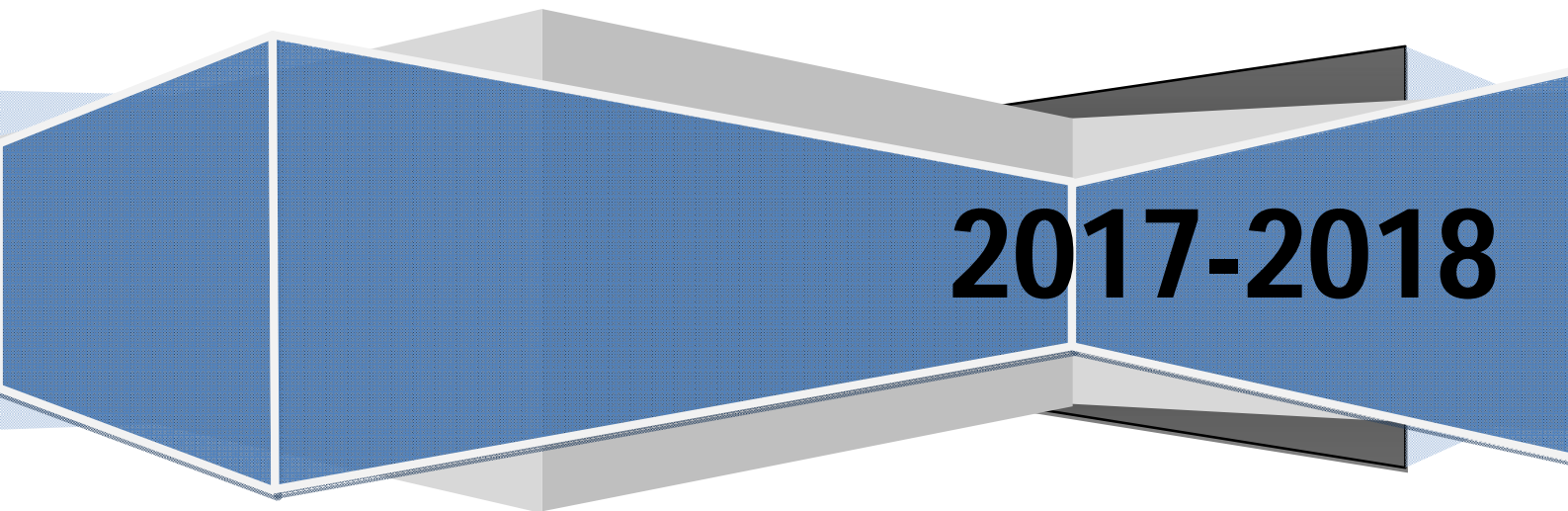


SIROHIA & SONS LIMITED  
ANNUAL REPORT



**2017-2018**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS (As on 31<sup>st</sup> March, 2018)

Mr. Rajat Sirohia	DIN No. 00244597	Whole Time Director
Mr. Rakesh Sirohia	DIN No. 00228967	Managing Director
Mr. Jitendra Sirohia	DIN No. 00244740	Non-Executive Director
Mr. Rajesh Sirohia	DIN No. 00356431	Non-Executive Director
Mrs. Dipika Sirohia	DIN No. 01591415	Non-Executive Director
Mr. Sribhagwan Kalyani	DIN No. 00250405	Independent Director
Mrs. Agam Pyari Kalyani	DIN No. 00250457	Independent Director
Mrs. Paridhi Lahoti	DIN No. 02699314	Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Rajat Sirohia	Whole Time Director
Mr. Rakesh Sirohia	Managing Director
Mr. Jitendra Sirohia	Chief Financial Officer
Mr. Rahul Gupta	Company Secretary & Compliance Officer

<b>STATUTORY AUDITORS</b>	<b>M/s RSVA &amp; Co., Chartered Accounts</b>
<b>REGISTERED OFFICE</b>	<b>Sirohia &amp; Sons Ltd.</b> 16, Bonfield Lane, Kolkata- 700 001, West Bengal (India) Phone : 033 4017 0700 Fax : 033 4017 0701 E-mail : <a href="mailto:info@sirohia.com">info@sirohia.com</a> Website : <a href="http://www.sirohia.com">www.sirohia.com</a>
<b>ADMINISTRATIVE &amp; HEAD OFFICE</b>	6, Bishop Lefroy Road, 4 <sup>th</sup> Floor, Suite No. # 19, Kolkata- 700 020, West Bengal (India)
<b>REGISTRAR &amp; TRANSFER AGENT</b>	Adroit Corporate Services Pvt. Ltd. 19/20 Jaferbhoy Industrial Estate. 1st Floor, Makwana Road, Marol Naka, Andheri East, Mumbai – 400 059 Tel No. 022 – 2859 0942, 2859 4060, 4227 0400 Fax No. 022 – 2850 3748 Email Id- rameshg@adroitcorporate.com sandeeph@adroitcorporate.com prafuls@adroitcorporate.com
<b>CIN NO.</b>	L51109WB1990PLC049105
<b>LISTING INFORMATION</b>	BSE Limited (BSE) Scrip Code: 538667
<b>CONNECTIVITY</b>	National Depository Services Limited (NSDL) Central Depository Services (India) Limited (CDSL) ISIN: - INE785O01019

## **COMMITTEES OF BOARD**

(As on 31<sup>st</sup> March, 2018)

### **Audit Committee**

Mr. Sribhagwan Kalyani - Chairman

Mrs. Agam Pyari Kalyani - Member

Mrs. Paridhi Lahoti - Member

### **Nomination & Remuneration Committee**

Mr. Sribhagwan Kalyani - Chairman

Mrs. Agam Pyari Kalyani - Member

Mrs. Paridhi Lahoti – Member

### **Stakeholders Relationship Committee**

Mr. Sribhagwan Kalyani - Chairman

Mrs. Agam Pyari Kalyani - Member

Mrs. Paridhi Lahoti – Member

### **Internal Auditors**

**M/s Rahul R Choudhary & Co., Chartered Accountants**

209, AJC Bose Road, Karnani Estate, 4<sup>th</sup> Floor, Room No. – 148, Kolkata - 700 017

### **Secretarial Auditors**

**M/s Agarwal A & Associates, Company Secretaries**

9, Mangoe Lane, 2<sup>nd</sup> Floor, Room No. 12, Kolkata- 700 001

### **Bankers**

**The Federal Bank**

4/1, Elgin road, Kolkata – 700 020

**Kotak Mahindra Bank**

The Millenium, Shop No. 6, Ground Floor, 235/2 A, AJC Bose Road, Kolkata - 700 020

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 28<sup>th</sup> Annual General Meeting of the members of Sirohia & Sons Limited will be held at:

**Venue:** 2 Clyde Row, Hastings, Ground Floor, Kolkata – 700 022, West Bengal

**Day and Date:** 25<sup>th</sup> September, 2018; Tuesday at 10: 30 am

### **AGENDA**

#### **Ordinary Business**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, the Cash Flow Statement, along with the Reports of the Directors and Auditors thereon.
2. The Company does not propose to declare any dividend.
3. To appoint a director in place of Mr. Rajesh Sirohia (DIN No.: 00356431), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mrs. Dipika Sirohia (DIN No.: 01591415), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Audit and Auditors) Rules, 2014 (“Rules”) (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s RSVA & Co., Chartered Accountants, (Firm Registration No. 110504W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 31st Annual General Meeting to be held in the year 2021.”

#### **Special Business**

##### **6. RELATED PARTY TRANSACTIONS:**

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

**“RESOLVED THAT** pursuant to the applicable Regulations of SEBI (LODR) Regulation, 2015 read together with Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meeting of Board and its Power) Rule, 2014, as amended till date and other applicable provisions (if any) of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time

being in force), subject to compliances of all applicable laws and regulations, the consent of members of the Company by means of Ordinary Resolution be and is hereby accorded to the Board of Directors to ratify existing contracts and enter into contracts and/or arrangements with Related Parties as defined under the Act and as board of directors deems fit to sell, purchase or supply any goods or materials, and to render or avail any service of any nature, up to maximum aggregate amount of Rs 25 crore (Twenty Five Crore rupees) from financial year 2018-19 and beyond, provided that the said contract(s) / arrangement(s) / transactions(s) so carried out shall be at arms's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution."

**7. ADVANCE LOANS, PROVIDE GUARANTEE/SECURITY AND MAKE INVESTMENT IN EXCESS OF THE PRESCRIBED LIMIT:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to provision of section 186 of Companies Act, 2013 and other applicable provisions, if any, the consent of the members of the company be and is hereby accorded to give loans, provide guarantee/security and make investments in excess of the prescribed limit of a sum not exceeding Rupees 40 crore (Rupees Forty Crore) by way of giving loans, guarantees to associate Companies and/or other Body Corporate, providing guarantee/security for and/on behalf of its Associate Companies and invest by way of subscription and/or purchase of Shares /Debentures/Bonds, notwithstanding that such investments or such investments together with the Company's existing investments in all other body corporate shall be in excess of the limits prescribed under section 186 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company."

**8. LOANS TO DIRECTORS/INTERESTED PARTIES:**

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

"**RESOLVED THAT** existing loans, book debts to Directors and interested persons pursuant to section 185 of companies Act, 2013 and other applicable provisions, if any, the Board, Directors and the management of the company be and is hereby ratified authorized by a special resolution as per the scheme laid down at the meeting under the provisions of section 185 of the Act, to advance loans including any loans represented by book debt to any of its Directors or to any other person in whom the directors is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person.

**RESOLVED FURTHER THAT** the board shall ensure that such transactions are in the ordinary course of business and not prejudicial to any of the parties as well as fair and reasonable to the business needs of the company, the loans are utilised by the borrowing company for its principal business activities.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the Company.

