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### Board of Directors

Veenu Devidas Chougule  
Non-Executive Independent Director  
Verma Shivbadan Shivkumar  
Non-Executive Independent Director  
Vijay Tikkanna Ulidra  
Non-Executive Independent Director

### Statutory Auditors

M/s. D. P. Agarwal & Co  
Chartered Accountants  
261/263, 4<sup>th</sup> Floor,  
Bilquees Mansion, D.N Road,  
Fort, Mumbai – 400 001.

### Committees of the Board

Audit Committee  
Vijay T Ulidra-Chairman  
Verma Shivkumar Shivbadan- Member  
Veenu Devidas Chougule - Member

### Nomination & Remuneration Committee

Verma Shivkumar Shivbadan-Chairman  
Veenu Devidas Chougule- Member  
Vijay T Ulidra -Member

### Stakeholder's Relationship Committee

Verma Shivkumar Shivbadan-Chairman  
Vijay T Ulidra-Member  
Veenu D Chougule-Member

### Registered Office

Part B of 417, Chetak Centre Annex,  
Near Hotel Shreemaya, R.N.T. Marg,  
Indore – 452001, Madhya Pradesh  
Email Id:-sunayanaicl@gmail.com  
Website:- www.sunayanainvestment.com

### Share Transfer Agents:

Purva Sharegistry (India) Private  
Limited  
Unit no.9, Shiv Shakti Industrial Estate  
J .R. Boricha marg, Opp. Kasturba Hospital  
Lane, Lower Parel (E)  
Mumbai 400 011

### Bankers

Punjab National Bank  
Corporation Bank

### Corporate Office

Office No. 19A, 1<sup>st</sup> Floor,  
Mistry Building, 635, J.S.S. Road,  
Mumbai – 400 002  
Tel No:- 022-69421122

### Listed at:

Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata – 700001.  
West Bengal

## NOTICE

Notice is hereby given that the 39<sup>th</sup> Annual General Meeting of SUNAYANA INVESTMENT COMPANY LIMITED will be held at Registered Office of the Company situated at Part B of 417, Chetak Centre Annex. , Near Hotel Shree Maya, R. N. T. Marg, Indore – 452001, Madhya Pradesh, on Saturday 30<sup>th</sup> September, 2017 at 10.00 a.m., to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Profit & Loss Account and Schedules of the Company for the financial year ended on that date and the Reports of the Statutory Auditors and Directors thereon.
2. To consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 (1) and applicable provisions, if any, of the Companies Act, 2013 and rules, circulars, notifications made/issued there under, including any amendments, modification, variation or re-enactment thereof, the appointment of M/s. D. P. Agarwal & Co. Chartered Accountant, Mumbai, bearing Firms Registration Number: 100068W as the Statutory Auditors of the Company, which has been approved at the Annual General Meeting held on 27<sup>th</sup> September, 2014 for a term of Five Years, i.e. from the conclusion of 36<sup>th</sup> Annual General Meeting till the conclusion of 41<sup>st</sup> Annual general meeting of the Company to be held in the Year 2019, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise

considered by them to be in the best interest of the Company including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto.”

By Order of the Board

For Sunayana Investment Company Limited

SD/-

Veenu Devidas Chougale

Director

DIN – 07019614

SD/-

Vijay T Ulidra

Director

DIN- 06948648

Place: Indore

Date: 31<sup>st</sup> August, 2017

NOTES:

1. A Member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company. A person can act as a proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of Total Paid-up Share Capital of the Company. Any Member holding more than 10% of Total Paid-up Share Capital of the Company may appoint a single person as proxy and in such case, the said person shall not act as proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting, duly stamped.
2. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
4. Members are requested to bring their admission slip along with copy of the report and accounts to Annual General Meeting.
5. Relevant documents referred to in the accompanying Notice & Explanatory Statement would be available for inspection by the members at the Registered Office of the Company on all working days, except Saturday / Sunday & Public Holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 27<sup>th</sup> September, 2017 to 30<sup>th</sup> September, 2017 (Both Days Inclusive) for the purpose of the Annual General Meeting.

7. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DP ID in all correspondence, so as to enable the Company to address any future communication at their correct address.
8. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
9. Members desirous of seeking any information concerning the Accounts or operations of the Company is requested to address their queries in writing to the Company at least seven days prior to the Annual General Meeting so that the requested information can be made available at the time of the meeting.
10. Members holding shares in physical forms are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease in portfolio management. Member can contact the Company or the Company's Registrar and Transfer Agent, PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED, for assistance in this regard.
11. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
12. Members holding shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio. 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 the Company/Registrar & Share Transfer Agent.

13. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken “Green Initiative in Corporate Governance” and allowed Companies to share documents with its shareholders through an electronic mode. Electronic copy of the Annual Report for 2017 is being sent to all the members whose Email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017 is being sent in the permitted mode. Members holding shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
14. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2017 will also be available on the Company’s website [www.sunayanainvestment.com](http://www.sunayanainvestment.com) for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company’s designated email id: [sunayanaicl@gmail.com](mailto:sunayanaicl@gmail.com)
15. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository participants and in respect of old shares held in physical form with the Company’s Registrar & Share Transfer Agent.

16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports & other communications through electronic mode to those members whose email IDs are registered with the Company/Depository Participants(s). As per provisions of Section 20 of the Companies Act, 2013 read with Rules there under, a document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office/home address or by such electronic mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his/her Depository Participants(s)/Company Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. For members who have not registered their email address with the Company, the service of documents will be affected by other modes of services as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules there under. Printed copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Paper and Proxy Form is being sent to all members in the permitted mode.
17. In terms of relevant provisions of SEBI (LODR) 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to CS Rakesh Kapur, Scrutinizer, 305, 3rd Floor, Tower – 1/B, Dhiraj Enclave, Co-op Hsg Soc. Ltd., Khatau Mill Complex, Opp Bhor, Borivali East, Mumbai – 400 066. Tel.: 022-28855295, E-mail: rakeshkapur15@gmail.com so as to reach him on or before Friday September 29,



2017 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

18. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
19. Members can request for a Ballot Form at SUNAYANA INVESTMENT COMPANY LIMITED 19A, 1st Floor, Mistry Building, 635, J. S. S. Road, Mumbai – 400002, Maharashtra or they may also address their request through E-mail to:sunayanaicl@gmail.com, Contact No. 022-69421122.
20. E-voting: In compliance with Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and all the business may be transacted through e-Voting Services provided by National Securities Depository Limited **(NSDL)**.
21. The E-voting period for all items of business contained in this Notice shall commence from 27<sup>th</sup> September, 2017 at 9.00 a.m. and will end on 29<sup>th</sup> September, 2017 at 5.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of 23<sup>rd</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.  
The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on 23<sup>rd</sup> September, 2017.
22. CS Rakesh Kapur, Scrutinizer, 305, 3rd Floor, Tower – 1/B, Dhiraj Enclave, Co-op Hsg Soc. Ltd., Khatau Mill Complex, Opp Bhor, Borivali East, Mumbai – 400 066. Tel.: 022-28855295, E-mail: rakeshkapur15@gmail.com as Independent Professional

has been appointed as the Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner (including the Ballot Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.

23. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting and after scrutinizing such votes received shall make a Scrutinizer's report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.
24. The Results of E-voting shall be declared at the AGM of the Company and the results along with Scrutinizer's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.
25. Voting through electronic means;
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 27<sup>th</sup> September, 2017 (9:00 am) and ends on 29<sup>th</sup> September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL:  
<https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended

not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select “EVEN” of “Sunayana Investment Company Limited”.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [rakeshkapur15@gmail.com](mailto:rakeshkapur15@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. 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 of 23<sup>rd</sup> September, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Share Transfer Agent of the Company, i.e. Purva Shareregistry (India) Private Limited.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only

shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. CS Rakesh Kapur, Scrutinizer, 305, 3rd Floor, Tower – 1/B, Dhiraj Enclave, Co-op Hsg Soc. Ltd., Khatau Mill Complex, Opp Bhor, Borivali East, Mumbai

– 400 066. Tel.: 022-28855295, E-mail: rakeshkapur15@gmail.com as Independent Professional has been appointed as the Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner (including the Ballot Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.

XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper “ for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.sunayanainvestment.com](http://www.sunayanainvestment.com) and on the website of NSDL immediately 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 CSE Limited.

By Order of the Board

For Sunayana Investment Company Limited

SD/-

SD/-

Veenu Devidas Chougale

Vijay T Ulidra

Director

Director

DIN - 07019614

DIN- 06948648

Place: Indore

**DIRECTORS' REPORT**

Your Directors are pleased to present their 39<sup>th</sup> Annual Report on the Business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2017.

## Financial Results

The financial performance of your Company for the year ended March 31, 2017 is summarized below:

(Rupees in Lacs)

Particulars	2016-2017	2015-2016
Sales	2101.41	2312.04
Other Income	-	-
Total Income	2101.41	2312.04
Total Expenses	2079.93	2291.79
Profit/(Loss)	21.48	20.25
(-) Finance Cost	-	-
Profit/(Loss)Before Tax	21.48	20.25
Tax	-	-
(-) Current Tax	4.86	6.26
(+) Deferred Tax	0.00	0.00
Net Profit After Tax	16.62	13.99
(-) Extraordinary Items	19.57	0.00
Net Profit	(2.95)	13.99

During the year under review, the turnover of the Company has jumped to Rs. 2101.41 Lacs (previous year Rs. 2312.04 Lacs), whereas the Company has made a loss of Rs.2.95 Lacs (previous year there was profit of Rs. 13.99). There was decline in the profitability of the Company as the Company has just initiated activities in the textile industry, which has major impact on the profitability of the Company.

