





# R. Bhandari & Co.

*Company Secretaries*

Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

Suit filed in the year 1997 by G.K. Investments against Arihant Tournesol & Ors for Decree of Rs.13,68,000/-

The same is pending for hearing and disposal before the Hon'ble City Civil Court, Bombay

## 2. SUIT NO. 107741 of 1997

**Gayatri Devi Jhunjunwalla v/s Arihant Tournesol & Ors**

Suit filed in the year 1997 by Gayatri Devi Jhunjunwalla for Decree of Rs.16,65,133/ from the Arihant Tournesol and others.

Decree came to be passed against Arihant Tournesol on 25<sup>th</sup> November, 2014 decreeing to pay Rs.16,65,133/- along with 8% per annum from date of filing suit till actual realization.

Aggrieved by the Judgment and Decree passed by City Civil Court, Arihant Tournesol and others have filed First Appeal Stamp No.5490/2015 before the Hon'ble High Court, Bombay. The same is pending for hearing and disposal. Therefore the Decree of Rs.16,65,133/ along with interest has not attained finality.

## 3. SUIT NO. 4811 OF 1996

**Crompton Greaves Limited v/s Arihant Tournesol Limited**

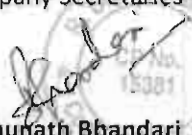
Suit filed in the year 1996 by Crompton Greaves Limited against Arihant Tournesol Limited for recovery of Rs. 2,65,000/- before the Hon'ble High Court, Bombay.

Suit is dismissed in default by the Hon'ble High Court, Bombay on 17th December, 2007.

### E. Matters Requiring Special Mention:

The Company was into Board of Industrial and Financial Restructuring for last so many years, due to applications filed in this regards by the Company owing to erosion of net worth of the Company. The BIRF vide their order dated 11<sup>th</sup> December, 2013 has deregistered the Company from the purview of BIFR, since the Company has lost its industrial characters within the definition of Sick Industrial Companies Act, 1985.

For R. Bhandari & Co.  
Company Secretaries

  
Raghunath Bhandari  
Proprietor  
M.No. FCS 8048  
CoP No. 15381

Date: 30<sup>th</sup> July, 2016  
Place: Mira Road



# R. Bhandari & Co.

*Company Secretaries*

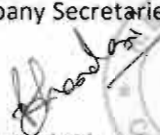
Office No.13, New Tulsi Tower, Saibaba Nagar, Mira-Bhayander Rd., Mira Road (E), Thane – 401107

## Annexure - II:

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

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

For R. Bhandari & Co.  
Company Secretaries

  
Raghunath Bhandari  
Proprietor  
M.No. FCS 8048  
CoP No. 15381



Date: 30<sup>th</sup> July, 2016  
Place: Mira Road



**ARIHANT TOURNESOL  
LIMITED**

**ANNUAL ACCOUNTS**


**FINANCIAL YEAR : 2015-2016**

**Audited By**

**R. B. Pandya & Co.,  
Chartered Accountants,  
308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg, Fort,  
Mumbai - 400 001.**

**Phone No. : 2207 0840 / 2207 6799**

**Fax No. : 2207 6001**





**R.B. PANDYA & CO.**  
**CHARTERED ACCOUNTANTS**  
 308, VENKATESH CHAMBERS, 3rd FLOOR, PRESCOT ROAD,  
 MUMBAI - 400 001, Tel : 22076799 / 22070840, Fax : 22076001

ARIHANT TOURNESOL LTD.

34-B, JOLLY MAKER ,  
 NARIMAN POINT  
 MUMBAI - 400 02  
 Maharashtra

Prev. Yr : 01/04/2015 To 31/3/2016  
 A.Y. : 2016-2017  
**A domestic Company - Public Substantially Interested**  
 Resi. Status : Resident  
 PAN/GIR : AAACA3322J  
 Ward : ACIT/CIR 3(1)  
 Date of Incorporation : 03/06/1992  
 Due Date : 30/09/2016  
 Date Of Filing: 26/05/2016  
 Mobile No : 9820063404