**By Order of the Board**  
For, **SIROHIA & SONS LIMITED**  
Sd/-  
**RAKESH SIROHIA**  
**Managing Director**  
(DIN No. 00228967)

#### **NOTES**

- A Statement pursuant to Section 102(1) of Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed thereto.
- The relevant details of Directors seeking re-appointments under item no. 3 & 4 above, as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("**Listing Regulations**") are also annexed;
- A Member entitled to attend and vote at the AGM is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The Proxy, in order to be effective, must be deposited at the registered office of the company, duly completed in all respect, at least 48 hours before the meeting. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate of not more than 10% of the total share capital of the Company carrying voting rights. 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;
- The Register of the Members & Share Transfer Books of the Company will remain closed from Monday, 17<sup>th</sup> September, 2018 to Tuesday, 25<sup>th</sup> September, 2018 (both days inclusive)
- Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting;
- As per provisions of the Act, facility for making nominations is available to the Members in respect of shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain nomination forms from their respective Depository Participants ("DP");
- In accordance with the Act read with the relevant Rules, the Annual Reports are sent by electronic mode to those Members whose shareholdings are in dematerialized form and whose email IDs are registered with the DP for communication purposes. To support the "Green Initiative", the Members who have not yet registered their e-mail IDs are requested to register their respective email IDs with Adroit Corporate Services Pvt. Ltd., 1st Floor, 19/20 Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri East, Mumbai- 400 059, the Registrar and Share Transfer Agents of the Company
- Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- Members are requested to bring their Admission Slip along with the Copy of the Report and Accounts of the Annual General Meeting.
- Relevant Documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.

- Members are also requested to notify the change in address, if any, immediately to the Company's Registrar & Share Transfer Agent M/s Adroit Corporate Services Private Limited, having their registered office at 19/20 Jaferbhoy Industrial. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400 059, India by quoting their Folio Number(s).
- The Company has implemented the "Green Initiative" as per Circular Nos. 17/2011 dated April 21,2011 and 18/2011 dated April 29,2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. Henceforth, the E-mail address indicated in your respective depository participant accounts which, as periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/documents including those covered under Section 136 of the Companies Act, 2013 (corresponding to Section 219 of the erstwhile Companies Act, 1956). Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to RTA of the Company quoting their Folio Number(s).
- The annual report of the Company circulated to the members of the Company will be made available on the Company's website at [www.sirohia.com](http://www.sirohia.com). The physical copy of the aforesaid documents will also be available at the registered office of the Company for inspection during the normal business hours on working days.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to our Registrar & Share Transfer Agent.
- Please note that as per the notification of SEBI, the Company's shares are under compulsory Demat Trading, for all the Investors. You are therefore requested to demat your shareholding to avoid any inconvenience in future.
- Voting on resolutions to be discussed in the Meeting will be done through ballot paper. The facility for voting through ballot paper shall be made available at Annual General Meeting after the discussion.
- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 17<sup>th</sup> September, 2018.
- The Company has appointed Mr. Ajay Kumar Agarwal (C.P No. : 13493 & M.No.: F7604), Practicing Company Secretary, as the Scrutinizer to scrutinize the voting in a fair and transparent manner.
- The Chairman shall, at the Annual General Meeting , at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all the members who are present at the Annual General Meeting.
- The Scrutinizer shall, after conclusion of voting at the AGM, first count the votes cast at the meeting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 (two) days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.sirohia.com](http://www.sirohia.com) after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.

Registered Office:  
 16 Bonfield Lane  
**2<sup>nd</sup> Floor**  
 Kolkata - 700 001  
 Dated 20/08/2018

By Order of the Board of Directors  
 Sd/-  
**Rakesh Sirohia**  
 Managing Director  
 (DIN No. 00228967)

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013("the Act")**

### **Item No 6**

The Provision of Section 188(1) of the Companies Act, 2013 that govern Related Party Transactions require a company to obtain prior approval of the Board of Directors and where the value of transactions entered or to be entered into exceeds the threshold limits as mentioned in the said section, prior approval of Shareholders by way of Resolution is required.

Further third proviso of Section 188(1) provides that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

The provisions of Section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the Board or as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In light of provisions of the Companies Act, 2013 the Audit Committee and Board of Directors of your Company has approved the transaction limits that the Company may enter into with its Related Parties for the financial year 2018-19 and beyond.

Members are hereby informed that pursuant to second proviso to Section 188(1) of the Companies Act, 2013 as well as applicable Regulations of SEBI (LODR) Regulation 2015, no members of the Company shall vote on such resolution, to approve any contract or arrangements which may be entered into by the Company, if such member is related party.

The Audit Committee and Board of Directors of your Company have approved these items in the Meeting held on 20<sup>th</sup> January, 2018 and recommends the relevant resolution as set out in the accompanying notice for the approval of members of the Company as a Ordinary Resolution.

All of the Directors, Promoters, Key Managerial Personnel and their relatives as mentioned above are deemed to be concerned or interested or otherwise in the proposed Resolutions to the extent of their shareholding and interest mentioned herein above, in the Company.

### **Item No 7**

As on date the Company deals in the core business of Trading of Fertilizers and Agrochemical Products and Invest the surplus fund in the interest of the Company, therefore the need arises to make investments which may exceed the prescribed limit u/s 186 of Companies Act, 2013. Since the Company wants to utilize its full potential of growth and development by investing its funds in excess of prescribed limit specified in section 186 of the Act, approval of the shareholders of the Company is required by way of Special Resolution to give loans, provide guarantee/security and/or invest in the Shares/Debentures/Bonds of other Body Corporate which shall exceed the limits prescribed under specified section.

The Board of Directors Recommend the Special Resolution for approval by the members.

None of the Directors are concerned or interested in this Resolution.



## Item No 8

In order to conduct business and align with various legislations, policies, guidelines laid down by various statutory authorities, the company in the ordinary course of business is required to advance loan to its directors, relatives and associates directly or indirectly as per section 185 of Companies Act, 2013 which requires approval of members by a Special Resolution.

The Board of Directors Recommend the Special Resolution for approval by the members.

All the Directors are concerned or interested in the aforesaid resolution.

By Order of the Board of Directors

Registered Office:  
16 Bonfield Lane  
Kolkata - 700 001

Sd/-  
**Rakesh Sirohia**  
Managing Director  
(DIN No. 00228967)

## Location Map



### Details of Directors seeking appointment/re-appointment at the AGM

Pursuance to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

<b>NAME OF THE DIRECTOR</b>	<b>MR. RAJESH SIROHIA</b>	<b>MS DIPIKA SIROHIA</b>
DIN No.	00356431	01591415
Date of Appointment	01/04/1995	08/08/2016
Expertise in specific functional areas	Knows a lot about handling Finances	Expertise in identification of area of investment
Qualifications	B.Com (Hons)	MBA
Directorships held in other companies (excluding private & foreign cos.)	Anita Trading Co Limited	Anita Trading Co Limited
No. of shares held by Non-Executive Directors	10 Equity Shares	8 Equity Shares

## **DIRECTORS REPORT**

**Dear Shareholders,**

The Directors of Sirohia & Sons Limited are pleased to present to you the 28<sup>th</sup> Annual Report, along with the audited accounts, for the financial year ended March 31, 2018.

### **Financial Performance**

The summarized results of your Company are given in the table below:

<b>Particulars</b>	<b>Financial Year ended</b>	
	<b>Standalone</b>	
	<b>31/03/2018</b>	<b>31/03/2017</b>
Total Income	2,73,30,015.95	5,38,60,695.77
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	16,75,317.11	45,78,903.59
Finance Charges	12,324.00	1,13,593.00
Depreciation	2,56,156.00	30,677.00
Prior Period Items	-	3,85,497.00
Profit after prior period items	14,06,837.11	40,49,136.59
Tax Expense	4,75,666.00	14,98,516.00
Net Profit/(Loss)	9,31,171.11	25,50,620.59

### **Summary of Operations**

During the year, looking at the market conditions, your Company carried out business only to the extent it was beneficial for the company. The income stood at Rs 2.73 cr. The ratio of Net Profit to total income was 3.41%, as compared to 4.74% in the previous year.

### **Transfer to reserves**

The Company does not propose to transfer any amount to the General Reserve out of the amount available for appropriations.

### **Dividend**

The Board of Directors of the Company has not recommended any dividend on equity share for FY 2017-18.

### **Share Capital**

The paid up Equity Share Capital as on 31st March, 2018 was Rs 10.26 crores. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweats equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

## **Deposits**

During the year, the Company has not accepted any deposits under the Companies Act, 2013. (“Act”)

## **Change in nature of business, if any**

There is no change in the nature of business of the Company during the year under review

## **Meetings**

Six Board Meetings were held during the year under review.

Details of the Board Meetings held during the year are as under:

<b>Date of Board Meeting</b>	<b>Board Strength</b>	<b>Number of Directors Present</b>
3 <sup>rd</sup> April, 2017	5	5
29 <sup>th</sup> May, 2017	8	8
10 <sup>th</sup> July, 2017	8	8
23 <sup>rd</sup> September, 2017	8	8
11 <sup>th</sup> November, 2017	8	8
20 <sup>th</sup> January, 2018	8	8

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Appointment and Retirement:**

Mr. Rajesh Sirohia & Mrs. Dipika Sirohia, retire by rotation and are eligible for re-appointment.

During the year under review, the non-executive directors had no pecuniary relationships or transaction with the company.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

### **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the following persons are the Key Managerial Personnel (“KMP”) of the Company

Mr Rajat Sirohia,            Whole-time Director  
Mr Rakesh Sirohia,        Managing Director  
Mr Jitendra Sirohia,      Chief Financial Officer  
Mr Rahul Gupta,          Company Secretary

Remuneration and other details of the KMP for the year ended 31 March, 2018 are mentioned in the extract of the Annual Return which forms part of this report.

### **Declaration by Independent Directors**

In compliance with section 149(7) of the Act, all Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Internal Controls Systems And Adequacy**

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Board's Report.

### **Directors' Responsibility Statement**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, 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 proper Internal Financial Controls ("**IFC**") and such internal financial controls are adequate and were operating effectively;
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Directors' appointment & remuneration policy**

The Company has the policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act. The Board of Directors of the Company has in accordance with the requirements of Section 178 of the Companies Act, 2013, constituted a Nomination and Remuneration Committee. The role of committee is to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees

## **Board Evaluation**

In Line with the requirements of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a meeting of the Independent Directors of the Company was held on 11<sup>th</sup> November, 2017, wherein the performance of the non - independent directors including chairman was evaluated.

The Board, based on the recommendation of the Nomination and Remuneration Committee ("**NRC**") evaluated the effectiveness of its functioning and that of the Committees and the individual directors by seeking their inputs on various aspects of Board/ Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long term strategic planning and fulfillment of Director's obligations and fiduciary responsibilities, including but not limited to active participation at the Board and Committee meetings.

## **Internal Financial Control**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of Audit Committee. The Statutory Auditor has also commented on the internal control on financial reporting in their report.