## Management Discussion and Analysis Report:

To avoid duplication between the Directors Report and the Management Discussion and Analysis Report for the year, we present below a composite summary of performance of the various business & functions of the Company.

## Industry Overview

The trend in slowdown in global growth continued during the year. India was the fastest growing large economy with a stable currency that performed better than the most emerging market currencies. If the industry players manage to restructure their operations as per the new realities, success will not be very hard to find now. India growth story remained reasonably positive due to stable domestic consumption, lower commodity & energy prices & hence improving macroeconomic parameters. However there are some negative factors like drought,





## Company.

### Adequacy of Internal Control

The Company has robust internal control systems in place which are commensurate with the size and nature of the business. The internal controls are aligned with statutory requirements and designed to safeguard the assets of the Company. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. Increased attention is given to auto generation of MIS reports as against manual reports to take care of possible human errors or alteration of data. The Management reviews and strengthens the controls periodically.

### Human Resource Development

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi-skilling.

### Manpower

The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them.

### Segment-wise Performance

The Company is into single reportable segment only.

### Compliance

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes.

### Cautionary Statement

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate intend, will, expect and other similar expressions are intended to identify "Forward Looking Statements". The company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Actual results could differ materially from those expressed or implied.

#### Dividend

The Board of Directors does not recommend any Dividend for the year under review

#### Share Capital

Authorised Capital of the Company was increased from Rs. 715,00,000/- to Rs. 22,50,00,000 in the meeting of shareholders by a special resolution passed on 30<sup>th</sup> June, 2017. Preferential allotment of 15147000 shares for Rs. 10/- each at a premium of Rs. 10/- each was made on 5<sup>th</sup> July, 2016 amounting to Rs. 30,29,40,000 . As on 31<sup>st</sup> March, 2017 is Rs. 22,24,20,000/- consisting of 2,22,42,000 equity shares of Rs. 10/- each. There was no other change in the capital structure of the company during the year under review.

#### Reserves

Out of the profits available for appropriation, no amount has been transferred to the General Reserve and the balance loss amount of Rs. 2.95 lacs has been carried forward to profit & loss account.

#### Acceptance of Fixed Deposits

The Company has not accepted any Fixed Deposits from general public within the purview of Section 73, of the Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rule, 2014, during the year under review.

#### Subsidiaries, Joint Ventures and Associates Companies:

The Company does not have any subsidiaries, joint venture & associates Company.

#### Particulars of Contract or Arrangement with Related Party

There is no transaction with Related Party which requires disclosure under Section 134(3) (h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. There being no material related party transactions as defined under Regulation 23 of the SEBI (LODR) Regulations, 2015, there are no details to be disclosed in Form AOC – 2 in that regard. The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Board may be accessed on the Company website. All related party transactions which were entered into during the year were on arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material related party

transactions under Regulation 23 of the SEBI (LODR) Regulations, 2015. There is no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

Pursuant to Regulation 26(5) of the SEBI (LODR) Regulations, 2015, senior personnel made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest that might have been in potential conflict with the interest of the Company & same was nil.

#### Loans, Investment and Guarantees by the Company

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013. Particulars of Investment made/loan given under section 186 of the Companies Act, 2013 are provided in the financial statement.

#### Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditor of the Company for inefficiency or inadequacy of such controls.

#### Disclosures under Section 134(3) (l) of the Companies Act, 2013

No material changes and commitments which could affect the Company financial position have occurred between the end of the financial year of the Company and the date of this report, except as disclosed elsewhere in this report.

#### Directors:

There is no change in the composition of the Board of Directors of the Company during the year under review.

#### Directors Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration policy, providing criteria for determining qualifications, positive attributes, independence of a Director and a policy on remuneration for Directors, key managerial personnel and other employees. The detailed Remuneration policy is placed on the Company's website.

#### CONSOLIDATED FINANCIAL STATEMENT

The audited consolidated financial statement of the Company prepared in accordance with relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India forms part of this Annual Report. The Compliance Officer will make these documents available upon receipt of a

request from any member of the Company interested in obtaining the same. These documents will also be available for inspection at the Registered Office of your Company during working hours up to the date of the Annual General Meeting.

#### Declarations by Independent Director

Pursuant to the provisions of Sub-Section (7) of Section 149 of the Companies Act 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act 2013.

#### Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, the current auditors of the Company, M/s. D. P. Agarwal & Associates, Chartered Accountants, Mumbai, hold office up to the conclusion of 41<sup>st</sup> Annual General Meeting of the Company. However, their appointment as Statutory Auditors of the Company is subject to ratification by the members at every Annual General Meeting. The Company has received a certificate from the said Statutory Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed. Necessary resolution for ratification of appointment of the said Auditor is included in this Notice.

#### Auditors Report

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self-explanatory and hence do not call for any further comments under Section 217 of the Companies Act, 1956.

#### Directors Responsibility Statement

In accordance with the requirement of Section 134 of the Companies Act, 2013, the Board of Directors of the Company confirms:

- i. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended 31<sup>st</sup> March, 2017.
- iii. That the Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities.

- iv. That the Directors have prepared the Annual Accounts on a going concern basis.
- v. There are no material changes & commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate & the date of the report.
- vi. There are proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vii. That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- viii. 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 external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by 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 FY 2016-17

Annual Evaluation by the Board of Its Own Performance, Its Committees and Individual Directors  
The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual Directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company. Information on the manner in which the annual evaluation has been made by the Board of its own performance and that of its Committee and individual Directors is given.

#### Details of Committee of Directors

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each Committee during the financial year 2016-17 and meetings attended by each member of the Committee as required under the Companies Act, 2013 is given below. The recommendation by the Audit Committee as and when made to Board has been accepted by it.

#### Risk Management

During the year, Management of the Company evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks, role of various executives in monitoring & mitigation of risk and reporting process. Its aim is to enhance shareholders value and provide an optimum risk-reward tradeoff. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company, and approved by the Board. The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

#### Secretarial Audit Report

A Secretarial Audit Report for the year ended 31st March, 2017 in prescribed form duly audited by the Practicing Company Secretary CS S K Pandey, Mumbai is annexed herewith and forming part of the report.

#### Extract of Annual Return

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report. (Annexure – I)

#### Corporate Governance

The report on Corporate Governance as required by, SEBI (LODR), Regulations, 2015 is not applicable to the Company as its paid-up capital is below the threshold limit specified by it. However, report on Corporate Governance as required by the Companies Act, 2013 is given below to the extent it is applicable and the Company has complied with all the statutory and regulatory requirements as stipulated in the applicable laws.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2016-17. A declaration to this effect signed by the Managing Director of the Company is contained in this Annual Report. The Managing Director and CFO have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the SEBI (LODR), Regulations, 2015

#### Board of Directors

The Company is managed by well- qualified professionals. All directors are suitably qualified, experienced and competent. The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts, Finance, Administration and Marketing. The Company is benefitted by the experience and skills of the Board of Directors. The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large. The Company has a Code of Conduct for Directors and Senior Management personnel. The code is available on the official website of the [www.sunayanainvestment.com](http://www.sunayanainvestment.com)

## Code of Conduct

Regulations 17(5) of the SEBI (LODR) Regulations, 2015, requires listed Companies to lay down a Code of Conduct for its Directors and Senior Management, incorporating duties of a Directors as laid down in the Companies Act, 2013. The Board has adopted a Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on Company's website.

## Maximum Tenure of Independent Directors

The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and Regulation 25(2) of the SEBI (LODR) Regulations, 2015.

## Formal Letter of Appointment to Independent Directors

The Company issues a formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013. As per Regulation 46(2) of the SEBI (LODR) Regulation, 2015, the terms and conditions of appointment of Independent Directors are placed on the Company's website.

## Directors' Interest in the Company

Sometime, the Company does enter into contracts with companies in which some of the Directors of the Company are interested as director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weight age to them. Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the companies in which they are directors or members. Full particulars of contracts entered with companies in which directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting of the Directors.

## Responsibilities & Functions of Board of Directors

The Board of Directors of the listed entity shall have the following responsibilities:

- (i) Disclosure of information:
  - (1) Members of Board of Directors and key managerial personnel shall disclose to the Board of directors whether they, directly, indirectly, or on behalf of third parties, have a Material interest in any transaction or matter directly affecting the listed entity.
  - (2) The Board of Directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time



maintaining confidentiality of information in order to foster a culture of good decision-making.

(ii) Key functions of the Board of Director

- (1) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
- (2) Monitoring the effectiveness of the listed entity's governance practices and making changes as needed.
- (3) Selecting, compensating, monitoring and, when necessary, replacing key managerial Personnel and overseeing succession planning.
- (4) Aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.
- (5) Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of Directors.
- (6) Monitoring and managing potential conflicts of interest of management, members of the Board of Directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- (7) Ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- (8) Overseeing the process of disclosure and communications.
- (9) Monitoring and reviewing Board of Director's evaluation framework.