**COMPUTATION OF TOTAL INCOME**

Particulars	Rs.	Rs.	Rs.	Rs.	Rs.
<b>I. INCOME FROM PROFIT/GAINS OF BUSINESS/PROFESSION</b>					
<u>Income from Business/Profession</u>					
1. ARIHANT TOURNESOL LIMITED					
Net Profit (Loss)			-988974		
Add :Disallowable and /Items Considered Separately					
Depreciation (considered seperately)	727389				
Interest on late payment of TDS	41				
Profession Tax	3000		730430		
Less:Allowable and /Items Considered Separately					
Depreciation			-627253	-885797	
			-----	-----	
					-885797
					-----
<b>GROSS TOTAL INCOME</b>					NIL
<b>TOTAL INCOME</b>					NIL
<hr style="border-top: 1px dashed black;"/>					
<b>TAX ON TOTAL INCOME</b>					NIL
<hr style="border-top: 1px dashed black;"/>					
<b>TAX PAYABLE</b>					0
Less : Tax Deducted at Source - u/s 194A				11961	-11961
					-----

NAME : ARIHANT Tournesol LTD.  
A.Y. : 2016-2017

-11961

Refund

-----  
11960  
=====

NAME : ARIHANT TOURNESOL LTD.  
A.Y. : 2016-2017

WORKING OF DEPRECIATION U/S 32 FOR  
ARIHANT TOURNESOL LIMITED

Particulars	Depn %	Opening WDV	Add:Use>= 180 Days	Add:Use< 180 Days	Deductn Balance	Dep./ Addl. Dep.	Closing WDV	P/L u/s 50
Factory Building	10	3453196	0	0	0 3453196	345320	3107876	0
Plant and Machiner	15	1854956	0	0	0 1854956	278243	1576713	0
Electric Installation	15	24597	0	0	0 24597	3690	20907	0
<b>Total</b>		<b>5332749</b>	<b>0</b>	<b>0</b>	<b>0 5332749</b>	<b>627253</b>	<b>4705496</b>	<b>0</b>

B/F LOSSES, ADJUSTMENTS AND C/F LOSSES

Assessment Year	Dep.	Busi.
2008-2009	23898115	
2011-2012	1203109	
2012-2013	1066416	116046
2013-2014	932770	503351
2014-2015	816539	302592
2015-2016	715374	33125
<b>B/F</b>	<b>28632323</b>	<b>955114</b>
2016-2017	627253	258544
<b>C/F</b>	<b>29259576</b>	<b>1213658</b>

COMPUTATION OF BUSINESS INCOME UNDER SPECIAL  
PROVISIONS OF 115JB

Net Profits as shown in the Profit & Loss A/c -988974  
Tax @ 18.5% on Book Profit

NIL

Details of Tax Credits

AY	Tax Cr. Available	Tax Cr. Balance Availed C/f
2009-2010	798950	0 798950
2010-2011	235562	0 235562
<b>Total</b>	<b>1034512</b>	<b>0 1034512</b>

TAX DEDUCTED AT SOURCE

NAME : ARIHANT TOURNESOL LTD.  
A.Y. : 2016-2017

Details	UTN No	TAN	Section	Date	Income	TDS Amount
MAHARASHTRA STATE ELECTRICITY DI STRI COMPANY LIMITED		PNEM10063E	194A	30/03/16	119605	11961
Total					119605	11961

R. B. Pandya & Co.  
Chartered Accountants

308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg,  
Fort, Mumbai – 400001.  
Phone : 2207 0840/2207 6799.

## AUDITOR'S REPORT

To,  
The Members of,  
Arihant Tournesol Ltd.

### Report on the (Standalone) \* Financial Statements

1. We have audited the accompanying financial statements of Arihant Tournesol Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the (Standalone) \* Financial Statements

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Basis for Qualified Opinion**

Attention is invited to the following points:

- a. Non provision in the accounts for an amount of Rs. 33.13 lacs (Previous Year Rs. 33.13 lacs) on account of claims filed against the company, not acknowledged as debts, the matter being under dispute (Refer Notes On Accounts Point No.5).
- b. The company doesn't have a whole time company secretary as required by Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel).
- c. Refer Notes on Accounts Point No.3 regarding non-confirmation of balances.

#### **Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - a. in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2016;
  - b. in the case of Profit & Loss Account, its profit / loss for the year ended on that date; and
  - c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.