## **Audit Committee**

The Audit Committee comprises of 3 (Three) and all Members independent including Chairman. All recommendations made by the Audit Committee were accepted by the Board during FY 2017-18.

## **Corporate Social Responsibility**

Provisions of Section 135 of the Companies Act, 2013, read with applicable Rules, not applicable during the year under review.

## **SUBSIDIARY COMPANY**

The Company does not have any subsidiary Company. (Annexure - A)

## **Extract of Annual Return**

The details forming part of the extract of the Annual Return in Form MGT -9 (Annexure - B) as per provisions of the Companies Act, 2013 and rules framed there under are annexed to this Report.

## **Particulars of loans, guarantees or investments**

The particulars of loans, guarantees and investments have been disclosed in the financial statements

## **Related Party Transactions**

All related party transactions entered into during FY 2017-18 were on arm's length basis and also in the ordinary course of business. No related party transactions were made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons during FY 2017-18, except those reported.

All Related Party Transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained on a yearly / quarterly basis for the transactions which were foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted were audited and a statement giving details of all related party transactions was placed before the Audit Committee for its approval on a quarterly basis. The statement was supported by a Certificate duly signed by the Managing Director and the Chief Financial Officer.

In view of the above, the disclosures required under the Act in Form AOC-2 is not applicable for the year 2017-18. None of the Directors or KMP has any pecuniary relationships or transactions vis-à-vis the Company during FY 2017-18.

**Significant material orders passed by Regulators / Courts etc.**

There were no significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status and company's operations in future.

There were also no material changes and commitments occurred after the closure of the year till the date of this report, which affect the financial position of the company.

**Details of conservation of energy, technology absorption, foreign exchange earnings and outgo**

**(a) Conservation of energy**

The particulars regarding foreign exchange earnings and outgo appear as separate items in the notes to the Accounts. Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

(i)	the steps taken or impact on conservation of energy	<b>Not Applicable</b>
(ii)	the steps taken by the Company for utilizing alternate sources of energy	<b>Not Applicable</b>
(iii)	the capital Investment on energy conservation equipments	<b>Not Applicable</b>

**(b) Technology absorption**

(i)	the efforts made towards technology absorption	Not Applicable
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Not Applicable
	(a) the details of technology imported	Not Applicable
	(b) the year of import;	Not Applicable
	(c) whether the technology been fully absorbed	Not Applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv)	the expenditure Incurred on Research and Development	Not Applicable

**(c) Foreign exchange earnings and Outgo**

During the year, no foreign exchange transaction has been made.

### **Particulars of Employees**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report (Annexure - C). In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the details are excluded in the report sent to members. The required information is available for inspection at the registered office and the same shall be furnished on request.

### **Statutory Auditors, their Report and Notes to Financial Statements**

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, in the last AGM held on 18<sup>th</sup> August, 2017, M/s. RSVA & Co, Chartered Accountants have been appointed Statutory Auditors of the Company till the conclusion of Annual General Meeting to be held in 2021, Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments. There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. RSVA & Co. Statutory Auditors, in their audit report.

### **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Agarwal A & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the year ended 31 March, 2018. The Secretarial Audit Report is annexed (Annexure- D) herewith as to this report.

### **Prevention of Sexual Harassment at Workplace**

The Company has in place a Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Following is a summary of sexual harassment complaints received and disposed of during the year 2017-18:-

- No. of complaints received – NIL
- No. of complaints disposed of – NIL

### **Acknowledgement**

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.



For and on behalf of the Board  
**Sirohia & Sons Limited**

**Sd/-**

**(Managing Director)**  
**Rakesh Sirohia**

For and on behalf of the Board  
**Sirohia & Sons Limited**

**Sd/-**

**(Whole Time Director)**  
**Rajat Sirohia**

Date : 26/05/2018

Place : Kolkata

**ANNEXURE TO THE DIRECTORS' REPORT**

ANNEXURE – A

**AOC-1**

[Pursuant to first proviso to sub-section (3) of Section 129  
read with Rule 5 of Companies (Accounts) Rules, 2014]  
Statement containing salient features of the financial statement of  
Subsidiaries / Associate Companies / Joint Ventures

**Part "A" – Subsidiaries**

The Company has no Subsidiary company

**Part "B" – Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 relating to  
Associate Companies and Joint Ventures

The Company has no associate and joint venture companies

Form No. MGT-9  
**EXTRACT OF ANNUAL RETURN**  
for the Financial year ended on 31<sup>st</sup> March, 2018 of  
**SIROHIA & SONS LIMITED**  
[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i) CIN	L51109WB1990PLC049105
ii) Registration Date	28 <sup>th</sup> May, 1990
iii) Name of the Company	Sirohia & Sons Limited
iv) Category / Sub-Category of the Company	Limited Company/ Company limited by shares
v) Address of the Registered Office and contact details	16, Bonfields Lane Kolkata-700001, West Bengal E-mail: info@sirohia.com
vi) Whether listed company	Yes
vii) Name, Address and contact details of Registrar & Transfer Agent, if any	Adroit Corporate Services Pvt Ltd 19/20 Jaferbhoy Industrial Estate, 1 <sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri East, Mumbai – 400059, Maharashtra Contact No: 022-2859 0942,2859 4060, E- mail ID: <a href="mailto:sshetty@adroitcorporate.com">sshetty@adroitcorporate.com</a>
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
All the business activities contributing 10% or more of the total turnover of the company	As per Attachment A
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
As per Attachment B	
<b>IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
i) Category-wise Share Holding	As per Attachment C
ii) Shareholding of Promoters	As per Attachment D
iii) Change in Promoters' Shareholding	As per Attachment E
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v) Shareholding of Directors and Key Managerial Personnel	As per Attachment G
<b>V. INDEBTEDNESS</b>	
Indebtedness of the Company including interest outstanding/ accrued but not due for payment	As per Attachment H
<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A. Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment I
B. Remuneration to other directors	As per Attachment J
C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
<b>VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	
As per Attachment L	



<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>5138492</b>	<b>0</b>	<b>5138492</b>	<b>50.11</b>	<b>5138492</b>	<b>0</b>	<b>5138492</b>	<b>50.11</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	561761	2626600	3188361	31.09	561761	2626600	3188361	31.09	-
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1178239	0	1178239	11.49	1178239	0	1178239	11.49	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	750000	0	750000	7.31	750000	0	750000	7.31	-
(c) Others (HUF)									
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding (B)=(B)(1)+(B)(2)	2490000	2626600	5116600	49.89	2490000	2626600	5116600	49.89	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Grand Total (A+B+C)</b>	<b>7628492</b>	<b>2626600</b>	<b>10255092</b>	<b>100.00</b>	<b>7628492</b>	<b>2626600</b>	<b>10255092</b>	<b>100.00</b>	<b>-</b>

## ATTACHMENT D

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

#### (ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2017)			Share holding at the end of the Year (As on 31-03-2018)			% change In share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Dipika Sirohia	8	0	0	8	0	0	0
2.	J L Sirohia & Sons (HUF)	100	0	0	100	0	0	0
3.	Jitendra Sirohia	10	0	0	10	0	0	0
4.	Jitendra Sirohia(HUF)	10	0	0	10	0	0	0
5.	Kamala Devi Sirohia	27020	0.26	0	27020	0.26	0	0
6.	Kanak Devi Sirohia	10	0	0	10	0	0	0
7.	Neena Sirohia	37500	0.37	0	37500	0.37	0	0
8.	Nirmala Devi Sirohia	10	0	0	10	0	0	0
9.	Raj Karan Sirohia	264010	2.58	0	264010	2.58	0	0
10.	Rajat Sirohia	100000	0.98	0	100000	0.98	0	0
11.	Rajat Sirohia (HUF)	10	0	0	10	0	0	0
12.	Rajesh Sirohia	10	0	0	10	0	0	0
13.	Rajesh Sirohia (HUF)	50020	0.49	0	50020	0.49	0	0
14.	Rakesh Sirohia	50040	0.49	0	50040	0.49	0	0
15.	Rakesh Sirohia (HUF)	20	0	0	20	0	0	0
16.	Ratan Lal Sirohia (HUF)	1000	0.01	0	1000	0.01	0	0
17.	Ratan Lal Sirohia	50000	0.49	0	50000	0.49	0	0
18.	Raveena Sirohia	10	0	0	10	0	0	0
19.	Ricky Credit Company Private Limited	68470	0.67	0	68470	0.67	0	0
20.	Rohan Sirohia	8	0	0	8	0	0	0
21.	Ruchi Trades and Holdings Private Limited	43578	0.43	0	43578	0.43	0	0
22.	Ruttonpore Tea Company Private Limited	3848200	37.53	0	3848200	37.53	0	0
23.	Sangita Fiscal Services Private Limited	71018	0.69	0	71018	0.69	0	0
24.	Sirohia Finvest Company Private Limited	70000	0.68	0	70000	0.68	0	0
25.	Sirohia Properties & Trading Company Pvt Ltd	62400	0.61	0	62400	0.61	0	0
26.	Vandana Sirohia	20	0	0	20	0	0	0
27.	Vijay Sirohia	395010	3.85	0	395010	3.85	0	0

## ATTACHMENT E

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

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

Sr. No.		Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31.03.2018)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	51,38,492	50.11	51,38,492	50.11
	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	51,38,492	50.11	51,38,492	50.11

# there is no change in the total shareholding of promoters between 01-04-2017 and 31-03-2018

## ATTACHMENT F

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

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

Sr. No.		Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning / end of the year	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Mhagujkar Agrocoon Private Limited	1,310,000	12.77	01-Apr-2017	NIL			
		1,310,000	12.77	31-Mar-2018			1,310,000	12.77
2.	Parsmani Planning & Development Private Limited	300,000	2.93	01-Apr-2017	NIL			
		300,000	2.93	31-Mar-2018			300,000	2.93
3.	Indo Jatalia Securities Pvt. Ltd.	250,000	2.44	01-Apr-2017	30,000	Purchase of Shares		
		280,000	2.73	31-Mar-2018			280,000	2.73
4.	Rinam Dealmark Private Limited	210,000	2.05	01-Apr-2017	NIL			
		210,000	2.05	31-Mar-2018			210,000	2.05
5.	Gatik Realcon Private Limited	200,000	1.95	01-Apr-2017	NIL			
		200,000	1.95	31-Mar-2018			200,000	1.95
6.	VRC Infotech Private Limited	200,000	1.95	01-Apr-2017	NIL			
		200,000	1.95	31-Mar-2018			200,000	1.95
7.	Nextgen Health Solutions Private Limited	200,000	1.95	01-Apr-2017	NIL			
		200,000	1.95	31-Mar-2018			200,000	1.95