(iii) Other responsibilities:

1. The Board of Directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.
2. The Board of Directors shall set a corporate culture and the values by which executives throughout a group shall behave.
3. Members of the Board of Directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
4. The Board of Directors shall encourage continuing directors training to ensure that the members of Board of Directors are kept up-to-date.
5. Where decisions of the Board of Directors may affect different shareholder groups differently, the Board of Directors shall treat all shareholders fairly.

6. The Board of Directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
7. The Board of Directors shall exercise objective independent judgment on corporate affairs.
8. The Board of Directors shall consider assigning a sufficient number of non- executive members of the Board of Directors capable of exercising independent judgment to tasks where there is a potential for conflict of interest.
9. The Board of Directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognized or exposes the listed entity to excessive risk.
10. The Board of Directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
11. When committees of the Board of Directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the Board of Directors.
12. Members of the Board of Directors shall be able to commit themselves effectively to their responsibilities.
13. In order to fulfill their responsibilities, members of the Board of Directors shall have access to accurate, relevant and timely information.
14. The Board of Directors and senior management shall facilitate the independent Directors to perform their role effectively as a member of the Board of Directors and also a member of a committee of Board of Directors

## Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of its own performance, and that of its Committees and individual directors. Manner in which such formal annual evaluation was made by the Board is given below:

- Performance evaluation criteria for Board, Committees of the Board and Directors were approved by the Board at its meeting. The criteria are placed on the Company's website [www.sunayanainvestment.com](http://www.sunayanainvestment.com)

Under law, as per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the independent director. During the year under review, there was no occasion to decide on the continuance of the term of appointment of any of the independent directors and hence, the question of taking a decision on their re-appointment did not arise.

## Details of Remuneration to Directors

The Company has no stock option plans for the directors and hence, it does not form part of the remuneration package payable to any executive and/or non-executive director. During the year under review, none of the directors was paid any performance-linked incentive.

In 2016-17, the Company did not advance any loans to any of the non-executive directors, and/or Managing Director. Details of remuneration paid/payable to directors during 2016-17 are provided in an annexure to the Directors' Report in section VI (B) of Form MGT-9, i.e. extract of the Annual Return.

### Compliances Regarding Insider Trading

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended. These regulations have been substituted by SEBI with a new set of Regulations, which have come into effect from 15 May 2015.

The said codes are being adhered to the Code referred to in (a) above is placed on the Company's website [www.sunayanainvestment.com](http://www.sunayanainvestment.com)

### Familiarization of Independent Directors

The details of familiarization programme for Independent Directors have been disclosed on website of the Company. In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy. The details of Directors' induction and familiarization are available on the Company's website.

#### ❖ Composition of Board

The Board of Directors of the Company is composed of committed persons with considerable experience in various fields. The Board is properly constituted as per Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on the date of this report, the Board Strength consists of in all 3 directors. All 3 are non-executive Independent directors. All Independent Non-Executive Directors comply with the legal requirements of being "Independent".

Further none of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Also necessary disclosures regarding Committee positions in other public Companies have been made to the Company by the Directors at regular intervals. The number of Directorships, Committee Membership/Chairmanship

of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

❖ Meetings of the Board of Director

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from the other Board business. The Board meetings are pre-scheduled & Agenda is circulated well in advance to facilitate the Directors to ensure meaningful participation in the meetings. However in case of special and urgent business need the Committee of Board of Directors met at a short notice and its minutes is noted and confirmed in the subsequent Board meeting. The Agenda for the Board/Committee meetings cover items set out as per guidelines in Listing Regulations & it includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the Financial Year 2016-17, Ten Board Meetings were held on the following dates:

1. 27<sup>th</sup> May, 2016
2. 01<sup>st</sup> June, 2016
3. 30<sup>th</sup> June, 2016
4. 05<sup>th</sup> July, 2016
5. 11<sup>th</sup> August, 2016
6. 12<sup>th</sup> August, 2016
7. 24<sup>th</sup> August, 2016
8. 12<sup>th</sup> November, 2016
9. 31<sup>st</sup> January, 2017
10. 09<sup>th</sup> February, 2017

❖ Details of the Board of Directors and External Directorships

Particulars of the Board's Composition, Director's Attendance at Board Meetings and at the previous Annual General Meeting, number of other Directorships and Board-Committee memberships held as on 31<sup>st</sup> March 2017, are given below:

Sr. No.	Name of the Director, Designation and Category	Attendance of Board Meetings	Attendance at previous AGM	No. of other Directorships(*)	Number of other Board Committee positions (@)	
					As Chairman	As Member
1	Verma Shivbadan Shivkumar	10	Yes	None	None	None
2	Veenu Devidas Chougule	10	Yes	1	None	1
3	Vijay Tikkanne Ulidra	10	Yes	None	None	None

Notes

(\*) Includes directorships held in public limited Companies only.

Directorships held in Private Companies, Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956 are excluded.

(@) Includes only positions held in Audit Committee and Shareholders'/Investor Grievance Committee of the Board of Directors.

## Committees of the Board

The Board Committee plays a crucial role in the governance structure of the Company and has been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committee are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee meetings.

The Board has constituted following Committees of Directors:

- ❖ Audit Committee,
- ❖ Nomination and Remuneration Committee, and
- ❖ Stakeholder's Relationship Committee,

### ❖ Audit Committee

The Audit Committee consists of three Independent Directors. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise. The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Sunayana Investment Company Limited., (the "Company") in fulfilling its oversight responsibilities with respect to;

- (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, any stock exchange and others,
- (b) The Company's compliances with legal and regulatory requirements,
- (c) The Company's independent auditors' qualification and independence,
- (d) The audit of the Company's financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

Terms of Reference:

The role and terms of reference of Audit Committee covers areas mentioned under Listing Regulations and Companies Act, 2013, besides other terms as may be referred by the Board of Directors. All the Members of Audit Committee are qualified and having insight to interpret and understand financial statements. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions;

1. Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
2. To review and examine with management the quarterly financial results before submission to the Board;
3. To review and examine with the management the annual financial statement and Auditor Report thereon before submission to the Board for approval, with particular reference to – matters to be included in the directors responsibility statement to be included in the board report; changes, if any, in accounting policies and practices and reasons for the same; major accounting entries involving estimates based on the exercise of judgment by management; significant adjustments made in the financial statements arising out of audit findings; compliance with listing and other legal requirements relating to financial statements; disclosure of any related party transactions; modified opinion in the draft audit report;
4. To review management discussion and analysis of financial condition and results of operations;
5. To recommend the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services rendered by the Auditors;
6. To review with management the annual financial statements;
7. To approve or any subsequent modification/disclosure of any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
8. To approve the appointment of Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
9. To review and monitor the Auditor independence and performance, and effectiveness of audit process;
10. To review the performance of statutory and internal auditors, adequacy of the Internal Control System;
11. To discuss with statutory auditors before the audit commences about the nature & scope of audit as well as post-audit discussion to ascertain any area of concern.

12. To recommend appointment, removal, remunerations and terms of appointment of Internal Auditor of the Company;
13. To scrutinize inter-corporate loans and investments made by the Company;
14. To review the adequacy of the Internal Audit function, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage & frequency of internal audit, discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
15. To evaluate internal financial controls and risk management systems;
16. To do the valuation of undertakings or assets of the Company, wherever it is necessary.
17. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
18. To review the functioning of the Whistle blower mechanism.
19. To review the Company's financial and risk management policies.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, creditors & shareholders (in case of non-payment of declared dividends).
21. To review the statement of uses/application of funds raised through an issue (public issue; rights issue, preferential issue, etc), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and making appropriate recommendations to the Board to take steps in the matter.
22. To carry out any other function as mentioned in the terms of reference of the audit committee.
23. To review management letters/ letters of internal control weakness issued by the Statutory Auditors.
24. To review Statement of deviations in terms of Regulation 32(1) & 32(7); including report of monitoring agency, if applicable.

The periodic review ensures that all areas within the scope of the Committee are reviewed.

Constitution of the Committee:

The Constitution of the Audit Committee is in conformity with the Listing Regulations. The Chairman of the Audit Committee is an Independent Director and is financially literate and has accounting related financial management expertise.

The Composition of the Committee, together with the details of the attendance of each member as at 31<sup>st</sup> March, 2017 is given below:

Sr. No.	Name of the Director	Designation	Meetings attended	Category
1.	Vijay Tikkana Ulidra	Chairman	4	Non- Executive Independent Director
2.	Verma Shivkumar Shivbadan	Member	4	Non- Executive Independent Director
3.	Veenu Devidas Chougule	Member	4	Non- Executive Independent Director

#### Meetings of the Committee:

The Committee met Four times during the financial year 2016-17 on i.e. 29<sup>th</sup> May, 2015, 12<sup>th</sup> August 2016, 12<sup>th</sup> November, 2016 & 09<sup>th</sup> February, 2017.

#### ❖ Stakeholders Relationship Committee

##### Terms of the Committee:

- (i) To consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of dividends, transmission, split, consolidation of share certificates and matters related thereto.
- (ii) To ensure expeditious share transfer process.
- (iii) To evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company.
- (iv) To provide guidance and make recommendations to improve investors service level to the investors.
- (v) Attending to complaints of Investor routed by SEBI/Stock Exchanges/ RBI

#### Composition & Meeting

The Committee comprises of 3 Non-Executive Independent Directors, namely Verma Shivkumar Shivbadan (Chairman) and Vijay T Ulidra (Member) and Veenu Devidas Chougule (Member) as member of the committee.

