

# **SHANGAR DÉCOR LIMITED**

**22<sup>nd</sup>**

**ANNUAL REPORT**

**FOR THE YEAR**

**2016-17**

## **REGISTERED OFFICE**

4, Sharad Flats, Opp-Dharnidhar Temple. Ahmedabad-380007

Phone: 07926634458 Email id: [shangardecorltd@hotmail.com](mailto:shangardecorltd@hotmail.com) Website: [www.shangardecor.com](http://www.shangardecor.com)

**AUDITORS:**

**NIRAL PARIKH & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 802, ABHIJEET-III,  
 OPP. MAYOR'S BUNGLOW,  
 NR. LAW GARDEN,  
 MITHAKHALI, AHMEDABAD-380006.

**BANKERS:**

THE UNITED CO-OPERATIVE BANK LIMITED  
 AXIS BANK  
 BANK OF BARODA

**REGISTRAR AND  
SHARE TRANSFER AGENT:**

**M/S. PURVASHAREGISTRY (INDIA) PVT. LTD.**  
 UNIT NO. 9, SHIV SHAKTI IND. ESTATE,  
 J .R. BORICHAMARG  
 OPP. KASTURBA HOSPITAL LANE  
 LOWER PAREL (E), MUMBAI 400 011

**BOARD OF DIRECTORS:**

SAMIR RASIKLAL SHAH	MANAGING DIRECTOR
SAUMIL SHRENIKBHAI SHAH	NON EXECUTIVE DIRECTOR
PARULBEN SAMIRBHAI SHAH	NON EXECUTIVE DIRECTOR
PRASANNA NARENDRA PANDYA	INDEPENDENT DIRECTOR
ASHOKKUMAR AMRATLAL SHAH	INDEPENDENT DIRECTOR
RAJESHKUMAR DHARAJIYA	INDEPENDENT DIRECTOR
UTSAVI BHATIA	COMPANY SECRETARY AND COMPLIANCE OFFICER.

<b><u>AUDIT COMMITTEE</u></b>	<b><u>SHAREHOLDER GRIEVANCES COMMITTEE:</u></b>	<b><u>NOMINATION AND REMUNERATION COMMITTEE:</u></b>
ASHOKKUMARSHAH CHAIRMAN SAUMIL SHAH MEMBER PRASANNANA PANDYA MEMBER	SAMIR SHAH CHAIRMAN SAUMIL SHAH MEMBER PRASANNANA PANDYA MEMBER	ASHOKKUMAR SHAH CHAIRMAN PRASANNANA PANDYA MEMBER SAUMIL SHAH MEMBER

## NOTICE

**Notice** is hereby given that 22<sup>nd</sup> Annual General Meeting of members of Shangar Décor Limited will be held on Saturday, 30<sup>th</sup> September 2017 at 11:00 a.m. at the Registered Office of the Company situated at 4, Sharad Flats, Opp. Dharnidhar Temple, Ahmedabad – 380007 to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **01. Adoption of Audited Financial Statements**

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

To receive, consider and adopt the Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March 2017, including Audited Balance Sheet as at 31<sup>st</sup> March 2017 and the statement of Profit and Loss Account for the year ended on that date along with the reports of Auditors and Directors thereon.

#### **02. Reappointment of Director retiring by Rotation:**

To appoint a Director in place of Mr. Saumil Shah (DIN: 01601299), who retires by rotation and being eligible offers himself for re-appointment.

#### **03. Appointment of Statutory Auditors:**

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

“RESOLVED that pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s Niral Parikh & Associates., Chartered Accountants (Membership No. 144951), as the Statutory Auditors of the Company at such remuneration as shall be fixed by the Board of Directors for FY 2017-18.”