8.	Mountview Merchandise Private Limited	200,000	1.95	01-Apr-2017	NIL			
		200,000	1.95	31-Mar-2018			200,000	1.95
9.	Sahil Gupta	130,000	1.27	01-Apr-2017	NIL			
		130,000	1.27	31-Mar-2018			130,000	1.27
10.	Manish Kakrania	130,000	1.27	01-Apr-2017	NIL			
		130,000	1.27	31-Mar-2018			130,000	1.27

## ATTACHMENT G

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

#### (v). Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during the year (01-04-2017 to 31.03.2018)	
		No. of shares at the beginning (01-04-2017) / end of the year (31.03.2018)	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>A.</b>	<b>DIRECTORS</b>							
1	Rakesh Sirohia	50040	0.69	01-Apr-2017	NIL			
		50040	0.69	31-Mar-2018			50040	0.49
2	Rajat Sirohia	100000	0.98	01-Apr-2017	NIL			
		100000	0.98	31-Mar-2018			100000	0.98
3.	Rajesh Sirohia	10	0	01-Apr-2017	NIL			
		10	0	31-Mar-2018			10	0
4.	Jitendra Sirohia	10	0	01-Apr-2017	NIL			
		10	0	31-Mar-2018			10	0
5.	Dipika Sirohia	8	0	01-Apr-2017	NIL			
		8	0	31-Mar-2018			8	0
5.	Sribhagwan Kalyani	0	0	01-Apr-2017	NIL			
		0	0	31-Mar-2018			0	0
7.	Agam pyari Kalyani	0	0	01-Apr-2017	NIL			
		0	0	31-Mar-2018			0	0
8.	Paridhi Lahoti	0	0	01-Apr-2017	NIL			
		0	0	31-Mar-2018			0	0
<b>B</b>	<b>KEY MANAGERIAL PERSON (KMP)</b>							
1	Rakesh Sirohia	50040	0.69	01-Apr-2017	NIL			
		50040	0.69	31-Mar-2018			50040	0.49
2	Rajat Sirohia	100000	0.98	01-Apr-2017	NIL			
		100000	0.98	31-Mar-2018			100000	0.98
3	Jitendra Sirohia	10	0	01-Apr-2017	NIL			
		10	0	31-Mar-2018			10	0
4.	Rahul Gupta	0	0	01-Apr-2017	NIL			
		0	0	31-Mar-2018			0	0

**ATTACHMENT H**  
**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	4,81,000	NIL	481,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>4,81,000</b>	<b>NIL</b>	<b>4,81,000</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	4,81,000	NIL	481,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>4,81,000</b>	<b>NIL</b>	<b>4,81,000</b>

**ATTACHMENT I**

**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	Name of WTD	Total Amount
		Rakesh Sirohia	Rajat Sirohia	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>6,00,000</b>	<b>6,00,000</b>	<b>12,00,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify			
5.	Others, please specify			
	- Bonus	-	<b>2,00,000</b>	<b>2,00,000</b>
	<b>Total (A)</b>	<b>6,00,000</b>	<b>8,00,000</b>	<b>14,00,000</b>
	Ceiling as per the Act	Rs 84 Lakhs as per the provisions of Schedule V of Companies Act, 2013.		



## ATTACHMENT J

### B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Rajesh Sirohia	Jitendra Sirohia	Dipika Sirohia	Sribhagwan Kalyani	Agam Pyari Kalyani	
1.	Independent Directors						
	• Fee for attending board /committee meetings	NA	NA	NA	-	-	-
	• Commission	NA	NA	NA	-	-	-
	• Others, please specify	NA	NA	NA	-	-	-
	Total (1)	NA	NA	NA	-	-	-
2.	Other Non-Executive Directors						
	• Fee for attending board /committee meetings	-	-	-	NA	NA	NA
	• Commission	-	-	-	NA	NA	NA
	• Others, please specify						
	- Remuneration	-	600,000	-	NA	NA	NA
	- Bonus	-	-	-	NA	NA	NA
	Total (2)	-	600,000	-	-	-	6,00,000
	Total (B)=(1+2)	-	600,000	-	-	-	6,00,000
	Total Managerial Remuneration	-	600,000	-	-	-	6,00,000
	Overall Ceiling as per the Act	Rs 84 Lakhs as per the provisions of Schedule V of Companies Act, 2013.					

Note: The ceiling limit as per the provisions of Schedule V of Companies Act, 2013, as the company has earned inadequate profit, is higher of the two given below:

- Where the effective capital is 5 crore and above but less than 100 Crore - 84 Lakhs
- 2.5% of the current relevant profit

## ATTACHMETNT K

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary (Rahul Gupta)	CFO (Jitendra Sirohia)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		4,55,277	-
	(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	Not Applicable		-
3	Sweat Equity			-
4	Commission			-
5	Others – Bonus			-
				1,00,000
	<b>TOTAL</b>		<b>5,55,277</b>	<b>-</b>
				<b>5,55,277</b>

**ATTACHMETNT L**

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

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

ANNEXURE – C

**Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

**1) Ratio of the remuneration of each Director/KMP to the median remuneration of all employees of the Company for the financial year:**

Median remuneration of all employees of the Company for financial year 2017-18	<b>Rs 1,06,640</b>
The percentage increase / (decrease) in median remuneration of employees in the Financial Year	<b>380.56%</b>
The number of permanent employees on rolls of Company as on 31 March, 2018	<b>8</b>

Name of Directors	Ratio of remuneration to median remuneration of all employees	% increase/(decrease) in remuneration in the FY 2017-18
<b>Non- Executive Directors</b>		
Mr. Rajesh Sirohia	-	(100)
Mr. Jitendra Sirohia	5.62	(14.29)
Ms. Dipika Sirohia	-	(100)
<b>Independent Directors</b>		
Mr. Sribhagwan Kalyani	-	-
Ms. Agam Pyari Kalyani	-	-
Ms. Paridhi Lahoti	-	-
<b>Executive Director</b>		
Mr. Rakesh Sirohia	5.62	(25)
Mr. Rajat Sirohia	7.50	-

*There has been no increase in the remuneration of Company Secretary*

Notes:

1) The ratio of remuneration to median remuneration is based on remuneration paid during the period from 1 April, 2017 to 31 March, 2018.

2) **Relationship between average increase remuneration and company performance :**

Net revenues of the Company during the financial year, was at Rs. 2.73 cr. The employee cost (excluding Director's remuneration & Bonus) for the Financial Year ended 31 March, 2018 was Rs. 14.29 Lacs against Rs. 18.67 lacs for the Financial Year ended 31 March, 2017, indicating a decrease of 23.46 %. The employee cost as a percentage of net revenues was 5.23 % (last year 3.81 %). Decrease in remuneration is due to the company removing certain employees who were not contributing towards the growth of the company. The cost of Directors remuneration has gone down as the directors have decided to let go of their remuneration looking at the situation of the company. Only those directors who are involved in the day to day functioning of the company draw salary. Whilst the Company has a strong focus on cost, employee cost being one of the key areas for cost monitoring and control, the results of any structural initiatives needs to be measured over a long-term horizon and cannot be strictly compared with annual performance indicators.

3) **Comparison of the remuneration of the KMP against the performance of the Company :**

Particulars	Rs. (Lacs)
Aggregate remuneration of KMP in Financial Year 2017-18	25.55
Revenue	273.30
Remuneration of KMPs ( as % of revenue)	9.35 %

4) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

Company's employees have decreased. The salary of the remaining employees has not been impacted. The total managerial remuneration for the Financial Year 2017-18 was Rs. 20 lacs, (Rs 37 lacs, in the previous year). There was no increase in remuneration to Managing Director & Whole Time Director. Further, a Non Executive Directors, who is also the CFO, has been paid Rs 6 lacs. There has been no change in the salary of the Company secretary. His salary is constant since his joining date (14.11.2015).

5) **Comparison of each remuneration of the KMP against the performance of the Company :**

SN	Particulars of Remuneration	Key Managerial Personnel			
		Rakesh Sirohia	Rajat Sirohia	Jitendra Sirohia	Rahul Gupta
1	Remuneration in FY 18 (Rs Lakhs)	6.00	8.00	6.00	5.55
2	Revenue ( lakhs)	273.30	273.30	273.30	273.30
3	Remuneration as % of Revenue	2.20 %	2.93 %	2.20 %	2.03 %

6) **The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year:**

Not Applicable

7) Remuneration is as per the remuneration policy of the Company.

**FORM No. MR3**

**SECRETARIAL AUDIT REPORT**

*(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)*

For The Financial Year Ended On 31st March, 2018

To,  
The Members,  
**M/s Sirohia & Sons Limited**  
16 Bonfield Lane  
Kolkata - 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Sirohia & Sons 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 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 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Sirohia & Sons Limited (“the company”) for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- (Not applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading)

Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) 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;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

(e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;

Following Regulations and Guidelines prescribed under the Provisions of the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period)

(b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)

(vi) Other laws applicable to the Company as per the representations made by the Company.

We have also examined compliance with the applicable clause of Secretarial Standards with respect to the board and general meetings issued by The Institute of Company Secretaries of India; &

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

We further report that, the Board of Directors of the Company is duly constituted with the proper balance of Executive and Non-Executive director and Independent Directors. The Change in the composition of the board of directors that took place during the period under review were carried out in compliance with the provision of the Act.

We further report 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 for a meaningful participation of Directors, they have a system to provide further information clarification and details on the agenda as and when required before the meeting.

Decisions at the Board Meetings, as represented by the management were taken unanimously.

We further report that during the period under review, a partial amount of Rs.6.40 Cr out of total advance of Rs. 15 Cr., has been converted by borrower Company through allotment of 3300 Equity Shares of Rs. 10/- each at a premium of Rs. 19384/- each share to the Company under an Agreement dated 7<sup>th</sup> February, 2018 made between lender and borrower. Further, As per agreement borrower shall return balance amount to the Company.