#### **Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
8. As required by section 143(3) of the Act, we further 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) except for the effects of the matter described in the 'Basis for qualified opinion' paragraph above, 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) except for the effects of the matter described in the 'Basis for qualified opinion' paragraph above, in our opinion, the aforesaid financial statements comply with the applicable 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
- f) except for the effects of the matter described in the 'Basis for qualified opinion' paragraph above, in our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 :
- i. the Company has disclosed the impact of pending litigation on it's financial position in it's financial statements, Refer note 5 in the notes to the accounts ;
  - ii. the company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
  - iii. there has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For R. B. Pandya & Co.  
Chartered Accountants

  
Rajesh B. Pandya  
Proprietor



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

R. B. Pandya & Co.  
Chartered Accountants

308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg,  
Fort, Mumbai – 400001.  
Phone : 2207 0840/2207 6799.

**Annexure referred to in paragraph 7 of Our Report of even date to the members of Arihant Tournesol Limited on the accounts of the company for the year ended 31st March, 2016**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
(b). As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;  
(c). On Verification it was observe that, All the immovable properties are held in the name of the Company.
- ii. The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company
- iii. The company has granted Advance of Rs. 51,65,000/- to one company covered in the register maintained under section 189 of the Act. The maximum balance outstanding was Rs. 51,65,000/- and the year end balance was Rs. 51,65,000/-.(Previous year: Rs. 51,65,000/-). In our opinion and according to the information and explanations given to us, the Advance is Interest free and repayable on demand, and other terms and conditions are not prima facie prejudicial to the interest of the company.
- iv. In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of Loans, Investments, Guarantees, and Security.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- vii. (a) The Company does not have any liability towards employees during the year, under the Provident Fund Act and Employees State Insurance Act, hence the question of timely deposit of the Provident Fund dues and Employees State Insurance Scheme, does not arise.





R. B. Pandya & Co.  
Chartered Accountants

308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg,  
Fort, Mumbai – 400001.  
Phone : 2207 0840/2207 6799.

**Annexure referred to in paragraph 7 of Our Report of even date to the members of Arihant Tournesol Limited on the accounts of the company for the year ended 31st March, 2016**

According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.

- viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures.
- ix. Based upon the audit procedure performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or 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 and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid by the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. According to explanation and information given to us all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 the details of which has been disclosed in the Financial Statements etc., as required by the applicable accounting standards;



R. B. Pandya & Co.  
Chartered Accountants

308, Venkatesh Chambers,  
Ghanshyam Talwatkar Marg,  
Fort, Mumbai – 400001.  
Phone : 2207 0840/2207 6799.

Annexure referred to in paragraph 7 of Our Report of even date to the members of Arihant Tournesol Limited on the accounts of the company for the year ended 31st March, 2016

- xiv. Based upon the audit procedures performed and the information and explanations given by the management, 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 and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.

For R. B. Pandya & Co.  
Chartered Accountants



Rajesh B. Pandya  
Proprietor



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

**ARIHANT TOURNESOL LIMITED**  
Balance Sheet as at 31st March 2016

( in ₹ )

Particulars	Note No.	2015-16	2014-15
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	98,983,000.00	98,983,000.00
(b) Reserves and surplus	2	(109,921,111.87)	(108,569,640.37)
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	28,321,754.68	28,321,754.68
(b) Deferred tax liabilities	4	197,678.00	228,620.00
(c) Other Long term liabilities	5	764,399.24	764,399.24
<b>3 Current liabilities</b>			
(a) Other current liabilities	6	35,565.40	52,663.40
<b>TOTAL</b>		<b>18,381,285.45</b>	<b>19,780,796.95</b>
<b>II. ASSETS</b>			
<b>Non-current assets (Long term)</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible assets	7	6,502,024.06	7,229,413.06
(ii) Capital work-in-progress	7	4,131,034.00	4,131,034.00
(b) Non-current investments	8	23,700.00	23,700.00
(c) Long-term loans and advances	9	4,780,000.00	5,165,000.00
(d) Other non-current assets	10	2,490,090.32	2,766,925.32
<b>2 Current assets (short term)</b>			
(a) Trade receivables	11	240,000.00	120,000.00
(b) Cash and cash equivalents	12	214,437.07	344,724.57
<b>TOTAL</b>		<b>18,381,285.45</b>	<b>19,780,796.95</b>

Notes

13

As Per Our Report On Even Date

For R.B. Pandya & Co.  
Chartered Accountants

*R. B. Pandya*

Rajesh B. Pandya  
Proprietor

Mumbai, 30th May 2016



For Arihant Tournesol Ltd.