**Place: Ahmedabad**

**Date: 01<sup>st</sup> September 2017**

**Reg. office:**

**4, Sharad Flats, Opp. Dharnidhar Temple,  
Nehrunagar, Ahmedabad 380015.**

**CIN: L36998GJ1995PLC028139**

**Email id: [shangardecorltd@hotmail.com](mailto:shangardecorltd@hotmail.com)**

**(W) [www.shangardecor.com](http://www.shangardecor.com)**

**By order of the Board**

**For Shangar Décor Limited**

**Samirbhai Rasiklal Shah**

**Chairman & Managing Director**

## **NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her self and the proxy need not be the member of the company. A person can act as proxy on behalf members not exceeding 50 (fifty) and holding in aggregate not more than 10% (ten per cent) of share capital of the Company. However a member holding more than 10% (ten per cent) of share capital in company may appoint a single person as proxy and in such case proxy shall not act as proxy for any other member.
2. A form of proxy is herewith attached. The proxies in order to be effective must be submitted at the registered office of the company not less than 48 hours before the commencement of the meeting duly signed by the member. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/ authority, as applicable. Members/ proxies/ authorized representative are requested to bring the attendance slip sent herewith, duly filled in for attending the meeting.
3. In case of joint holders, only a 1<sup>st</sup> Joint holder will be permitted to vote.
4. The Register of Members of the company will remain closed from September 26, 2017 to September 30, 2017 (both days inclusive) in connection with ensuing Annual General Meeting for Financial Year 2016-17.
5. The Statement pursuant to section 102 of Companies act 2013 and /or Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2016 is not applicable as there are no special business proposed to be passed.
6. Members are requested to inform the company of any change in their addresses immediately so as to enable the Company for any further communication at their correct addresses.
7. The Companies Act provides nomination facility to the members. As a member of the Company you have an option to nominate any person as your nominee to whom you shares shall vest in case of unfortunate event of death. It is advisable to avail this facility especially by the members holding shares on single name. This nomination would avoid process of acquiring rights in shares through transmission. In case of joint holders, nomination shall be effective only on death of the all the joint holders. If the share are held in Dematerialized form, the nomination form needs to be forwarded to your Depository Participant.
8. Trading in Equity Shares of the Company is compulsorily in Dematerialized mode by all the investors. Members are therefore requested to convert their Physical Shareholding in Demat Form in case they wish to trade their Equity Shares.
9. Members seeking any information or clarification on the accounts are requested to send written queries to the Company; at least 10 days before the meeting to enable the management keep the required information available at meeting.
10. Annual Report for the Financial year 2016-17 of the company has been uploaded on website of the Company [www.shangardecor.com](http://www.shangardecor.com)

11. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the Company during normal business hours up to the date of and during the Annual general Meeting of the Company and also available for inspection by the members at the AGM.
12. Electronic copy of the Notice along with Annual Report including remote E Voting instructions, Attendance Slips, Proxy Form is being sent to all the members whose emails id are registered with the Company / Depository Participants for communication purpose. For members who have not registered their email ids, physical copy of notice along with Annual Report including remote E -Voting instructions, Attendance Slips, Proxy Form is sent by permitted mode of dispatch.
13. For protection of environment and to conserve natural resources, members are requested to register their emails, with Company / RTA or Depository Participant to enable company to send communication including Annual Report, notices, circulars etc. electronically.
14. Members holding shares in physical form in multiple folios on the same name and in the same order are requested to consolidate all their folios. For this purpose, application may be submitted to M/s. Purva Sharegistry India Pvt. Ltd.
15. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member / beneficial owner as on the cutoff date i. e. Friday, 22<sup>nd</sup> September 2017.
16. In terms of section 108 of Companies Act 2013 read with Companies (Management and Administration) Rules 2014, as amended from time and time and as per Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the e voting facility through Central Depository Services Limited (CDSL) to its members holding shares in physical or dematerialized form, as on cutoff date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice.

This is to clarify that it is not mandatory for a member to vote using the E voting facility and a member may avail the facility at his / her discretion, subject to compliance with the instruction for Remote E-Voting.

Further in case of Members who are entitled to vote, amongst members present in person at the meeting, but have not exercised right to vote by electronics means, the Chairman of the Company shall allow voting by way of poll in terms of Rule 20(4)(xi) of the said rules for the business specified in the accompanying notice.

It is specifically clarified that members who have exercised their right to vote by remote electronics means, may be allowed to participate in Annual General Meeting but shall not be eligible to vote by way of poll at the meeting as per proviso to Rule 20(4)(vii).

The Information with respect to voting process and other instructions regarding remote e-voting are detailed in note no. 20.

17. M/s Viral Ranpura, Company Secretary, Ahmedabad has been appointed as Scrutinizer to scrutinize voting and remote e voting process in fair and transparent manner.

18. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the AGM make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person so authorized by him in writing, who shall countersign the same.
19. The results shall be declared forthwith by the Chairman or a person so authorized by him in writing on receipt of report from the Scrutinizer. The Results declared along with Scrutinizer's Report shall be placed on the Company's website [www.shangardecor.com](http://www.shangardecor.com) and shall also be communicated to the BSE Limited.
20. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to the same being passed with requisite majority.
21. **GREEN INITIATIVE IN CORPORATE GOVERNANCE:**

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to intimate their e-mail ID to the Company or send it through email at [shangardecorltd@hotmail.com](mailto:shangardecorltd@hotmail.com) mentioning their name(s) and folio number or send the details at Company's Registered Office.