#### Responsibilities of Compliance Officer

The compliance officer of the listed entity shall be responsible for-

- (a) Ensuring conformity with the regulatory provisions applicable to the listed entity in letter and spirit.



- (b) Co-ordination with and reporting to the Board, recognized stock Exchange and depositories with respect to compliance with rules, regulations and other directives of these authorities in manner as specified from time to time.
- (c) Ensuring that the correct procedures have been followed that would result in the correctness, Authenticity and comprehensiveness of the information, statements and reports filed by the listed entity under these regulations.
- (d) Monitoring email address of grievance redressal division as designated by the listed entity for the purpose of registering complaints by investors.

❖ Role of Nomination and Remuneration Committee

Terms of the Committee

The Committee was renamed as Nomination & Remuneration Committee and the terms of reference of the said committee has been revised in order to align with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time. However, none of the Directors has been given any remuneration during the year under review. The Committee has devised a policy on Board Diversity. The objective of the policy is to ensure that the Board comprises adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company.

No Stock option has been allotted to any of the Directors during the financial year 2016-2017. The terms of reference of Committee broadly includes identifying & selection of candidates for appointment as Directors/Independent Director based on certain laid down criteria; performing all such functions as are required to be performed by the Committee with regard to such matters as specified under SEBI (LODR) Regulations, 2015 and requirements of section 178 of the Companies Act, 2013. It formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees. While reviewing the Company's remuneration policies and deciding on the remuneration, the Board and the Committee considers the performance of the Company, the current trends in the industry, the qualifications of the appointee, their experience, past performance, responsibilities shouldered by them, the statutory provisions and other relevant factors. .

The Committee also ensures that the level & composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully. The Committee also ensures that the relationship of remuneration to performance is clear and meets appropriate performance benchmark. The Committee also ensures that the remuneration to directors, key managerial personnel & senior management involves a balance between fixed & incentive pay reflecting short & long term performance objectives appropriate to

the working of the Company & its goals.

❖ Role of committees shall, inter-alia, include the following:

1. To determine/recommend the criteria for determining appointment, qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to remunerations of directors, Key Managerial personal and other employees.
2. To formulate the criteria for evaluation of performance of independent directors and the board of directors.
3. To devise a policy on desired age and diversity of board of directors.
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
5. To review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonus, stock options, etc.

Composition

The Committee comprises of 3 Non-Executive Independent Directors, namely Mr. Shivkumar Shivbadan Verma (Chairman), Mr. Vijay Tikkana Ulidra a (Member) and Veenu Devidas Chougule as member of the committee.

During the financial year ended 31<sup>st</sup> March, 2017 no Remuneration Committee meeting was held.

Disclosures:

- ❖ During the financial year 2016-17, there was no materially significant Related Party Transaction, with the Directors, or the Management, their relatives etc. having potential conflict with the interests of the Company at large. Further as a matter of policy, all the transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the Annual Report of the Company on a regular basis.
- ❖ There was no related party transaction during the year, i.e. transactions of the Company of material nature, with its promoters, Directors or the management that may have potential conflict with the interests of Company at large.
- ❖ The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- ❖ The Company has adopted the Code of Ethics and Business principles for the members of Board and senior management personnel.
- ❖ The Company has adopted a 'Code of Conduct for Prevention of Insider Trading ("the Code") in accordance with the requirements of Securities and Exchange Board of India

(Prohibition of Insider Trading) Regulations, 1992 and its subsequent amendment. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, we affirm that no personnel have been denied access to the Audit Committee. Employees can report to the Management concerned regarding unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy.

- ❖ The Company is in compliance with all mandatory requirements of Listing Regulations.
- ❖ The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.

#### Means of Communication:

The Quarterly, Half-Yearly and Annual Financial Results of the Company are forwarded to the Bombay Stock Exchange immediately upon its approval by the Board of Directors and are simultaneously published in leading newspapers in English and Hindi (regional language).

In accordance with the Listing Regulations requirements, data pertaining to Shareholding Pattern, Quarterly Financial Results and Other Details are forwarded to the Stock Exchange.

During the year under review, no presentation was made to the institutional investors or Analysts.

#### Market Share Price Data:

There has been no trading at The Calcutta Stock Exchange Limited during the financial year 2016 - 17.

#### Share Transfer System:

Presently the Share Transfer documents received by the Company's Registrar and Transfer Agents in physical form are processed, approved and dispatched with in a period of 10 to 15 days from the date of receipt, provided the documents received are complete and the shares under transfer are not under dispute.

For expeditious processing of share transfers, the Board of Directors of the Company has authorized the Compliance Officer, to decide on various issues like transfers/transmission of securities in physical form, change in status of shareholders and confirmation of dematerialization.

#### SEBI Complaints Redress System (SCORES)

SEBI vide circular dated 3<sup>rd</sup> June, 2011 introduced SCORES, i.e., SEBI Complaints Redress System the system of processing of investors complaints in a centralized web based complaints redress portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaints and its current status.

The Company is registered with SEBI under the SCORES system.

#### ISIN No

The Company's Demat International Security Identification Number (ISIN) for its equity shares in NSDL and CDSL is INE724R01011.

#### ❖ Outstanding GDRs/ ADRs:

The Company has not issued any GDRs/ADRs.

#### Reconciliation of Share Capital Audit

A practicing Company Secretary carries out reconciliation of share capital audit, on half-yearly basis to reconcile the total admitted capital with NSDL & CDSL and total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

#### Audit Qualifications

There are no Audit qualifications in the Company's financial statement for the year under review.

#### Whistle Blower Policy

The Company has established a vigil mechanism by adopting a Whistle Blower Policy for Directors and employees to report genuine concerns in the prescribed manner. The Whistle Blower policy/vigil mechanism provides a mechanism for the Directors/employees to report violations, without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organization's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. It provides a mechanism for employees to approach the Chairman of Audit Committee. During the year, no such incidence was reported and no personnel were denied access to the Chairman of the Audit Committee. The Whistle Blower Policy of the Company is available on its website.

The statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) Regulations, 2015 and the same is annexed to this Report.

#### Corporate Social Responsibility

The Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility Committee is not applicable to the Company as the Net Profit of the Company is below the threshold limit prescribed by the Companies Act, 2013.

#### Director's Certificate

A Certificate from the Director in respect of the Financial Statements forms part of the Annual Report.

#### Conservation Of Energy, Technology Absorptions and Foreign Exchange Earnings and Outgo

The information relating to the conservation of energy, technology absorption foreign exchange earnings and outgo under provisions of 134 of the Companies Act, 2013 is not applicable to the Company, considering the nature of its business activities. Further the Company has not earned nor spends foreign exchange during the year under review.

#### Significant and Material Orders Passed By the Regulators or Courts

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

#### Presentation of Financial Statements

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2017 have been disclosed as per Schedule III to the Companies Act, 2013.

#### Statutory Disclosures

A copy of audited financial statements of the said Companies will be made available to the members of the Company, seeking such information at any point of time. A cash flow statement for the year 2016-17 is attached to the Balance Sheet. Pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, the Company has a policy on Prevention of Sexual Harassment at workplace. There was no case reported during the year under review under the said policy.

Details as required under the provisions of section 197 (12) of the Companies Act, 2013 read with

Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, are placed on the Company's website, i.e. [www.sunayanainvestment.com](http://www.sunayanainvestment.com) as an Annexure to the Director Report. Details as required under the provisions of section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, are placed on the Company's website, i.e. [www.sunayanainvestment.com](http://www.sunayanainvestment.com) as an Annexure to the Director Report. A physical copy of the same will be made available to any shareholders on request. A cash flow statement for the year 2016-17 is attached with the Balance-Sheet.

#### Acknowledgement

The Directors take this opportunity to thank the Financial Institutions, Banks, Business Associates, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the various stakeholders for their continued co-operation and support to the Company and look forward to their continued support in future.

The Company thanks all of the employees for their contribution to the Company's performance. The Company applauds all the employees for their superior levels of competence, dedication and commitment to your Company.