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

We further report that, to the best of my understanding, the Company, during the year under report, had not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

**Place: Kolkata**  
**Date: 14<sup>th</sup> August, 2018**

**For AGARWAL A & ASSOCIATES**  
Company Secretaries  
Sd/-  
**CS Ajay Kumar Agarwal**  
Proprietor  
C.P No.:**13493**  
M. No. : **F7604**

## ‘ANNEXURE A’

**To,  
The Members,  
M/s Sirohia & Sons Limited  
16 Bonfield Lane  
Kolkata - 700 001**

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 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 and appropriateness of financial records and Books of Accounts 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Kolkata  
Date: 14<sup>th</sup> August, 2018**

**For AGARWAL A & ASSOCIATES  
Company Secretaries**

Sd/-  
**CS Ajay Kumar Agarwal**  
Proprietor  
C.P No.:13493  
M. No. : F7604

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **OVERVIEW OF AGRICULTURAL SECTOR**

Agriculture is of prime importance to the socio-economic fabric of India. The sector has remained the backbone of the Indian economy and presently accounts for ~15% of the country's GDP. Nearly 58% of rural households rely on agriculture as their principal means of livelihood. Being a source of livelihood and food security of the nation, higher growth in agriculture assumes great importance and is a matter of priority for the economy. Your Company's Vision and business strategy are aligned with the needs of Indian Agricultural Economy.

### **INDUSTRY OUTLOOK**

India is the fourth largest global producer of agrochemicals after USA, Japan and China. The industry size was to the tune of USD 4.4 billion in FY15 and is expected to grow at 7.5% per annum to reach USD 6.3 billion by FY20. Global population is expected to cross 9 billion by 2050. Rising population has led to increasing food demand. India is the second most populous country in the world, with its population estimated to grow over time.

To meet the food and nutrition needs of a growing population requires a sustainable approach that puts thrust on increasing productivity against a background of lower yields and decreasing farm sizes. It requires a push from all stakeholders – the farmer, the government and the industry collectively, so that the changing needs of the nation are met. Approximately 25% of the global crop output is lost due to attacks by pests, weeds and diseases, says the FICCI report cited above. Agrochemicals can play a major role in enhancing productivity and protection of crop post-harvest. Insecticides are the largest sub-segment of agrochemicals with 60% market share.

Indian agrochemicals market will be driven by growth in insecticides, increasing awareness towards judicious use of agrochemicals, contract manufacturing and export opportunities. Challenges such as non-genuine products, appropriate focus on R&D, inefficiencies in the supply chain etc. need to be addressed on priority. In addition to the use of crop protection chemicals, Indian agriculture needs to focus on specific solutions to enhance crop productivity. It is imperative for us to adopt efficient agronomy practices, fertilisation, seed treatment, biotechnology and integrated pest management to reduce wastage and attain self-sufficiency in agricultural output.

### **RISKS, CONCERNS & THREATS**

Indian agriculture is still grappling with challenges such as high dependence on monsoon, unpredictable weather patterns, reduction in arable land, decreasing farm sizes, low per hectare yield and increase in pest attacks. To add to the complexity, the agricultural workforce in India is expected to reduce by 50% in the coming decade due to better remuneration and growth opportunities in other sectors. These factors pose a challenge for the Agrochemicals Industry as well.

Agrochemical industry works under stringent regulatory environment, wherein chances of frequent changes in regulatory guidelines are very high. This could lead to delays in obtaining necessary approvals.

### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

Your Company is committed to ensuring an effective internal control environment that provides reasonable assurance regarding the effectiveness and efficiency of operations, adequacy of safeguards for assets,



reliability of financial controls and compliance with applicable laws and regulations. For this, the Company has laid down standard operating procedures and policies to guide the operations of the business.

The internal audit processes provide reasonable assurance on the adequacy and effectiveness of such internal controls and compliances, through the reviews of the functions and processes, as per the annual audit plan agreed with the Audit Committee. To maintain independence, the internal audit function reports to the Chairperson of the Audit Committee of the Board.

### **HUMAN RESOURCES**

Employees are the most valuable assets and the strength of an organization in its growth, prosperity and development. Your Company, albeit a small number, but has qualified and dedicated personnel who have contributed to the growth and progress of the Company. However, most of the work is generally carried out by the Executive Directors themselves.

### **CAUTIONERY STATEMENT**

*Statements in this management discussion analysis describing the Company's objectives, projections, Estimates, expectations may be forward looking within the meaning of applicable securities-laws and Regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make difference to Company's operations Include economic conditions affecting the domestic market and the overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other Incidental factors.*

On Behalf of the Board of Directors  
**SIROHIA & SONS LIMITED**

Sd/-

**Rakesh Sirohia**  
Managing Director  
DIN No. 00228967

Date: 26/05/2018  
Place: Kolkata

## **GENERAL BODY MEETINGS**

Locations, date and time, where last AGMs held:

<b>General Meeting</b>	<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Ordinary Resolution passed</b>	<b>Venue</b>
23 <sup>rd</sup> AGM	2012-13	28/09/2013	1:30 p.m	<ul style="list-style-type: none"><li>• To receive, consider &amp; adopt the audited balance sheet</li><li>• To appoint auditor and fix their remuneration</li></ul>	16, Bonfield Lane, Kolkata-700001, West Bengal
24 <sup>th</sup> AGM	2013-14	29/09/2014	1:30 p.m	<ul style="list-style-type: none"><li>• To receive, consider &amp; adopt the audited balance sheet</li><li>• To appoint auditor and fix their remuneration</li></ul>	16, Bonfield Lane, Kolkata-700001, West Bengal
25 <sup>th</sup> AGM	2014-15	30/09/2015	4:30 p.m	<ul style="list-style-type: none"><li>• To receive, consider &amp; adopt the audited balance sheet</li><li>• To appoint auditor and fix their remuneration</li></ul>	Middleton Chambers & Middleton Inn, 10 Middleton Street, Kolkata-700071, West Bengal
26 <sup>th</sup> AGM	2015-16	24/09/2016	1:30 p.m	<ul style="list-style-type: none"><li>• To receive, consider &amp; adopt the audited balance sheet</li><li>• To re-appoint, Director retiring by rotation</li><li>• To appoint auditor and fix their remuneration</li><li>• To appoint Ms. Dipika Sirohia as director</li></ul>	Paul Mansion, 6, Bishop Lefroy Road, Suite #19, 4 <sup>th</sup> Floor, Kolkata – 700 020, West Bengal
27 <sup>th</sup> AGM	2016-17	18/08/2017	11:30 a.m	<ul style="list-style-type: none"><li>• To receive, consider &amp; adopt the audited balance sheet</li><li>• To re-appoint, Director retiring by rotation</li><li>• To appoint auditor and fix their remuneration</li><li>• To appoint 3 independent directors</li></ul>	Paul Mansion, 6, Bishop Lefroy Road, Suite #19, 4 <sup>th</sup> Floor, Kolkata – 700 020, West Bengal

## Independent Auditor's Report

To  
The Members of  
Sirohia & Sons Ltd

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

We have audited the accompanying financial statements of **SIROHIA & SONS LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanation given to us the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2018 and its loss and cash flows for the year ended on that date

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, refer to our separate report in "**Annexure A**"

3. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - (d) In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of  
**For, RSVA & Co**  
Chartered Accountants  
Firm Registration No – 110504W

Sd/-

**CA Balasubrahmanya Narayana Rao**  
Partner  
Membership No: - 039555

Place: Kolkata  
Date: 26/05/2018

**“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- i.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the company.

- ii.
  - (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

- iii. (a) The Company has granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.

S.L NO	Name of the Company	Nature of Transaction	Amount advanced during the year	Closing Balance as on 31.03.2018
1	Ricky Fiscal Co Pvt Ltd	Short Term Loans	1,80,50,000.00	Nil

- (b) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company.

S.L NO	Name of the Company	Nature of Transaction	Interest earned during the year	Closing Balance as on 31.03.2018
1	Ricky Fiscal Co Pvt Ltd	Short Term Loans	23,79,261.00	Nil

- (c) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of principal and interest as stipulated.

- (d) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.

- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of clause of the Order are not applicable to the company.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March

31, 2018 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from financial institutions, banks, governments or debenture holder during the year, so this clause is not applicable on the company.
- ix. Based upon the audit procedures 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, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 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. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 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 transactions 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 45 IA 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 and on behalf of

**For, RSVA & Co**

Chartered Accountants

Firm Registration No – 110504W

Sd/-

**CA Balasubrahmanya Narayana Rao**

Partner

Membership No: - 039555

Place: Kolkata

Date: 26/05/2018

**"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Sirohia & Sons limited for the year ended on 31<sup>st</sup> March, 2018**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Krsna Logistic Private Limited ("The Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of

**For, RSVA & Co**

Chartered Accountants

Firm Registration No – 110504W

Sd/-

**CA Balasubrahmanya Narayana Rao**

Partner

Membership No: - 039555

Place: Kolkata

Date: 26/05/2018



**SIROHIA & SONS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2018**

Figures in ₹

Figures in ₹

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	10,25,50,920.00	10,25,50,920.00
(b) Reserves and Surplus	3	15,98,36,275.30	15,89,05,104.19
<b>(2) Other Non- Currents Liabilities</b>			
(a) Other Long Term Liabilities	4	5,000.00	90,000.00
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	5	4,81,000.00	4,81,000.00
(b) Trade Payables	6	2,11,928.76	52,67,860.48
(c) Other Current Liabilities	7	2,25,705.00	10,29,687.11
(d) Short Term Provisions	8	4,78,570.00	14,90,770.00
<b>TOTAL</b>		<b>26,37,89,399.06</b>	<b>26,98,15,341.78</b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Fixed Assets	9		
Tangible Assets		29,08,338.00	17,73,396.00
(b) Non-Current Investments	10	10,65,84,705.00	4,17,94,505.00
(c) Deferred Tax Assets (Net)	11	65,746.00	62,842.00
(d) Long Term Loans & Advances	12	6,60,00,000.00	15,00,00,000.00
(e) Other Non-current Assets	13	1,89,360.95	5,49,985.95
<b>(2) Current Assets</b>			
(a) Inventories	14	10,75,729.82	17,29,110.33
(b) Trade Receivables	15	70,35,953.18	1,38,98,675.46
(c) Cash and Cash Equivalents	16	2,60,74,740.35	1,12,31,457.87
(d) Short Term Loans and Advances	17	5,22,28,451.00	4,62,32,253.41
(e) Other Current Assets	18	16,26,374.76	25,43,115.76
<b>TOTAL</b>		<b>26,37,89,399.06</b>	<b>26,98,15,341.78</b>