*D.N. Jha*

D.N.Jha  
Director

Mumbai, 30th May 2016

*Varsha Sethi*

Varsha Sethi  
Director

**ARIHANT TOURNESOL LIMITED**

Statement of Profit and loss for the year ended 31<sup>st</sup> March 2016

(in ₹)

Particulars		Refer Note No.	2015-16	2014-15
I	Revenue from Operations	14	239,605.00	303,833.27
II.	<b>Total Revenue (I + II)</b>		239,605.00	303,833.27
III.	Expenses:			
	Employee Benefit Expenses	15	30,000.00	40,000.00
	Depreciation and amortization expense		727,389.00	981,498.00
	Other expenses	16	471,189.50	299,958.28
	<b>Total expenses</b>		1,228,578.50	1,321,456.28
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		(988,973.50)	(1,017,623.01)
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		(988,973.50)	(1,017,623.01)
VIII.	Extraordinary Items			
	Short/Excess Provision for Taxation		393,440.00	-
IX.	<b>Profit before tax (VII- VIII)</b>		(1,382,413.50)	(1,017,623.01)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		30,942.00	462,271.00
XI	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		(1,351,471.50)	(555,352.01)
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(1,351,471.50)</b>	<b>(555,352.01)</b>
XVI	Earnings per equity share:			
	(1) Basic		Nil	Nil
	(2) Diluted		Nil	Nil

As Per Our Report On Even Date

For R.B. Pandya & Co.

Chartered Accountants

*R. B. Pandya*

Rajesh B. Pandya

Proprietor

Mumbai, 30th May 2016



For Arihant Tournesol Ltd.

*D. N. Jha*

D. N. Jha

Director

Mumbai, 30th May 2016

*V. K. Sethi*

V. K. Sethi

Director

Note 1

Share capital

Share Capital	2015-16		2014-15	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	10,000,000.00	100,000,000.00	10,000,000.00	100,000,000.00
<b>Issued</b>				
Equity Shares of ₹ 10 each	9,950,000.00	99,500,000.00	9,950,000.00	99,500,000.00
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10 each fully paid	9,898,300.00	98,983,000.00	9,898,300.00	98,983,000.00
<b>Subscribed but not fully Paid up</b>				
Equity Shares of ₹ 10 each, not fully paid up (See Note 4)	-	-	-	-
<b>Total</b>	<b>9,898,300.00</b>	<b>98,983,000.00</b>	<b>9,898,300.00</b>	<b>98,983,000.00</b>

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2015-16		2014-15	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	9,898,300.00	98,983,000.00	9,898,300.00	98,983,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	9,898,300.00	98,983,000.00	9,898,300.00	98,983,000.00

Shares held by holding co. or ultimate holding co. including shares held by subsidiaries or associates of the holding Co. or ultimate holding Co. - NIL

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2015-16		2014-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sara Resinous Chemicals Pvt Ltd	19,07,100	19.26%	19,07,100	19.26%
Omega Investment & Properties Ltd	16,82,300	16.99%	16,82,300	16.99%
Western India Prosect Consultancy Services Pvt Ltd	8,00,000	8.08%	8,00,000	8.08%

Shares issued for other than cash, Bonus issue and Shares bought back

Particulars	Year (Aggregate No. of Shares)				
	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

Unpaid Calls	2015-16	2014-15
By Directors	NIL	NIL
By Officers	NIL	NIL

The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital;

1. The Company has only one class of Equity shares having a par value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. During the year ended March 31, 2013, since there are accumulated losses, no dividend is declared.