By Order of the Board

For Sunayana Investment Company Limited

Veenu Devidas Chougule	Vijay T Ulidra
Director	Director
DIN - 07019614	DIN- 06948648

Place: Indore

Date: 12<sup>th</sup> August, 2017

## ANNEXURE TO DIRECTORS' REPORT

(Annexure - I)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March, 2017[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L67120MP1977PLC001397
(ii)	Registration Date	19/03/1977
(iii)	Name of the Company	SUNAYANA INVESTMENT COMPANY LIMITED
(iv)	Category / Sub-Category of the Company	Company limited by shares/ Indian Non-Government Company
(v)	Address of the Registered Office and contact details	Part B of 417, Chetak Centre Annex., Near Hotel Shree Maya, R.N.T.Marg, Indore – 452001, Madhya Pradesh, India Tel. No. : 0731-4248442  E-mail id: sunayanaicl@gmail.com
(vi)	Address of the Corporate Office	19A, 1 <sup>st</sup> Floor, Mistry Building, 635, J.S.S. Road, Mumbai – 400002, Maharashtra.  Tel. No: 022-69421122
(vii)	Whether listed company Yes / No	Yes
(viii)	Name, Address and Contact details of  Registrar and Transfer Agent, if any	Purva Sharegistry (India) Private Limited Unit no.9, Shiv Shakti Industrial Estate,J .R. Boricha marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai - 400011 Tel. No: 022- 23016761/23018261  Fax. No: 022 – 23012517  Email: busicomp@vsnl.com  Website: www.purvashare.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	Textile trading in retail	46101	65.65%
2	Trading of shares	64990	34.35%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
NIL					

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

❖ Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year 01.04.2016				No. of shares held at the end of the year 31.03.2017				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	---	57550	57550	0.81	0	0	0	0	(0.81)
(b) Central Govt.	---	-	-	-	---	---	---	---	---
(c) State Govt. (s)	---	-	-	-	---	---	---	---	---
(d) Bodies Corp.	---	-	-	-	2250000	57550	2307550	10.37	10.37
(e) Banks/FI	---	-	-	-	---	---	---	---	---
(f) Any Other	---	-	-	-	---	---	---	---	---
Sub-Total(A)(1):	---	57550	57550	0.81	2250000	57550	2307550	10.37	9.56
(2) Foreign									
(a) NRIs/									
Individuals	---	---	---	---	---	---	---	---	---
(b) Other-									
Individuals	---	---	---	---	---	---	---	---	---
(c) Bodies Corp.	---	---	---	---	---	---	---	---	---
(d) Banks / FI	---	---	---	---	---	---	---	---	---
(e) Any Other	---	---	---	---	---	---	---	---	---
Sub-Total(A)(2):	---	---	---	---	---	---	---	---	---
Total Shareholding of Promoter									
(A)=(A)(1)+(A)(2)	---	57550	57550	0.81	2250000	57550	2307550	10.37	9.56
B. Public									
Shareholding									
(1) Institutions									
(a) Mutual Funds	---	---	---	---	---	---	---	---	---
(b) Banks/FI	---	---	---	---	---	---	---	---	---
(c) Central Govt.	---	---	---	---	---	---	---	---	---
(d) State Govt. (s)	---	---	---	---	---	---	---	---	---
(e) Venture Capital									
Funds	---	---	---	---	---	---	---	---	---
(f) Insurance									



SUNAYANA INVESTMENT COMPANY LIMITED (CIN: L67120MP1977PLC001397)

Companies									
(g) FIIs	---	---	---	----	---	---	---	----	----
(h) Foreign Venture									
Capital Funds	---	---	---	----	---	---	---	----	----
(i) Others (specify)	---	---	---	----	---	---	---	----	----
Sub-Total(B)(1):	---	---	---	----	---	---	---	----	----
Category of Shareholders	No. of shares held at the beginning of the year 01.04.2015				No. of shares held at the end of the year 31.03.2016				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
(a) Bodies Corp.									
❖ Indian	----	5335950	5335950	75.21	12255000	23450	12278450	55.20	(20.00)
❖ Overseas	----	----	----	----	----	----	----	----	----
(b) Individuals									
(vi) Individual Shareholders holding nominal share capital up to Rs. 1 lakh	112500	50000	162500	2.29	112500	58000	170500	0.77	(1.52)
(vii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	1280000	99000	1379000	19.44	7234500	91000	7325500	32.94	13.50
(c) Others Clearing Members									
(d) any other (specify) – Hindu Undivided Family (HUF)	150000	10000	160000	2.26	150000	10000	160000	0.72	(1.54)
Sub-Total(B)(2):	1542500	5494950	7037450	99.19	19752000	182450	19934450	89.63	(9.56)
Total Public Shareholding (B)=(B)(1)+(B)(2)	1542500	5494950	7037450	99.19	19752000	182450	19934450	89.63	(9.56)
C. Shares held by custodian for GDRs & ADRs	----	----	----	----	----	----	----	----	----
Grand Total (A+B+C)	1542500	5552500	7095000	100.00	22002000	240000	22242000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in 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	Pradeep Ramlakhan Singh	57550	0.81	0.00	0	0	0.00	(0.81)
2	Rajwanti Traders LLP	0	0	0.00	2307550	10.37	0.00	10.37
	Total	57550	0.81	0.00	2307550	10.37	0.00	9.56

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

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Type
		31-03-16		31-03-17		
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
1	PRADEEP RAMLAKHAN SINGH	57550	0.81			
	03-Mar-17	-57550	-0.81	0	0	Sell
	31-Mar-17			0	0	
2	RAJWANTI TRADERS LLP .	0	0			
	04-Nov-16	2250000	31.71	2250000	10.12	Buy
	03-Mar-17	57550	0.81	2307550	10.37	Buy
	31-Mar-17			2307550	10.37	

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

Sr. No.	Top 10 shareholders	Shareholding at the beginning of the year 01.04.2016		Date of Transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during at the end of the year 31.03.2017	
		No. of shares at the beginning (01.04.2015) / end of the year 31.03.2016	% of total Shares of the Company				No. of shares	% of total Shares of the Company
1	SADHU COMMOSALE LLP	500000	7.05	1/04/2016	-	Nil Movement during the year	500000	7.05
		500000	7.05	31/03/2017				
2	MONAECUM PROPERTIES PVT LTD & JENIF	450000	6.34	1/04/2016	-	Nil Movement during the year	450000	6.34
		450000	6.34	31/03/2017				

3	DINESH SINGHAL	450000	6.34	1/04/2016	-	Nil	450000	6.34
		450000	6.34	31/03/2017	-	Movement during the year		
4	PRAKASH KUMAR JAIN	437500	6.17	1/04/2016	-	Nil	437500	6.17
		437500	6.17	31/03/2017	-	Movement during the year		
5	JENNIFER	400000	5.64	1/04/2016	-	Nil	400000	5.64
		400000	5.64	31/03/2017	-	Movement during the year		
6	ABRV TRADING	400000	5.64	1/04/2016	-	Nil	400000	5.64
		400000	5.64	31/03/2017	-	Movement during the year		
7	PANKTI COMMO SALES LLP	400000	5.64	1/04/2016	-	Nil	400000	5.64
		400000	5.64	31/03/2017	-	Movement during the year		
8	GARIMA JAIN (PARTNER OF SHYAM TRADE)	350000	4.93	1/04/2016	-	Nil	350000	4.93
		350000	4.93	31/03/2017	-	Movement during the year		
9	MANISH KUMAR	350000	4.93	1/04/2016	-	Nil	350000	4.93
		350000	4.93	31/03/2017	-	Movement during the year		
10	NAVIN AGARWAL	350000	4.93	1/04/2016	-	Nil	350000	4.93
		350000	4.93	31/03/2017	-	Movement during the year		

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year 01.04.2016		Date of Transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during at the end of the year 31.03.2017	
		No. of shares at the beginning (01.04.2016) / end of the year 31.03.2017	% of total Shares of the Company				No. of shares	% of total Shares of the Company
NIL								

I) INDEBTEDNESS: NIL

The Company has no indebtedness with respect to secured or unsecured loans or deposits.

II) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/MANAGER	Total Amt
		Mr. (Managing Director)	
1	Gross Salary		

SUNAYANA INVESTMENT COMPANY LIMITED (CIN: L67120MP1977PLC001397)

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option related perquisites	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit	NIL	NIL
	- Others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)		
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013.	

B. Remuneration to other directors: (No remuneration has been paid to any Director)

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Mr.	Total Amount
1	Independent Directors		
	A. Fee for attending board / committee meetings	NIL	NIL
	B. Commission	NIL	NIL
	C. Others, please specify	NIL	NIL
	Total (1)	NIL	NIL
2	Other Non-Executive Directors	Mr.	Total Amount
	D. Fee for attending board / committee meetings	NIL	NIL
	E. Commission	NIL	NIL
	F. Others, please specify		NIL
	Total (2)		NIL
	Total (B)=(1+2)		NIL
	Total (A)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013.	

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (No remuneration has been paid to any KMP) (Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		Total
1	Gross Salary	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL
2	Stock Option related perquisites	NIL
3	Sweat Equity	NIL
4	Commission	NIL

	- as % of profit	NIL
	- others, specify...	NIL
5	Others, please specify	NIL
	Total	NIL

III) 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)
Penalty	NONE				
Punishment					
Compounding					

Other Officers in Default

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)
Penalty	NONE				
Punishment					
Compounding					

By Order of the Board  
For Sunayana Investment Company Limited

Veenu Devidas Chougule  
Director  
DIN - 07019614

Vijay T Ulidra  
Director  
DIN- 06948648

Place: Indore  
Date: 12<sup>th</sup> August, 2017

Form No. MR-3

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017

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

To,  
The Members,  
SUNAYANA INVESTMENT COMPANY LIMITED  
CIN L67120MP1977PLC001397  
Indore, Madhya Pradesh.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SUNAYANA INVESTMENT COMPANY LIMITED [CIN: L67120MP1977PLC001397] (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Sunayana Investment Company Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Sunayana Investment Company Limited ("the Company") for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) (the Act) and the rules made there under.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – Not Applicable.
  - ii) The Securities and Exchange Board of India (Prohibition of Insider Trading)

Regulations,1992 - Not Applicable.

- iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Applicable as the Company has issued equity shares on preferential basis to other than promoter category.
- iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not Applicable;
- v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008 – Not Applicable;
- vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) ,1993 regarding the Companies Act and dealing with client – Not Applicable as the Company is not registered as Registrar to an Issue & Share Transfer Agents;
- vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable and
- viii)The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable.