Significant Accounting Policy

1

The accompanying notes are an integral part of the Financial Statements

In accordance with our report attached

**For, RSVA & Co.**

Chartered Accountants

Firm Registration No.-110504W

For and on behalf of the Boards of Directors

**Sirohia & Sons Limited**

Sd/-

Jitendra Sirohia  
Chief Financial Officer

Sd/-

Rakesh Sirohia  
Managing Director

Sd/-

**CA Balasubrahmanya Narayana Rao**

Partner

Membership No.-039555

Sd/-

Sribhagwan Kalyani  
Independent Director

Sd/-

Rajat Sirohia  
Whole Time Director

Place : Kolkata

Date : 26/05/2018

Sd/-

Rahul Gupta  
Company Secretary

**SIROHIA & SONS LIMITED**  
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2018**

		Figures in ₹		Figures in ₹
Particulars	Note	As at 31.03.2018	As at 31.03.2017	
<b>I</b> Revenue From Operation	<b>19</b>	<b>2,23,28,006.14</b>	4,89,83,767.16	
<b>II</b> Other Income	<b>20</b>	<b>50,02,009.81</b>	48,76,928.61	
<b>III Total revenue (I + II)</b>		<b>2,73,30,015.95</b>	5,38,60,695.77	
<b>IV Expenses:</b>				
Purchases of stock in Trade	<b>21</b>	<b>1,82,15,339.64</b>	3,48,19,449.99	
Changes in Inventories of Stock in Trade	<b>22</b>	<b>6,53,380.51</b>	23,52,724.10	
Employee Benefit Expenses	<b>23</b>	<b>35,48,802.00</b>	58,00,116.00	
Finance Cost	<b>24</b>	<b>12,324.00</b>	1,13,593.00	
Depreciation & Amortization Expenses	<b>8</b>	<b>2,56,156.00</b>	30,677.00	
Other Expenses	<b>25</b>	<b>32,37,176.69</b>	63,09,502.09	
<b>Total Expenses</b>		<b>2,59,23,178.84</b>	4,94,26,062.18	
<b>V Profit/(Loss) before exceptional and extraordinary items and tax</b>		<b>14,06,837.11</b>	44,34,633.59	
<b>VI Exceptional / Prior period items</b>		-	3,85,497.00	
<b>VII Profit/(Loss) before extraordinary items and tax (V-VI)</b>		<b>14,06,837.11</b>	40,49,136.59	
<b>VIII Extraordinary Items</b>		-	-	
<b>IX Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>14,06,837.11</b>	40,49,136.59	
<b>X Tax Expense</b>				
a) Current Tax Liability		<b>4,78,570.00</b>	14,90,770.00	
b) Deferred Tax Liability/(Asset)		<b>(2,904.00)</b>	7,746.00	
<b>XI Profit/(loss) from discontinuing operations (after tax) (IX-X)</b>		<b>9,31,171.11</b>	25,50,620.59	
<b>XII Earning per equity share:</b>	<b>26</b>			
(1) Basic		<b>0.09</b>	0.25	
(2) Diluted		<b>0.09</b>	0.25	
Significant Accounting Policy	<b>1</b>			

The accompanying notes are an integral part of the Financial Statements  
In accordance with our report attached

**For, RSVA & Co.**  
Chartered Accountants  
Firm Registration No.-110504W

For and on behalf of the Boards of Directors  
**Sirohia & Sons Limited**

Sd/-  
Jitendra Sirohia  
Chief Financial Officer

Sd/-  
Rakesh Sirohia  
Managing Director

**Sd/-**  
**CA Balasubrahmanya Narayana Rao**  
Partner  
Membership No.-039555

Sd/-  
Sribhagwan Kalyani  
Independent Director

Sd/-  
Rajat Sirohia  
Whole Time Director

Place: Kolkata  
Date: 26/05/2018

Sd/-  
Rahul Gupta  
Company Secretary

**SIROHIA & SONS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Figures in ₹	Figures in ₹
	As at 31.03.2018	As at 31.03.2017
<b>Cash flows from operating activities</b>		
Profit before Tax and Extra Ordinary Items	14,06,837.11	44,34,633.59
Adjustments for:		
Depreciation and Amortization Expense	2,56,156.00	30,677.00
Misc. Expenses W/off	6,45,692.00	8,02,996.00
Dividend Income	(58,440.00)	(32,700.00)
Profit on Sale of Fixed Assets	(960.00)	
Exceptional / Prior Period Adjustments	-	(3,85,497.00)
<b>Operating Profit before Working Capital Change</b>	<b>22,49,285.11</b>	<b>48,50,109.59</b>
<b>Adjustment for Change in</b>		
(Increase)/ Decrease in Trade Receivables	68,62,722.28	(93,37,207.45)
(Increase)/ Decrease in Loans & Advances	(59,96,197.59)	74,09,056.98
(Increase)/ Decrease in Other Current Assets	2,71,049.00	1,58,438.00
(Increase)/ Decrease In Inventories	6,53,380.51	23,52,724.10
Increase /(Decrease) in Trade Payables	(50,55,931.72)	42,62,837.48
Increase/ (Decrease) in Other Payables	(8,03,982.11)	4,44,782.23
	<b>(18,19,674.52)</b>	<b>52,90,631.34</b>
Less: - Taxes Paid	14,90,770.00	6,08,434.00
<b>Net Cash from Operating Activities</b>	<b>(33,10,444.52)</b>	<b>95,32,306.93</b>
<b>Cash flows from investing activities</b>		
(Purchase) / Sales of Fixed Assets	(13,90,138.00)	(87,175.00)
(Purchase) / Sales of Investments	(6,47,90,200.00)	(6,03,675.00)
(Increase)/Decrease in Long Term Loans & Advances	8,40,00,000.00	-
(Increase)/Decrease in Non Current Assets	3,60,625.00	25,000.00
Dividend Income	58,440.00	32,700.00
<b>Net cash generated from investing activities</b>	<b>1,82,38,727.00</b>	<b>(6,33,150.00)</b>
<b>Cash flows from financing activities</b>		
Secured Loans Taken /(Repaid)	(85,000.00)	(5,10,000.00)
Unsecured Loans Taken / (Repaid)	-	(20,39,217.77)
<b>Net cash from financing activities</b>	<b>(85,000.00)</b>	<b>(25,49,217.77)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,48,43,282.48</b>	<b>63,49,939.16</b>
<b>Opening Cash and Cash Equivalents:</b>		
Cash on Hand	2,98,872.33	8,48,849.00
Cash at Bank	1,09,32,585.54	40,32,670.71
	<b>1,12,31,457.87</b>	<b>48,81,519.71</b>
<b>Closing Cash &amp; Cash equivalents:</b>		
Cash on Hand	5,61,165.33	2,98,872.33
Cash at Bank	2,55,13,575.02	1,09,32,585.54
	<b>2,60,74,740.35</b>	<b>1,12,31,457.87</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>1,48,43,282.48</b>	<b>63,49,938.16</b>

In Accordance with our Report attached  
**For, RSVA & Co.**  
Chartered Accountants  
Firm Registration No.-110504W

Sd/-

**CA Balasubrahmanya Narayana Rao**  
Partner  
Membership No.-039555

Place : Kolkata  
Date : 26/05/2018

For and on behalf of the Boards of Directors  
**Sirohia & Sons Limited**

Sd/-  
Jitendra Sirohia  
Chief Financial Officer

Sd/-  
Rakesh Sirohia  
Managing Director

Sd/-  
Sribhagwan Kalyani  
Independent Director

Sd/-  
Rajat Sirohia  
Whole Time Director

Sd/-  
Rahul Gupta  
Company Secretary

## **NOTE NO. 1:**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **CORPORATE INFORMATION**

Sirohia & Sons Ltd. is a public limited company, listed in SME segment of Bombay Stock Exchange, with Registered Office being situated 16 Bonfields Lane, Kolkata, West Bengal-700001. The Company is engaged in general order supply of tea garden items.

#### **1.1 BASIS OF ACCOUNTING:**

The accounts are prepared under the historical cost convention on accrual basis and are in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

All Assets and Liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies' Act, 2013. Based on the nature of operations and time between the procurement of raw material and realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### **1.2 USE OF ESTIMATES**

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the period. Actual results might differ from the estimates.

Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### **1.3 FIXED ASSETS**

Tangible Assets are stated at their original cost less accumulated depreciation and impairment, if any. Cost, net of cenvat, includes acquisition price, other non-refundable taxes and levies, attributable expenses and pre operational expenses including finance charges, wherever applicable. Intangible assets expected to provide future enduring economic benefits are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any.

Depreciation/amortisation on tangible assets and intangible assets (computer software) are provided based on life assigned to each asset at Written down value method in accordance with Schedule II to the Companies Act, 2013.

Lease hold land is amortized over the period of the lease.

Capital work in progress: Expenditure (including financing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under "Capital work-in- progress". Capital work-in-progress is stated at the amount expended upto the date of Balance Sheet for the cost of fixed assets that are not yet ready for their intended use. Expenses incurred during the year have been apportioned over Capital Work-in-Progress on a reasonable basis.

#### **1.4 INVENTORIES:**

Inventories are computed at lower of cost and net realizable value. The cost of raw materials and stores and spares is computed on FIFO basis and the cost of work in progress and finished goods are computed on weighted average basis. The cost of finished goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Assets identified and technically evaluated as obsolete and held for disposal are valued at their estimated net realizable value.

#### **1.5 REVENUE RECOGNITION:**

Sale of goods is recognized at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration.

Gross turnover excludes Value Added Tax/CST/GST.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

All other incomes are accounted for on accrual basis.

#### **1.6 EXPENSES:**

All expenses are accounted for on accrual basis.

#### **1.7 EMPLOYEE BENEFITS:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Post-employment and other long-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered service. The expense is recognized at the present value of the amount payable determined using actuarial valuations. No Post employment and other long-term employee benefits were provided by the Company.

#### **1.8 BORROWING COST:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till such time assets are ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for

intended use or sale. All other borrowing costs are charged to revenue in the period in which it is incurred.

#### **1.9 FOREIGN CURRENCY TRANSACTIONS:**

No Foreign Currency Transaction was entered by the Company

#### **1.10 TAXES ON INCOME:**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year, computed in accordance with the relevant tax rates and tax laws.