2. Shares reserved for issue under options and contracts/commitments for the sale of shares /disinvestment, including the terms and amounts; in respect of unissued share capital : Nil

3. Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Not applicable

4. Forfeited shares (amount originally paid up) - 1200 SHARES @ 5/- PER SHARES = 6000 (IN THE YEAR 1994)

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



**Note 2****Reserves and surplus**

Particular	2015-16	2014-15
<b>a. Capital Reserves</b>		
Opening Balance	2,467,500.00	2,467,500.00
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	2,467,500.00	2,467,500.00
<b>b. Surplus</b>		
Opening balance	(111,037,140.37)	(109,251,886.78)
(+) Net Profit/(Net Loss) For the current year	(1,351,471.50)	(555,352.01)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
(-) Fixed Assets Adjusted	-	1,229,901.58
Closing Balance	(112,388,611.87)	(111,037,140.37)
<b>Total</b>	<b>(109,921,111.87)</b>	<b>(108,569,640.37)</b>

Debit Balance of Rs. 11,23,88,612/- of Profit and Loss A/c consist of Unabsorbed Depreciation Rs. 61,599,170/- and brought forward Business Loss of earlier years Rs. 50,789,442/-

**Note 3****Long Term Borrowings**

Particular	2015-16	2014-15
<b>Secured :</b>		
(a) Loans repayable on demand from other parties (of the above, ₹ Nil is guaranteed by Directors )	28,321,754.68	28,321,754.68
<b>Total</b>	<b>28,321,754.68</b>	<b>28,321,754.68</b>

The above loan has been taken by creating equitable mortgage on the land situated at Gat No.74, Village Bhogaon, Taluka North Solapur, Dist and Sub-Dist.Solapur having Total Area 3 Hectares and 66 R divided into two parts by Solapur Barsi Road passing through it. One Part towards East of the Road having Area of 3 Hectares and 37R and other Part towards West of the Road having area of 0 hectares, 29R thus totalling to 3 Hectares 66R together with all buildings another structures all fixed Plant and Machinery and fittings, etc, both present and future. No interest is required to be payable on the above funding . The Party is paying monthly rent of Rs.10,000/- for using entire plant of the Company.



**Arihant Tournesol Ltd.**  
**Assessment Year 2016-2017**

Note 4 :

**Deferred Tax Liability (DTL)**

Particular	As per IT Amount(Rs.)	As Per Books Amount(Rs.)	DTL Amount(Rs.)
<b>WDV Of Assets</b>			
Factory Building	3,107,876.00	2,082,146.06	(1,025,729.94)
Plant & Machinery	1,576,713.00	3,141,812.00	1,565,099.00
Electrical Installation	20,907.00	121,271.00	100,364.00
<b>Total</b>	<b>4,705,496.00</b>	<b>5,345,229.06</b>	<b>639,733.06</b>

Tax Rate	30.90%
Deferred Tax Liability As On 31.03.2016	197,678.00
Deferred Tax Liability As On 31.03.2015	228,620.00
Decrease In Deferred Tax Liability As On 31.03.2016	30,942.00



**Arihant Tournesol Limited**  
Notes forming part of Financial Statements for the year ended 31st March, 2016

**Note 5**

**Other non current Long Term Liabilities :**

Particular	2015-16	2014-15
<b><u>Creditors for Capital Purchase</u></b>		
Crompton Greaves Ltd	176,168.00	176,168.00
Advance from Jay Kay Marketing	247,431.00	247,431.00
Anand Steel Corporation	40,000.00	40,000.00
Dawoodbhai Kadarbhai	100,800.24	100,800.24
Advance from Jay Kay Marketing	200,000.00	200,000.00
<b>Total</b>	<b>764,399.24</b>	<b>764,399.24</b>

**Note 6**

**Other Current Liabilities**

Particular	2015-16	2014-15
<b>(a) Other payables</b>		
Bigshare Services Pvt. LTD.	-	17,957.00
<b>(b) TDS Payable</b>	1,065.00	998.00
<b>(c) Audit Fees</b>	34,500.40	33,708.40
<b>Total</b>	<b>35,565.40</b>	<b>52,663.40</b>