The management has identified and confirmed that apart from Companies Act, 2013; SEBI Act & Income-Tax Act, 1961, no other laws is specifically applicable to the Company.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India.
- b. The Listing Agreements entered into by the Company with Calcutta Stock Exchange;

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

- a. The Company did not have Company Secretary during the year. However the management is taking the necessary step for regularizing the same.
- b. The Company has filed certain forms with ROC with delay fees.
- c. The Company has increased authorized capital of the Company during the year.
- d. The Company has issued and allotted 15147000 equity shares on preferential basis to other than promoter.

I further report that; the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Since Minutes books is not updated, hence we cannot comment whether majority decision is carried through while the dissenting

members' views are captured and recorded as part of the minutes.

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

S K Pandey  
Practicing Company Secretary  
ACS No. 8546  
C P No.: 5484  
Place: Mumbai  
Date: 11/08/2017



Annexure –A to Secretarial Audit Report dated 11<sup>th</sup> August, 2017

To,  
The Members,  
SUNAYANA INVESTMENT COMPANY LIMITED  
CIN L67120MP1977PLC001397  
Indore, Madhya Pradesh.

Our Secretarial Audit Report dated 11 August 2017 is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for 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 report.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. This 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.

S K Pandey  
Practicing Company Secretary  
ACS No. 8546  
C P No.: 5484

Place: Mumbai  
Date: 11/08/2017

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
SUNAYANA INVESTMENT COMPANY LIMITED  
Indore,  
Madhya Pradesh

We have examined the compliance of conditions of Corporate Governance by Sunayana Investment Company Limited for the year ended on 31st March, 2017 as stipulated in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub – regulation (1) of regulation 46 and Para C, D, and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and belief and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the Listing Agreement

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D.P.Agarwal & Co.  
Chartered Accountants  
(FRN: 100068W)

(D.P.Agarwal)  
Proprietor  
M.Ship No.: 35500

Place: Mumbai.  
Date: 29th May, 2017

CERTIFICATE ON FINANCIAL STATEMENTS

To,

The Members,

SUNAYAN INVESTMENT COMPANY LIMITED

Indore, Madhya Pradesh.

We have hereby certified that:

- (i) We have reviewed the financial statements and the cash flow statements of SUNAYANA INVESTMENT COMPANY LIMITED for the financial year 2016-17 and to the best of our knowledge and belief, we state that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
- (ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (iii) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (iv) We have indicated to the Auditors and the Audit Committee:
  - significant changes in internal control over financing reporting during the year;
  - significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - That there were no Instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

By Order of the Board

For Sunayana Investment Company Limited

Veenu Devidas Chougule  
Director  
DIN - 07019614

Vijay T Ulidra  
Director  
DIN- 06948648

Place: Indore

Date: 12<sup>th</sup> August, 2017

## Independent Auditor's Report

To the Members of

SUNAYANA INVESTMENT COMPANY LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Sunayana Investment Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss Statement for the year 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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone 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 disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 explanations given to us, the aforesaid standalone 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 March 31, 2017, its Profit for the year ended on that date.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A , a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by the 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 Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of internal financial controls over the financial reporting of the Company and the Operating effectiveness of such controls, refer to our separate report in “Annexure-B”, and
- 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 has disclosed the impact of pending litigations on its financial position in its financial statements
  - ii. The Company has no material foreseeable losses on long-term contracts including derivative contracts as required under the applicable law or accounting standards
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company.

For D P Agarwal & Co.  
Chartered Accountants  
FRN: 100068W

D.P.Agarwal  
(Proprietor)  
Membership No. 35500  
Place Mumbai  
Date: May 29, 2017

Annexure A to the Auditor's Report

The annexure required under CARO, 2016 referred to in our report to the members of Sunayana Investment Company Limited ("the company") for the year ended March 31, 2017. We report that:

- i) This clause is not applicable as the company did not have any fixed assets.
- ii) The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company.
- iii) During the year the company has not granted any Loans, secured or Unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- 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, with respect to loans and investment made.
- v) The company has not accepted any deposits from the public within the meaning of section 73 of the Act and the rules framed thereunder.
- vi) As informed to us, the Central Government has not prescribed maintenance of cost records under subsection (1) of Section 148 of the Act in respect of the business of the company.
- vii)
  - a) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has been generally regular in depositing its undisputed statutory dues such as Provident Fund, Employees' State Insurance, Income tax, Wealth tax, Service tax and any other material statutory dues whichever is applicable to the company with the appropriate authorities during the year. According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, service tax, and any other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
  - b) According to information and explanations given to us, no statutory dues are outstanding on account of dispute.
- viii) According to the information and explanations given to us and based on the records of the company examined by us, the company does not have any borrowing from any financial institutions or bank and does not issue any debentures as at the balance sheet date. Accordingly clause (viii) of paragraph 3 of the Order is not applicable.

- ix) The company has generally applied the amount raised by it by way of term loans, debt instruments for the purpose for which those loans were obtained, other than temporary deployment pending application of those funds. The company did not raise money by way of initial public offer or further public offer during the year.
- x) According to the information and explanation given to us, no material fraud on or by company has been noticed or reported during the year.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided managerial remuneration. Accordingly, clause (xi) of paragraph 3 of the Order is not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has issued and allotted 15147000 equity shares on preferential basis to other than promoters during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For D P Agarwal & Co.  
Chartered Accountants  
FRN: 100068W

D.P.Agarwal  
(Proprietor)  
Membership No. 35500  
Place: Mumbai  
Date: May 29, 2017



Annexure B to the Auditor's Report

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 Sunayana Investment Company Limited ("the Company") as of March 31, 2017 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 judgment, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D P Agarwal & Co.  
Chartered Accountants  
FRN: 100068W

D.P.Agarwal  
(Proprietor)  
Membership No. 35500  
Place: Mumbai  
Date: May 29, 2017

SUNAYANA INVESTMENT COMPANY LIMITED

Balance Sheet as at 31st March, 2017

(Rs.in Lacs)

Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Equity Share Capital	1.1	2,224.20	709.50
(b) Convertible Equity Warrants	1.2	-	3,052.40
(c) Reserves and Surplus	2	2,244.36	732.61
<b>(2) Share Application Money Pending Allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Deferred tax liabilities (Net)		-	-
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	3	312.52	12.20
(b) Trade payables	4	321.26	718.80
(c) Other current liabilities	5	1.10	2.50
(d) Short-term provisions	6	38.23	33.37
<b>Total</b>		<b>5,141.67</b>	<b>5,261.38</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets			
(ii) Capital work-in-progress			
(b) Non-current investments	7	2,492.70	1,923.14
(c) Other non-current assets			
(d) Long Term Loans & Advances	8	1,156.35	2,852.66
<b>(2) Current assets</b>			
(a) Current Investments		-	-
(b) Inventories	9	371.66	100.19
(c) Trade receivables	10	1,077.86	58.92
(d) Cash and cash equivalents	11	6.63	5.14
(e) Short-term loans and advances	12	19.77	311.80
(f) Other current assets	13	16.70	9.53
<b>Total</b>		<b>5,141.67</b>	<b>5,261.38</b>

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 21

**As per our report of even date**

**For D P Agarwal & Co.**

**Chartered Accountants**

**Firm Regd. No. 100068W**

**For and on behalf of the Board**

**Sunayana Investment Company Limited**

SD/-

**D P Agarwal**  
**(Proprietor)**

**M.No. 35500**

SD/-

**Veenu Chougule**  
**Managing Director**

SD/-

**Vijay Yulidra**  
**Director**

**Place : Mumbai**

**Date : May 29,2017**

**Place : Mumbai**

**Date : May 29,2017**

SUNAYANA INVESTMENT COMPANY LIMITED

Statement of Profit and Loss for the year ended 31st March, 2017

(Rs.in Lacs)

	Particulars	Note	2016-17	2015-16
I.	Sales & Revenue from operations	14	2,101.41	2,312.04
II.	Other Income	15	-	-
III.	<b>Total Revenue (I + II)</b>		<b>2,101.41</b>	<b>2,312.04</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed		-	-
	Purchase of Shares and Securities	16	2,335.58	2,001.04
	Changes in inventories of Stock-in-Trade	17	(271.49)	274.37
	Employee benefits expense	18	6.84	6.55
	Finance costs	19	0.77	0.05
	Depreciation and amortization expense		-	-
	Other expenses	20	8.23	9.78
	<b>Total Expenses</b>		<b>2,079.93</b>	<b>2,291.79</b>
V.	Profit before exceptional and Extraordinary items and tax (III - IV)		<b>21.48</b>	<b>20.25</b>
VI.	Extraordinary Items		19.57	-
VII.	Profit Before Tax		<b>1.91</b>	<b>20.25</b>
VIII.	Tax expense:			
	(1) Current tax/ Provision for Tax		4.86	6.26
	(2) Short Excess Provision of Earlier years			
	(3) Deferred tax			
IX.	Profit/(Loss) for the period (VII - VIII)		<b>(2.95)</b>	<b>13.99</b>
X	Earning per equity share:			
	(1) Basic		(0.01)	0.20
	(2) Diluted		(0.01)	0.20