Deferred Tax is recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### **1.11 IMPAIRMENT OF ASSETS:**

Impairment loss, if any, is recognized to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.

After impairment, depreciation or amortization on assets is provided on the revised carrying amount of the respective asset over its remaining useful life.

#### **1.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions are recognized in respect of obligation where, based on the evidence available, their existence at the Balance Sheet date is considered probable.

Contingent liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

Re-imburement expected in respect of expenditure to settle a provision is recognized only when it is virtually certain that the re-imburement will be received.

Contingent Assets are not recognized in Accounts.

#### **1.13 EARNINGS PER SHARE:**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

#### 1.14 CASH FLOW STATEMENT:

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

The cash flows from operating, investing and financing activities of the Company are segregated.

#### 1.15 RELATED PARTY DISCLOSURE

##### (I) Information in accordance with requirements of Accounting Standard 18 on Related Party Disclosures prescribed under the Act:-

A. Enterprise over which Key Managerial Personnel & Relatives of such Personnel are able to exercise significant influence

Jai Trading Co  
Tinkharia Tea Pvt Ltd

Jai Industries  
Ricky Credit Co Pvt Ltd

B. Key Management Personnel of the Company

Rajat Sirohia, Whole-time Director      Rakesh Sirohia, Managing Director  
Jitendra Sirohia, Chief Financial Officer      Rajesh Sirohia, Director  
Dipika Sirohia, Director

##### (II) List of Transactions with Related Parties

S.L NO	NATURE OF TRANSACTION	31.03.2018	31.03.2017
1	Purchases	31,34,708.00	54,08,988.00
2	Sales	1,42,00,040.08	2,68,46,411.00
3	Unsecured Loans Given	-	4,59,60,951.00
4	Unsecured Loans Taken	-	-
5	Interest Received	23,79,261.00	41,10,874.00
6	Interest Paid	-	-
7	Remuneration to Key Managerial Personnel	20,00,000.00	37,00,000.00
8	Other Business Advance	6,60,00,000.00	15,00,00,000.00

##### (III) Details of Remuneration paid to Key Managerial Personnel

S.L No	Name of Key Managerial Personnel	Designation	31.03.2018	31.03.2017
1	Rajat Sirohia	Whole Time Director	8,00,000.00	8,00,000.00
2	Rakesh Sirohia	Managing Director	6,00,000.00	8,00,000.00
3	Rajesh Sirohia	Director	-	7,00,000.00
4	Jitendra Sirohia	Director	6,00,000.00	7,00,000.00
5	Dipika Sirohia	Director	-	7,00,000.00

1.16 As per section 135 of Companies Act 2013, the Company does not fall under the purview of CSR, as the company doesn't have a net worth of Rs 500 crores or more, or turnover of Rs 1000 crores or more or a net profit of Rs 5 crores or more.

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

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE.

**For, RSVA & Co**

Chartered Accountants

Firm Regn. No: 110504W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Sirohia & Sons Limited**

Sd/-

**CA Balasubrahmanya Narayana Rao**

Partner

Membership No.:- 039555

Sd/-

(JITENDRA SIROHIA)

CHIEF FINANCIAL OFFICER

Sd/-

(RAKESH SIROHIA)

MANAGING DIRECTOR

Sd/-

(SRIBHAGWAN KALYANI)

INDEPENDENT DIRECTOR

Sd/-

(RAJAT SIROHIA)

WHOLE TIME DIRECTOR

Place: Kolkata

Date: 26.05.2018

Sd/-

(RAHUL GUPTA)

COMPANY SECRETARY



**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number	Figures in ₹	Number	Figures in ₹
<b>2 SHARE CAPITAL :</b>				
<b>Authorized:</b>				
Equity shares of Rs. 10/- each				
At the beginning of the reporting period	10800000		10800000	
Issued during the reporting period	-		-	
At the close of the reporting period	10800000	<u>10,80,00,000.00</u>	10800000	<u>10,80,00,000.00</u>
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of Rs. 10/- each				
At the beginning of the reporting period	10255092		10255092	
Issued during the reporting period(See Note a)				
Bought back during the reporting period	-		-	
At the close of the reporting period	10255092	<u>10,25,50,920.00</u>	10255092	<u>10,25,50,920.00</u>
<b>Total</b>		<u>10,25,50,920.00</u>		<u>10,25,50,920.00</u>

**Reconciliation of the number of shares & amount outstanding at the beginning & end of the reporting period**

Particulars	Opening	Fresh Issue	Bonus	Other Changes	Closing
Equity Shares with voting rights					
<b>Year ending 31.03.2017</b>					
- Number	1,02,55,092		-	-	1,02,55,092
- Amount	10,25,50,920.00	-	-	-	10,25,50,920.00
<b>Year ending 31.03.2016</b>					
- Number	1,02,55,092		-	-	1,02,55,092.00
- Amount	10,25,50,920.00	-	-	-	10,25,50,920.00

**Note A**

List of shareholders holding more than 5% shares in the company

**Additional Information**

Name of the shareholder	31.03.2018		31.03.2017	
	% of Share	Number of Share	% of Share	Number of Share
<b>5% of the Equity Share Capital</b>				
Mhaqujkar Agrocon Pvt Ltd	12.77%	1310000	12.77%	1310000
Ruttonpore Tea Co Pvt Ltd	37.52%	3848200	37.52%	3848200

**3 RESERVE AND SURPLUS**

a) Security Premium	14,60,38,560.00	14,60,38,560.00
b) Profit & Loss Account		
Opening	1,28,66,544.19	1,04,53,923.60
Add: Profit/(Loss) during the year	9,31,171.11	25,50,620.59
Less: - Fixed Asset written off	-	1,38,000.00
	<u>15,98,36,275.30</u>	<u>15,89,05,104.19</u>

**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Figures in ₹	Figures in ₹
	As at 31.03.2018	As at 31.03.2017
<b>4 OTHER LONG TERM LIABILITIES</b>		
Security Deposit	5,000.00	90,000.00
	<u>5,000.00</u>	<u>90,000.00</u>
<b>5 SHORT TERM BORROWINGS</b>		
<b>UNSECURED</b>		
<b>-Others</b>		
HTC Tradechem Service	4,81,000.00	4,81,000.00
	<u>4,81,000.00</u>	<u>4,81,000.00</u>
<b>6 TRADE PAYABLES</b>		
Sundry Creditors	2,11,928.76	52,67,860.48
	<u>2,11,928.76</u>	<u>52,67,860.48</u>
<b>7 OTHER CURRENT LIABILITIES</b>		
Liabilities for Expenses	1,58,902.00	2,72,641.65
Duties & Taxes	66,803.00	7,57,045.46
	<u>2,25,705.00</u>	<u>10,29,687.11</u>
<b>8 SHORT TERM PROVISIONS</b>		
Provision for Income Tax (A.Y 2017-18)	-	14,90,770.00
Provision for Income Tax (A.Y. 2018-19)	4,78,570.00	-
	<u>4,78,570.00</u>	<u>14,90,770.00</u>

**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

**NOTE-9**  
**FIXED ASSET**

Figures in ₹

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK		
	AS AT 01/04/2017	ADDITION/ (DEDUCTION) DURING THE YEAR	AS AT 31/03/2018	As AT 01/04/2017	FOR THE YEAR	Deductions/ Adjustment	AS AT 31/03/2018	AS AT 31/03/2018	AS AT 31/03/2017
<b>TANGIBLE ASSET</b>									
Land at Siliguri	-	-	-	-	-	-	-	-	-
Land at Nagaon, Assam	16,13,389.00	-	16,13,389.00	-	-	-	-	<b>16,13,389.00</b>	16,13,389.00
Air Conditioner	33,057.00	-	33,057.00	31,404.00	-	-	31,404.00	<b>1,653.00</b>	1,653.00
Car- Swift Dzire	5,49,927.00	-	5,49,927.00	5,22,431.00	-	-	5,22,431.00	<b>27,496.00</b>	27,496.00
Car- Swift VXI	4,80,796.00	-	4,80,796.00	4,56,756.00	-	24,040.00	4,80,796.00	-	24,040.00
Computer	3,01,132.00	-	3,01,132.00	2,86,074.00	-	-	2,86,074.00	<b>15,058.00</b>	15,058.00
Fax Machine	12,000.00	-	12,000.00	11,400.00	-	600.00	12,000.00	-	600.00
Furniture	37,611.00	-	37,611.00	19,677.00	<b>816.00</b>	-	20,493.00	<b>17,118.00</b>	17,934.00
Generator Set	34,200.00	-	34,200.00	32,490.00	-	-	32,490.00	<b>1,710.00</b>	1,710.00
Inverter	58,050.00	-	58,050.00	55,147.00	-	-	55,147.00	<b>2,903.00</b>	2,903.00
Packing Machine	13,598.00	-	13,598.00	11,128.00	<b>856.00</b>	-	11,984.00	<b>1,614.00</b>	2,470.00
Scooter	37,187.00	-	37,187.00	35,323.00	-	-	35,323.00	<b>1,864.00</b>	1,864.00
Mobile Phone	70,000.00	-	70,000.00	5,721.00	<b>6,646.00</b>	-	12,367.00	<b>57,633.00</b>	64,279.00
Stiching Machine	-	4,800.00	4,800.00	-	<b>358.00</b>	-	358.00	<b>4,442.00</b>	-
Motor Car - Honda City	-	14,10,938.00	14,10,938.00	-	<b>2,47,480.00</b>	-	2,47,480.00	<b>11,63,458.00</b>	-
<b>TOTAL</b>	<b>32,40,947.00</b>	<b>14,15,738.00</b>	<b>46,56,685.00</b>	<b>14,67,551.00</b>	<b>2,56,156.00</b>	<b>24,640.00</b>	<b>17,48,347.00</b>	<b>29,08,338.00</b>	<b>17,73,396.00</b>
Previous Year Figures	32,91,772.00	87,175.00	33,78,947.00	14,36,874.00	30,677.00	-	16,05,551.00	17,73,396.00	17,16,898.00

**NOTE-9.1**

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted in the opening balance of Profit and Loss Account. The rate of depreciation of has been calculated as per weighted average basis to comply with the provisions of Companies Act, 2013.