**ARIHANT TOURNESOL LIMITED**

Notes forming part of Financial Statements for the year ended 31st March, 2016

**Note 7 : FIXED ASSETS**

	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1 April 2015	Additions/ Adjustments during the period	Deductions/ retirement during the period	Balance as at 31 March 2016	Balance as at 1 April 2015	Depreciation charge for the year	Deductions/ Adjustments during the period	Balance as at 1 April 2015	Balance as at 31 March 2016
<b>a</b>									
Tangible Assets (Given on lease)									
Land: Free-hold	1,156,795.00	-	-	1,156,795.00	-	-	-	1,156,795.00	1,156,795.00
Buildings	27,367,383.00	-	-	27,367,383.00	24,557,847.94	727,389.00	-	2,809,535.06	2,082,146.06
Plant and Equipment	61,620,749.95	-	-	61,620,749.95	58,478,937.95	-	-	3,141,812.00	3,141,812.00
Electrical Installation	2,410,999.74	-	-	2,410,999.74	2,289,728.74	-	-	121,271.00	121,271.00
<b>Total</b>	<b>92,555,927.69</b>	<b>-</b>	<b>-</b>	<b>92,555,927.69</b>	<b>85,326,514.63</b>	<b>727,389.00</b>	<b>-</b>	<b>7,229,413.06</b>	<b>6,502,024.06</b>
<b>b</b>									
Capital Work In Progress									
Flacker / Cracker	648,743.00	-	-	648,743.00	-	-	-	648,743.00	648,743.00
Meal & Drier Cooler Components	1,431,361.00	-	-	1,431,361.00	-	-	-	1,431,361.00	1,431,361.00
Solvent Leak Tight Conveyor	281,305.00	-	-	281,305.00	-	-	-	281,305.00	281,305.00
S.S. Tubes	1,769,625.00	-	-	1,769,625.00	-	-	-	1,769,625.00	1,769,625.00
<b>Total</b>	<b>4,131,034.00</b>	<b>-</b>	<b>-</b>	<b>4,131,034.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,131,034.00</b>	<b>4,131,034.00</b>
<b>Grand Total</b>	<b>96,686,961.69</b>	<b>-</b>	<b>-</b>	<b>96,686,961.69</b>	<b>85,326,514.63</b>	<b>727,389.00</b>	<b>-</b>	<b>11,360,447.06</b>	<b>10,569,958.06</b>



**Arihant Tournesol Limited**  
Notes forming part of Financial Statements for the year ended 31st March, 2016

**Note 8**

**Non-current Investments**

Particular	2015-16	2014-15
a) Other Investments		
National Saving Certificates	23,700.00	23,700.00
<b>Total</b>	<b>23,700.00</b>	<b>23,700.00</b>

Aggregate value of unquoted investments :

At cost : 23,700.00 23,700.00

**Note 9**

**Long Term Loans and Advances**

Particular	2015-16	2014-15
(Unsecured, considered good)		
Loans to related parties :		
Omega Investments and Properties Ltd.	4,780,000.00	5,165,000.00
<b>Total</b>	<b>4,780,000.00</b>	<b>5,165,000.00</b>

**Note 10**

**Other non-current assets**

Particular	2015-16	2014-15
a) <b>Tax Refund due :</b>		
TDS on Commission (A.Y. 10-11)	-	393,440.00
TDS on Commission (A.Y. 11-12)	211,680.00	211,680.00
TDS on Interest (A.Y. 14-15)	13,384.00	13,384.00
TDS on Interest (A.Y. 15-16)	13,283.00	13,283.00
TDS on Interest (A.Y. 16-17)	11,961.00	-
Profession Tax	-	3,000.00
	250,308.00	634,787.00
b) <b>Deposits :</b>		
Deposit- Business Centre Facility	1,500,000.00	1,500,000.00
Deposit - MSEB	713,452.32	605,808.32
Sales Tax Deposit	3,000.00	3,000.00
Telephone Deposit	23,330.00	23,330.00
	2,239,782.32	2,132,138.32
<b>Total</b>	<b>2,490,090.32</b>	<b>2,766,925.32</b>

**Related Party Transaction**

Particular	2015-16	2014-15
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*Either severally or jointly



**Note 11****Trade Receivables**

Particular	2015-16	2014-15
Trade receivables outstanding for a period less than six months from the date they are due for payment. Unsecured, considered good Betul Oil	240,000.00	120,000.00
<b>Total</b>	<b>240,000.00</b>	<b>120,000.00</b>

Trade Receivable stated above include debts due by:

Particulars	2015-16	2014-15
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*Either severally or jointly