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 21

**As per our report of even date**

**For D P Agarwal & Co.**

**Chartered Accountants**

**Firm Regd. No. 100068W**

**D P Agarwal**  
**(Proprietor)**  
**M.No. 35500**

**Place : Mumbai**

**Date : May 29,2017**

**For and on behalf of the Board**

**Sunayana Investment Company Limited**

**Veenu Chougule**  
**Director**

**Vijay Yulidra**  
**Director**

**Place : Mumbai**

**Date : May 29,2017**

**SUNAYANA INVESTMENT COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

(Rs.in Lacs)

	2016-2017	2015-2016
<b>A.CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT/(LOSS) BEFORE INTEREST,TAX AND EXTRAORDINARY ITEMS	1.91	20.25
<b>Adjustments for</b>		
Depreciation	-	
Interest Income	-	
Finance Costs	-	
	1.91	20.25
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		
Adjustments for increase/decrease in		
(a) Trade Receivables/Borrowings	2.65	32.80
(b) Short Term Loans & Advances	(729.56)	647.62
(c) Inventories	(271.47)	(100.19)
(d) Other Current Assets	(7.17)	(6.23)
(e) Trade Payables	(397.54)	685.73
(f) Other Current Liabilities	(1.40)	(22.99)
(g) Short Term Loans Provisions	295.45	18.46
<b>CASH GENERATED FROM OPERATIONS</b>	(1,109.03)	1,255.21
Provision for Tax	4.86	(6.26)
Cash Flow Before Extraordinary Items	-	-
Extraordinary Items	-	-
<b>NET CASH FROM OPERATING ACTIVITES (A)</b>	<b>(1,102.26)</b>	<b>1,269.20</b>
<b>B.CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	-	-
Purchase of Assets	-	-
Change in Deferred Revenue Expenditure	-	-
Purchase of Investment	(569.56)	(94.75)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(569.56)</b>	<b>(94.75)</b>
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Loans & Advances Provided	1,696.31	(2,093.21)
Proceed from issue of Share Capital	(1,537.70)	327.00
Share Application Money	-	-
Proceed from issue of Share Capital Premium Account	1,514.70	531.25
Changes in Secured Loans	-	-
<b>NET CASH USED IN FINANCING ACITIVITES ( C)</b>	<b>1,673.31</b>	<b>(1,234.96)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>1.49</b>	<b>(60.51)</b>
Opening Balance of Cash and Cash Equivalents	5.14	65.65
Closing Balance of Cash and Cash Equivalents	6.63	5.14
<b>NET INCREASE/DECREASE IN CASH EQUIVALENTS</b>	<b>1.49</b>	<b>(60.51)</b>
NOTE : FIGURES IN BRACKETS SHOWS OUTFLOW		

As Per our Attached Report of even date  
For D P Agarwal & Co.  
Chartered Accountants  
Firm Regd. No. 100068W

For and on Behalf of the board  
Sunayana Investment Company Limited

D P Agarwal  
(Proprietor)  
M.No. 35500

Veenu Chougule  
Director

Vijay Ulidra  
Director

Place : Mumbai  
Date : May 29,2017

Place : Indore  
Date : May 29,2017

SUNAYANA INVESTMENT COMPANY LIMITED			
NOTES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS STATEMENT ACCOUNT			
(Rs.in Lacs)			
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>1</b>	<b>Share Capital</b>		
	Equity Share Capital		
	Authorised Share capital (2,25,00,000 (71,50,000 ) Equity Shares of Rs 10/- each)	2,250.00	715.00
1.1	Issued, Subscribed & fully Paid up 2,22,24,200 (70,95,000) Equity Shares of Rs.10/- each during the year	2,224.20	709.50
	<b>Total</b>	<b>2,224.20</b>	<b>709.50</b>
1.2	Convertible Equity Warrants 15,147,000 Convertible equity warrants of Rs. 20 each	-	3,052.40
	<b>Total</b>	<b>-</b>	<b>3,052.40</b>
1.3	Reconciliation of the number of shares;		
	No. of Equity shares issued at the beginning of the period	7,095,000	1,782,500
	Add no. of Equity shares issued during the period	15,147,000	5,312,500
	Less no. of Equity shares bought back during the year	-	-
	No. of Equity shares at the end of the period	<b>22,242,000</b>	<b>7,095,000</b>
1.4	List of Shareholder holding more than 5% of shares	<b>No of Shares</b>	<b>No of Shares</b>
	List of shareholders holding more than 5% in the Company	-	-
	Rajwanti Traders LLP	23,07,550 (10.37%)	
	Sadhu Commosales LLP		500,000 (7.05%)
	Apurva Textile		450,000 (6.34%)
	Picaso Synthetics		450,000 (6.34%)
	Bhagwati Traders		437,500 (6.17%)
	Avni Textile		400,000 (5.64%)
	Pankti Commosales LLP		400,000 (5.64%)
	Sahitay Commosales		400,000 (5.64%)
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>2</b>	<b>Reserves and Surplus</b>		
	Capital Reserves	-	-
	Securities Premium Reserves	2,200.20	685.50
	<b>Profit &amp; Loss account</b>		
	Opening Balance	47.11	33.12
	Add : During the Year	-	13.99
	Less : During the Year	(2.95)	-
		<b>44.16</b>	<b>47.11</b>
	General reserves	-	-
	<b>Total</b>	<b>2,244.36</b>	<b>732.61</b>

Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>3</b>	<b>Short-terms borrowings</b>		
	<b>Secured</b>	-	-
	Unsecured loan from directors	-	-
	others	312.52	12.20
	<b>Total</b>	<b>312.52</b>	<b>12.20</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>4</b>	<b>Trade Payables - Current</b>		
	Micro, Small and Medium Enterprises	-	-
	Unsecured and considered good	321.26	718.80
	<b>Total</b>	<b>321.26</b>	<b>718.80</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>5</b>	<b>Other current liabilities</b>		
	Sundry creditors for expenses	1.10	2.50
	Other Payables	-	-
	<b>Total</b>	<b>1.10</b>	<b>2.50</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>6</b>	<b>Short-term provisions</b>		
	Provision for Income-Tax for 2013-14	13.54	13.54
	Provision for Income-Tax for 2014-15	13.57	13.57
	Provision for Income-Tax for 2015-16	6.26	6.26
	Provision for Income-Tax for 2016-17	4.86	-
	<b>Total</b>	<b>38.23</b>	<b>33.37</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>7</b>	<b>Non-current investments</b>		
	Investments in Equity instruments		
	<b>UNQUOTED</b>	2,293.70	1,403.34
	<b>QUOTED</b>		
	Amrapali Fincap Limited	-	320.80
	<b>Investment in Partnership Firms</b>	199.00	199.00
	<b>Total</b>	<b>2,492.70</b>	<b>1,923.14</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>8</b>	<b>Long Term Loans And advances</b>		
	Others	1,156.35	2,852.66
	<b>Total</b>	<b>1,156.35</b>	<b>2,852.66</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
<b>9</b>	<b>Inventories</b>		
	Inventories	371.66	100.19



Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
10	<b>Trade receivables</b> (Unsecured and Considered Good) Outstading for a period exceeding six months Others	- 1,077.86	- 58.92
	<b>Total</b>	<b>1,077.86</b>	<b>58.92</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
11	<b>Cash and cash equivalent</b> s Cash on Hand Bank Balances In Current Accounts In Deposits	0.72 5.91 -	0.02 5.12 -
	<b>Total</b>	<b>6.63</b>	<b>5.14</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
12	<b>Short term loans and advances</b> Unsecured Considered Good	19.77	311.80
	<b>Total</b>	<b>19.77</b>	<b>311.80</b>
Note	PARTICULARS	As at 31st March, 2017	As at 31st March, 2016
13	Other Current Assets	16.70	9.53
	<b>Total</b>	<b>16.70</b>	<b>9.53</b>
Note	PARTICULARS	2016-17	2015-16
14	<b>Revenue from Operations</b> Sales of textile goods Interest Income	2,088.59 12.82	2,248.26 63.78
	<b>Total</b>	<b>2,101.41</b>	<b>2,312.04</b>
Note	PARTICULARS	2016-17	2015-16
15	<b>Other Income</b> Dividend income Net gain/ loss on sale of investments/Assets Other non-operating income (net of expenses directly attributable to such income)	- - -	- - -
	<b>Total</b>	<b>-</b>	<b>-</b>
Note	PARTICULARS	2016-17	2015-16
16	<b>Purchase Textile goods</b>	2,335.58	2,001.04
	<b>Total</b>	<b>2,335.58</b>	<b>2,001.04</b>

Note	PARTICULARS	2016-17	2015-16
<b>17</b>	<b>INCREASE/ DECREASE IN Stock in Trade</b>		
	Opening Stock	100.18	374.55
	<b>Total</b>	<b>100.18</b>	<b>374.55</b>
	Closing Stock	371.67	100.18
	<b>Total</b>	<b>371.67</b>	<b>100.18</b>
	<b>Increase or Decrease in Stock in Trade</b>	<b>(271.49)</b>	<b>274.37</b>
Note	PARTICULARS	2016-17	2015-16
<b>18</b>	<b>Employee Benefits Expense</b>		
	Salaries and wages	6.84	6.55
	Directors Sitting Fees / Remuneration	-	-
	Other expenses	-	-
	<b>Total</b>	<b>6.84</b>	<b>6.55</b>
Note	PARTICULARS	2016-17	2015-16
<b>19</b>	<b>Finance Costs</b>		
		0.77	0.05
	<b>Total</b>	<b>0.77</b>	<b>0.05</b>
Note	PARTICULARS	2016-17	2015-16
<b>20</b>	<b>Other Expenses</b>		
	Audit Fee	0.10	0.05
	Advertisement Expenses	-	0.01
	Printing & Stationery	0.12	0.05
	Demat and Transaction Charges	4.44	2.12
	Office Rent	0.54	0.43
	Electricity Expenses	0.13	-
	Misc. Expenses	0.03	0.03
	Repairs & Maintenance Software	0.03	0.03
	Legal & Professional Fees	2.84	7.06
	<b>Total</b>	<b>8.23</b>	<b>9.78</b>

**Note: 21**

**Significant Accounting Policies**

**a) Basis of Accounting**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The accounts of the Company are prepared under the historical cost convention and are in accordance with the applicable accounting standards and accordingly accrual basis of accounting is followed for recognition of income and expenses except where otherwise stated and where the exact quantum is not ascertainable. Expenditure on issue of share capital, if any, is accounted when actually incurred.