**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Figures in ₹ As at 31.03.2018	Figures in ₹ As at 31.03.2017
<b>10 NON CURRENT INVESTMENTS</b>		
<b>Long Term Investments :</b>		
(Valued at cost less other than temporary diminution in value, if any)		
In Equity Shares-unquoted Fully Paid Up 6213 shares (Previous Year 3783) of The Kalyani Tea Co Ltd of Rs.10/- each	<b>18,84,705.00</b>	10,94,505.00
1100 (Previous Year 1100) of Sonajuli Plantations Pvt Ltd of Rs.10/- each	<b>4,07,00,000.00</b>	4,07,00,000.00
3300 of Tinkharia Tea Pvt Ltd of Rs.10/- each	<b>6,40,00,000.00</b>	-
	<b><u>10,65,84,705.00</u></b>	<b><u>4,17,94,505.00</u></b>
<b>11 DEFERRED TAX ASSET (NET)</b>		
<b>Deferred tax Asset:</b>		
Depreciation as per Income Tax Act	<b>2,65,877.00</b>	55,746.00
Depreciation as per Companies Act	<b>2,56,156.00</b>	30,677.00
Timing Difference	<b>9,721.00</b>	25,069.00
Depreciation and Amortisation		
Opening Balance	<b>62,842.00</b>	70,588.00
Increase/(Decrease) during the year	<b>2,904.00</b>	-7,746.00
Closing Balance	<b>65,746.00</b>	62,842.00
<b>12 LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
<b>Advance to Related Parties</b>		
-Tinkharia Tea Pvt. Ltd (Refer Note 12.1)	<b>6,60,00,000.00</b>	15,00,00,000.00
	<b><u>6,60,00,000.00</u></b>	<b><u>15,00,00,000.00</u></b>
<b>12.1</b>	<p>The company had entered into an agreement with Tinkharia Tea Pvt Ltd to buy stake in its Tea Estate, namely Tinkharia Tea Estate, which is property of Assambrook Ltd. The company had paid an Advance of Rs,15,00,00,000/- against purchase consideration for buying stake of the said Tea Estate. After reviewing the current scenario of Tinkharia Tea Pvt Ltd, stake was purchased for around 42 % of the advanced amount. Tinkharia Tea Pvt Ltd obtained the valuation of the Tea Estate and the company has been allotted shares worth Rs 6,40,00,000 in the financial year 2017-18. Tinkharia Tea Pvt Ltd had refunded Rs.2,00,00,000/- during the current financial year and the balance amount of Rs 6,60,00,000 will be refunded to the company in next financial year.</p>	
<b>13 OTHER NON CURRENT ASSETS</b>		
Security Deposits	<b>1,89,360.95</b>	5,49,985.95
	<b><u>1,89,360.95</u></b>	<b><u>5,49,985.95</u></b>



**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Figures in ₹	Figures in ₹
	As at 31.03.2018	As at 31.03.2017
<b>19 REVENUE FROM OPERATIONS</b>		
Sale of Goods	2,23,28,006.14	4,61,65,544.54
Discount, Claims, Frieghts charges	-	28,18,222.62
	<u>2,23,28,006.14</u>	<u>4,89,83,767.16</u>
<b>20 OTHER INCOME</b>		
Interest Income	24,91,042.00	42,11,901.00
Interest on Fixed Deposit	18,42,805.26	4,57,232.94
Dividend Income	58,440.00	32,700.00
Discount Received	-	86,266.00
Sundry Balances Round Off	-	88,828.67
Interest Received on IT refund	12,192.00	-
Freight Re-imbursed (Branch)	5,96,570.55	-
Profit on Sale of Fixed Assets	960.00	-
	<u>50,02,009.81</u>	<u>48,76,928.61</u>
<b>21 PURCHASES</b>		
Purchase of Goods	1,82,15,339.64	3,48,19,449.99
	<u>1,82,15,339.64</u>	<u>3,48,19,449.99</u>
<b>22 CHANGE IN INVENTORIES OF STOCK IN TRADE</b>		
Opening Stock	17,29,110.33	40,81,834.43
Less: Closing Stock	(10,75,729.82)	(17,29,110.33)
Net Increase/Decrease	<u>6,53,380.51</u>	<u>23,52,724.10</u>
<b>23 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Bonus	14,29,442.00	18,67,396.00
Bonus Cum Ex- Gratia	3,19,360.00	8,00,000.00
Director's Remuneration	18,00,000.00	30,00,000.00
Staff Mess Expenses	-	72,000.00
Tea & Tiffin Expenses	-	60,000.00
Labour Charges	-	720.00
	<u>35,48,802.00</u>	<u>58,00,116.00</u>
<b>24 FINANCE COST</b>		
Interest On Unsecured Loans	-	-
Interest on Bank Overdraft	12,324.00	1,13,593.00
	<u>12,324.00</u>	<u>1,13,593.00</u>

**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	As at 31.03.2018	As at 31.03.2017
<b>25 OTHER EXPENSES</b>		
Auditors Remuneration		
For Statutory Audit	17,700.00	17,250.00
For Tax Audit	5,900.00	5,750.00
For Branch Audit	10,000.00	11,500.00
For VAT Audit	2,300.00	2,300.00
For Internal Audit	5,900.00	5,750.00
For Certification	-	-
Annual BSE/ CDSL/NSDL Listing Fees	1,32,250.00	1,31,675.00
Bad Debts	14,77,565.66	-
Bank Charges	1,239.40	6,531.00
Brokerage & Commission	-	1,50,000.00
Business Promotion Expense	4,000.00	-
Car Hire Charges	39,680.00	3,53,500.00
Car Insurance Charges	48,205.00	-
Computer Expenses	10,953.00	8,466.00
Computerisation Charges	24,000.00	27,600.00
Delivery Charges	1,15,554.75	22,091.00
Demat Charges	10,750.00	11,475.00
Discount Allowed	-	21,20,284.28
Donation	15,811.00	-
Entertainment Expenses	-	33,455.00
Entry Tax	-	19,109.00
Filing Fees	-	9,000.00
Freight Charges	26,544.00	4,65,483.00
General Expenses	1,78,415.99	71,204.33
Godwon Rent	-	1,26,000.00
GST	7,222.00	-
Insurance Premium	11,408.00	12,029.32
Labour Charges	4,602.00	-
Legal & Professional fees	1,72,840.00	98,105.00
Loading, Unloading & Handling Charges	12,085.00	92,722.00
Motor Car Up- Keep	8,381.56	77,612.05
Packing Charges	1,33,517.00	3,85,938.20
Postage & Courier Expenses	220.00	2,843.73
Preliminary Exp. W/Off	51,500.00	51,500.00
Printing & Stationery	61,297.04	27,540.00
Professional Tax	5,000.00	5,000.00
Rates & Taxes	2,500.00	11,855.75
Sales Promotion Expenses	-	9,37,991.00
Share Issue Expenses W/off	5,94,192.00	7,51,496.00
Sundry Balances Written Off	32,609.94	-
Telephone Charges	5,448.35	51,946.43
Trade Licence fees	3,250.00	-
Travelling & Conveyance	4,335.00	2,04,499.00
	<b>32,37,176.69</b>	<b>63,09,502.09</b>

**SIROHIA & SONS LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	As at 31.03.2018	As at 31.03.2017
<b>26 EARNING PER SHARE:</b>		
After extraordinary item:		
Profit for the year after tax expense	931171.11	2550620.59
Less:		
Preference dividend payable including dividend tax	0.00	0.00
	<u>931171.11</u>	<u>2550620.59</u>
Weighted average number of equity shares	10255092	10255092
Earning per share	0.09	0.25
Before extraordinary item:		
Profit for the year after tax expense	931171.11	2550620.59
Adjustment for Extraordinary item (net of tax)	0.00	0.00
	<u>931171.11</u>	<u>2550620.59</u>
Less:		
Preference dividend payable including dividend tax	0.00	0.00
	<u>931171.11</u>	<u>2550620.59</u>
Weighted average number of equity shares	10255092	10255092
Adjusted Earning per share	0.09	0.25



**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:** L51109WB1990PLC049105

**Name of the Company:** Sirohia & Sons Limited

**Registered office:** 16 Bonfield Lane, Kolkata 700 001

Name of the Member(s):
Registered address:
E-mail Id:

I/ We being the member of Sirohia & Sons Limited, holding.....shares, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature: ....., or failing him / her

2. Name: .....

Address:

E-mail Id:

Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 28th Annual General Meeting of members of the Company, to be held on 25<sup>th</sup> September, 2018, Tuesday at 2, Clyde Row, Hastings, Ground Floor, Kolkata 700 022 at 10:30 AM, and at any adjournment thereof in respect of such resolutions as are indicated below:

Item	Resolutions	For	Against
1	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018 and the Profit and Loss Account for the year ended on that date together with the Schedules thereon, the Cash Flow Statement, along with the Reports of the Directors and Auditors thereon.		
2	The Company does not propose to declare any dividend.		
3	To appoint a Director in place of Mr. Rajesh Sirohia (DIN No.: 00356431), who retires by rotation and being eligible, offers himself for re-appointment.		
4	To appoint a Director in place of Ms. Dipika Sirohia (DIN No.: 01591415), who retires by rotation and being eligible, offers herself for re-appointment.		
5	To ratify appointment of M/s RSVA & Co., Chartered Accounts, as statutory Auditors		
6	To enter into transaction with related parties of the company on arm's length basis		
7	To advance loan, provide guarantee / security and make investment in excess of prescribed limit by the Company		
8	To provide loans to directors or interested parties of the Company in ordinary course		

Signed this ..... day of September, 2018

Signature of Shareholder

Signature of Proxy holder(s)

Affix a Revenue Stamp
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Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. Members/Proxies should bring their attendance slips duly completed for attending the Meeting.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.

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**SIROHIA & SONS LIMITED**

CIN: L51109WB1990PLC049105

Registered Office: 16 Bonfield Lane, Kolkata 700 001  
Tel. 033- 4017 0700 E-mail:info@sirohia.com Website: www.sirohia.com

**ATTENDANCE SLIP for the 28th Annual General Meeting  
(to be handed over at the registration counter)**

**Serial No.**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

Name & Address of Shareholder / Proxy holder

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I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the 28th Annual General Meeting of members of the Company, to be held on Tuesday 25th September 2018, at 10:30 AM at 2, Clyde Row, Hastings, Ground Floor Kolkata 700 022.

Member's / Proxy's Signature

(Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and handover at the entrance of the Meeting Hall)

Shareholder/ Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

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