**Note 12****Cash and cash equivalents**

Particular	2015-16	2014-15
<b>a) Balances with banks :</b>		
Central Bank of India	10,352.22	10,437.22
The Kunbi Sahakari Bank Ltd.	8,541.02	8,541.02
Syndicate Bank	4,654.66	36,764.66
<b>b) Cash on hand*</b>	<b>190,889.17</b>	<b>288,981.67</b>
<b>Total</b>	<b>214,437.07</b>	<b>344,724.57</b>

**Note 13****a) Contingent liabilities and commitments (to the extent not provided for)**

Particular	2015-16	2014-15
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt	3,313,000.00	3,313,000.00
(b) Guarantees	-	-
(c) Other money for which the company is contingently liable	-	-
	<b>3,313,000.00</b>	<b>3,313,000.00</b>
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)	-	-
	-	-
<b>Total</b>	<b>3,313,000.00</b>	<b>3,313,000.00</b>

b) In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business.



**Arihant Tournesol Limited**  
Notes forming part of Financial Statements for the year ended 31st March, 2016

**Note 14**

**Revenue from operations**

Particulars	2015-16	2014-15
a) Other Income :		
Lease Rent	120,000.00	120,000.00
Other Income	119,605.00	183,833.27
<b>Total</b>	<b>239,605.00</b>	<b>303,833.27</b>

**Note 15**

**Employee Benefits Expense**

Particulars	2015-16	2014-15
Salaries and incentives	30,000.00	40,000.00
<b>Total</b>	<b>30,000.00</b>	<b>40,000.00</b>

**Note 16**

**Other expenses**

Particulars	2015-16	2014-15
Printing & Stationery	-	-
Postage & Telegram	62,965.00	62,965.00
Legal and Professional fees	55,801.00	18,662.78
Listing Fees	224,720.00	112,360.00
Filing Fees	4,800.00	8,300.00
Fees to Registrar & Transfer agents	79,616.00	59,860.00
Bank Charges	299.00	948.00
Advertisement and Publicity	5,120.00	-
General Expenses	327.50	154.50
Interest on late payment of TDS	41.00	-
Profession Tax	3,000.00	
Penalty	-	3,000.00
Payments to the auditor as		
a. Audit Fees	34,500.00	33,708.00
<b>Total</b>	<b>471,189.50</b>	<b>299,958.28</b>



## ARIHANT TOURNESOL LIMITED

### SCHEDULE "17" : NOTES ON ACCOUNTS

#### 1. Significant Accounting Policies

i. System of Accounting

The company follows accrual system of accounting for all items of costs and revenue.

ii. Inflation

Assets and Liabilities are shown at historical costs and no adjustments are made for changes in purchasing power of money.

iii. Fixed Assets

Fixed Assets are recorded at cost of acquisition or construction plus appropriate share of pre-operative expenses.

Capital Work in Progress

Fixed Assets not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

iv. Depreciation

Depreciation on fixed assets has been charged on written down value method at the rates specified in Schedule II to the Companies Act, 2013.

v. Revenue Recognition

Revenue in respect of insurance/other claims, interest, commission etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

vi. Gratuity

No provision has been made in accounts for gratuity, as the same will be accounted on cash basis.

vii. Taxes on Income

No provision for deferred tax asset is made on account of the business loss and unabsorbed depreciation carried forward under the Income Tax Act. The deferred tax assets has not been recognized as there is no reasonable certainty of sufficient taxable income being available against which such deferred tax assets can be realized



## ARIHANT TOURNESOL LIMITED

### SCHEDULE "17" : NOTES ON ACCOUNTS

- The company has not made any provision for gratuity payable to the Managing Director. There are no other employees who are eligible for Gratuity payment during the year. The liability as per actuarial valuation has not been determined.
- The balances in sundry debtors, loans and advances, and sundry creditors are as per the books of accounts for which the company has not obtained confirmations from certain parties. The said balances are therefore subject to the confirmations and consequent reconciliation if any.
- In compliance with Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has during the current year followed Deferred Taxation in respect of taxes on income. As a consequence, the company has created Net Deferred Tax Liability of Rs. 30,942/- in respect of temporary differences mainly due to difference in book value and income tax value of the block of assets as existing on 31.03.2016 by debiting it to Profit & Loss Appropriation Account.