**b) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

- Sales is recognized on dispatch to the customers and recorded net of trade discounts, rebates, etc.
- Interest income is recognized on a time proportion basis taking in to account the amount outstanding and the applicable interest rate
- Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

**c) Investments**

Investments that are intended to be held for more than a year , from the date of acquisition are classified as long term investment are carried at cost less any provision for permanent diminution in value . Investments other than long term investments are being current investments are valued at cost or fair market value whichever is lower.

**d) INVENTORIES**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

**e) Assets & Liabilities**

The Assets and Liabilities are taken at the book value certified by the Management

**f) Taxes on Income**

**Current Tax:** Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

## Sunayana Investment Company Limited

**Deferred Tax Provision:** Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted on the Balance Sheet date

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

g) **Miscellaneous Expenditure**

Preliminary expenses / shares issue expenses etc. are not amortized during the year

h) **Use of Estimates**

The Preparation of the Financial statements in conformity with the generally accepted accounting principles require the Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

i) **Segment Reporting**

Considering the organization structure, nature of products & risk and return profile based on geographical distribution, the formulation business is considered as a Single Segment.

j) **Related Party Disclosure**

**Related Parties and their relationship**

**Key Managerial Personnel**

Ms. Veenu Chougule (Director)

Mr. Shivbadan S. Verma (Director)

Mr. Vijay T. Ulidra (Director)

k) **Contingent Liabilities / Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, assets and related income are recognized in the period in which the change occurs.

**Sunayana Investment Company Limited**

**l) Employee Benefits**

Provident Fund & Gratuity is not applicable to the Company

- m) Balances in the accounts of debtors, creditors and contracts and contractors, certain Bank Accounts are taken subject to confirmation and reconciliation and only upon such confirmation and reconciliation, the entries for discounts, claims and writing off sundry balances etc. will be recorded in the books.
- n) In the absence of detailed information from Small Scale and Ancillary Undertaking, included under the head Sundry Creditors dues there from are not ascertained as on the date of Balance Sheet.
- o) Previous year's figures have been regrouped / rearranged wherever deemed necessary.

**As per our attached report of even date  
For D P Agarwal & Co.  
Chartered Accountants  
Firm Regd.No. 100068W**

**For and on behalf of the Board  
Sunayana Investment Company Limited**

**D P Agarwal  
(Proprietor)  
M. No. 35500**

**Veenu Chougule  
Director**

**Vijay T. Ulidra  
Director**

**Place : Mumbai  
Date: May 29, 2017**

**Place: Mumbai  
Date: May 29, 2017**

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

Name and Address of the Member	Registered Folio No.	Client ID & DP ID No.	Number of Shares held

I/We hereby record my/our presence at the Annual General Meeting of the Company to be held at Registered Office of the Company situated at B-417, Chetak Centre Annex., R. N. T. Marg, Indore – 452001, Madhya Pradesh on Saturday, 30<sup>th</sup> September, 2017 at 10.00 a.m.

Signature of the Member or the Proxy Attending the Meeting

If Member, please sign here	If Proxy, please sign here

Note: members are requested to bring their copies of Notice to the meeting as the same will not be circulated at the meeting.

FORM NO MGT-11

PROXY FORM

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

Name of the Company: SUNAYANA INVESTMENT COMPANY LIMITED

Regd. Office B-417, Chetak Centre Annex., R. N. T. Marg, Indore – 452001, Madhya Pradesh.

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

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

(1) Name..... Address.....  
 Email ID ..... Signature..... or failing him/her  
 (2) Name..... Address.....  
 Email ID ..... Signature..... or failing him/her  
 (3) Name..... Address.....  
 Email ID..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday, 30<sup>th</sup> September, 2017 at 10.00 a.m. at Registered Office of the Company situated at B-417, Chetak Centre Annex., R. N. T. Marg, Indore – 452001, Madhya Pradesh and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.		For (Assent)	Against (Dissent)
Ordinary Business			
ITEM NO. 1.	To adopt the Audited Balance Sheet & Profit & Loss Account for the FY 2016-17		
ITEM NO. 2.	Ratify Appointment of M/s. D. P. Agarwal & Co, Chartered Accountant as Statutory Auditors of the company to hold office from the conclusion of 36 <sup>th</sup> AGM, until the conclusion of 41 <sup>st</sup> AGM of the company and to fix their remuneration.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Signature of the Shareholder .....  
 Signature of Proxy holder(s) .....

Affix Revenue Stamp Re 1/æ
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Notes: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

Form No. MGT-12  
Ballot Form

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of Company: SUNAYANA INVESTMENT COMPANY LIMITED

Registered Office: B-417, Chetak Centre Annex, R. N. T. Marg, Indore – 452001, Madhya Pradesh.

- (i) Name of the First Named Shareholder :  
(In block letters)
- (ii) Name of the Joint Holder(s) if any :
- (iii) Registered address of the sole/first named Shareholder :
- (iv) Registered Folio No/ DP No/ Client ID No. :
- (v) Class of shares & No. of shares held :

I/We hereby exercise my/our vote in respect of Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Item No.	Items	No. of shares	I/We assent to the Resolution	I/We dissent to the Resolution
Ordinary Business				
❖	To Adoption of Financial Statement for the year ended 31 <sup>st</sup> March, 2017			
❖	Ratification of appointment of M/s. D. P. Agarwal & Co, Chartered Accountant as Statutory Auditors of the company to hold office from the conclusion of 36 <sup>th</sup> AGM, until the conclusion of 41 <sup>st</sup> AGM of the company and to fix their remuneration.			

Place:

Date:

Signature of the Shareholder

Note:

1. Please read carefully the instructions overleaf before exercising your vote.
2. If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
3. Please note that the last date for receipt of Postal Ballot Forms by the Scrutinizer is 29<sup>th</sup> September, 2017.



## INSTRUCTIONS

### 1. General Instructions:

- a. There will be one Ballot Form/e-voting for every Client ID No/Folio No., irrespective of the number of joint holders.
- b. Members have option to vote either through Ballot Form or through e-voting. If a member has opted for Physical Ballot, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through both physical postal ballot and e-voting, then vote cast through e-voting shall prevail and vote cast through Physical Postal Ballot shall be considered as invalid.
- c. Voting in the ballot/e-voting cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorized representatives with proof of their authorization, as stated below.
- d. The Scrutinizer's decision on the validity of a Ballot/E-voting shall be final and binding.

### 2. Instructions for voting physically by Postal Ballot Form:

- a. A member desirous of exercising his/her Vote by Ballot may complete this Ballot Form and send it to the Scrutinizer, Mr. S.K.Pandey, a Practicing Company Secretary, at Raja Bahadur Building, 1<sup>st</sup> Floor 45 Tamarind Lane, M.P.Shetty Marg, Fort, Mumbai – 400 001, in the attached self addressed envelope. Postage will be borne and paid by the Company. Further, any envelopes containing postal ballot, if deposited in person or sent by courier at the expense of the Registered Member(s) will also be accepted.
- b. The self-addressed postage pre-paid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
- c. This Form must be completed and signed by the Member, as per specimen signature registered with the Company or Depository Participant, as the case may be. In case of joint holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.
- d. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.
- e. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- f. Members are requested to fill the Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- g. Duly completed Ballot Form should reach the Scrutinizer not later than the close of working hours by 5.00 p.m. on Friday, 29<sup>th</sup> September, 2017. All Ballot Forms received after this date will be strictly treated as if no reply has been received from the Member.
- h. A Member may request for a duplicate Ballot Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No.2 (g) above.
- i. Members are requested not to send any other paper along with the Ballot Form. They are also requested not to write anything in the Ballot Form except giving their assent or dissent and putting their signature. If any such other paper is sent, the same will be destroyed by the Scrutinizer.
- j. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected.
- k. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e voting period unblock the votes in the presence of at least two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website within two (2) days of passing of the resolutions at the AGM of the Company and shall be communicated to the Stock Exchange, where its securities are listed.

### 3. Process for Members opting for E-Voting:

- a. E-voting website: [www.evotingindia.com](http://www.evotingindia.com). you can also send your queries/ grievances relating to e-voting to the e-mail ID:-[sunayanaicl@gmail.com](mailto:sunayanaicl@gmail.com)
- b. The period for e-voting starts on Wednesday, 27<sup>th</sup> September, 2017 at 9.00 a.m. and ends on Friday 29<sup>th</sup> September, 2017 at 5.00 p.m.