#### Major items of Deferred Tax :

Sr. No.	Particulars	Opening Balance as on 1.04.2015	Net Increase / (Decrease) during the year	Closing Balance as on 31.03.2016
A.	<b>Deferred Tax Liability</b>			
	Tax effect of timing differences on account of fixed assets (excess of net block over written down value as per the provisions of the income tax act, 1961)	2,28,620	(30,942)	1,97,678
	<b>Total A</b>	<b>2,28,620</b>	<b>(30,942)</b>	<b>1,97,678</b>
B.	<b>Deferred Tax Asset</b>			
	Tax effect of timing differences on account of brought forward business loss.	Nil	Nil	Nil
	<b>Total B</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Net Tax effect of Timing Differences (A – B)</b>	<b>2,28,620</b>	<b>(30,942)</b>	<b>1,97,678</b>



## ARIHANT TOURNESOL LIMITED

### SCHEDULE "17" : NOTES ON ACCOUNTS

5. Claims against the Company which are under dispute, not acknowledged as debts :-

Sr. No.	Party's Name	Rs. (Lacs)
1	Crompton Graves Ltd.	2.80
2	G. K. Investment	13.68
3	Gayatri Devi	16.65
<b>Total</b>		<b>33.13</b>

6. Related Party Disclosures:

Disclosures as required by Accounting Standard 18 "Related Party Disclosures" are given below:  
List of Related Parties (Enterprises commonly controlled or influenced by the Major Shareholders or/ Directors of the Company) :

Omega Investment & Properties Ltd.

Key Management Personnel & Relatives

- a) A.K.Sethi, Director
- b) Varsha Sethi, Director
- c) Kalpita Sawant, Director
- d) D. N. Jha, Director
- e) Rajendra Gumani

7. Previous year's figures have been regrouped and rearranged wherever necessary.

8. Schedules '1' to '17' form an integral part of the Balance Sheet as at 31<sup>st</sup> March, 2016 and Statement of Profit and Loss for the year ended on that date and have been duly authenticated.

2015-2016  
(Amount in Thousands)

- a) Registration Details  
Registration No. :  
State Code :

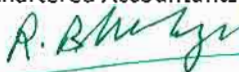
61079/TA/1C  
11



Balance Sheet Date	:	31.03.2016
b) Capital Raised During the Year		
Private Placement	:	NIL
Bonus Issue	:	NIL
c) Position of mobilization and Deployment of funds		
Total Liabilities	:	Rs. 19,163
Total Assets	:	Rs. 19,163
<u>Sources of Funds</u>		
Paid-up Capital	:	Rs. 98,983
Reserves and Surplus	:	Rs. (109,525)
Deferred Tax Liability	:	Rs. 198
Secured Loans	:	Rs. 28,707
Other Long Term liabilities and provisions	:	Rs. 764
Current Liabilities	:	Rs. 36
<u>Application of Funds</u>		
Net Fixed Assets	:	Rs. 10,633
Investments	:	Rs. 24
Long Term Loans and Advances	:	Rs. 5,165
Other Non Current Assets	:	Rs. 2,887
Current Assets	:	Rs. 454
d) Performance of Company		
Turnover	:	Rs. NIL
Other Income	:	Rs. 240
Total Expenditure	:	Rs. 1,226
Loss after Depreciation	:	Rs. (986)
Loss After Deferred Tax	:	Rs. (955)
Earning per share	:	Rs. NIL
Dividend %	:	N.A

As per our Report of even date

For R. B. Pandya & Co.,  
Chartered Accountants

  
RAJESH PANDYA  
Proprietor

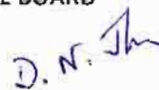
PLACE: MUMBAI.

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



FOR AND ON BEHALF OF THE BOARD

  
VARSHA SETHI  
(Director)

  
D.N. JHA  
(Director)



Arihant Tournesol Limited  
 Assessment Year : 2016-2017  
 Depreciation as per Income Tax Act

Description of Assets	Dep. %	Opening WDV	Addition		Deduction	Depreciation	Closing WDV
			>180 Days	<180Days			
Factory Building	10	3,453,196.00	-	-	-	345,320.00	3,107,876.00
Plant & Machinery	15	1,854,956.00	-	-	-	278,243.00	1,576,713.00
Electric Installation	15	24,597.00	-	-	-	3,690.00	20,907.00
<b>Total</b>		<b>5,332,749.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>627,253.00</b>	<b>4,705,496.00</b>