22. Voting process and other instructions regarding Remote E Voting:

#### **Section A: Voting Process**

The members should follow the following steps to cast their votes electronically:

- Step 1 Open your web browser during the voting period and log on to the e-voting Website:  
[www.evotingindia.com](http://www.evotingindia.com)
- Step 2 Click on "Shareholders" to cast your vote(s).
- Step 3 Please enter User ID –
  - a) For account holders in CDSL: Your 16 digits beneficiary ID.
  - b) For account holders in NSDL: Your 8 Character DP ID followed by 8 Digits Client ID.
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Step 4 Enter the Image Verification as displayed and Click on "Login".
- Step 5 If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting for any company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on "Forgot Password" and enter the details as prompted by the system.
- Step 6 Follow the steps given below if you are a first time user either holding shares in Demat or Physical form:
  - 6.1 (a) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both, members holding shares in physical or dematerialized form)

**Members holding shares in physical form** and who have not updated their PAN or have incorrect PAN with the Company are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. If the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of your name in CAPITAL letters.

E.g. If your name is PANKAJ PATEL with sequence number 3 then enter PA00000003 in the PAN field.

- 6.1 (b) Enter the Date of Birth (DOB) as recorded in your demat account or registered with the Company for the said demat account or folio in dd/mm/yyyy format.
- 6.1 (c) Enter the Dividend Bank Details (account number) as recorded in your demat account or registered with the Company for the said demat account or folio. #

# please enter either the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in Step 3.

- 6.2 After entering these details appropriately, click on "SUBMIT" tab.

6.3 **For Demat holding:**

Members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

**For Physical holding:**

Members holding shares in physical form will directly reach the Company selection screen. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- Step 7 Click on the EVSN of the Company "Shangar Décor Limited" to vote.
- Step 8 On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired for casting your vote.
- Step 9 Click on Resolution File link if you wish to view the Notice.
- Step 10 After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Step 11 Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step 12 You can also take print-out of the voting done by you by clicking on “Click here to print” option on the Voting page.

Step 13 If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Step 14 Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Step 15 Note for Non – Individual Shareholders and Custodians:

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

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

After receiving the login details a Compliance User should be created using the admin login and password.

The Compliance User would be able to link the account(s) for which they wish to vote on.

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

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

Step 16 **Section B: Other instructions regarding Remote e-voting**

(i) The voting period commences on Wednesday, 27<sup>th</sup> September 2017 at 09.00 am and shall end on Friday, 29<sup>th</sup> September 2017 at 05.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Shangar Décor Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Place: Ahmedabad**  
**Date: 01<sup>st</sup> September 2017**

**By order of the Board**  
**For Shangar Décor Limited**

**Reg. office:**  
**4, Sharad Flats, Opp. Dharnidhar Temple,**  
**Nehrunagar, Ahmedabad 380015.**  
**CIN: L36998GJ1995PLC028139**  
**Email id: [shangardecorltd@hotmail.com](mailto:shangardecorltd@hotmail.com)**  
**(W) [www.shangardecor.com](http://www.shangardecor.com)**

**Samirbhai Rasiklal Shah**  
**Chairman & Managing Director**

## Director's Report

**To the Members of,  
Shangar Decor Limited  
Ahmedabad**

The Company very much pleased to intimate the shareholders that Company has received Trading Approval from BSE Limited during January 2017. The Shareholders will have better liquidity of their investments in the times to come. Company is much thankful to its stakeholders for their continuous support and trust posed in the management of the Company.

The Directors have pleasure to present their 22<sup>nd</sup> Annual Report and the audited Annual Accounts for the year ended 31<sup>st</sup> March, 2017.

### **Financial Results:**

<b>Particulars</b>	<b>Current Year 2016 - 17 INR</b>	<b>Previous Year 2015 - 16 INR</b>
Total Income	3,87,08,288	3,88,06,889
Total Expenses	4,00,95,670	3,81,21,655
Profit Before tax	15,54,039	685,233
Provision for Tax & Deferred Asset/ Liab.		
1. Current tax	480281	211,737
2. Deferred tax	84823	24,891
3. Prior Period Adjustment	-	-
Profit After Tax	989,205	448,605
EPS: Basic & Diluted	0.32	0.15

### **Performance Review:**

During the year under review, Company earned Net Profit After Tax almost 200% time more compared to last year. The Net Profit of the Company during the year 2016 17 is INR 9.89 Lakhs compared to FY 2015 16 of INR 4.49 Lakhs.

### **Dividend:**

No dividend is recommended by the Board of directors in view of limited profit for the Financial Year ended 31<sup>st</sup> March, 2017.

### **Directors' Responsibility Statement:**

In terms of Section 134(3) of the Companies Act, 2013, in relation to the Financial Statements for FY 2016-17, the Board of Directors states that:

- (1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- (2) 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 31<sup>st</sup> March, 2017 and of the profit and loss account of the company for that period.
- (3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (4) The Directors have prepared the annual accounts on a going concern basis.
- (5) 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.
- (6) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Management Discussion and Analysis Report:**

A detailed discussion on the Company's operations is presented in the chapter on Management Discussion and Analysis, which forms part of this Annual Report.

#### **Corporate Governance:**

Regulation 17 to 27 of SEBI (LODR) Regulation 2015 is not applicable to the Company as the Paid Up Share Capital and Turnover of the Company are less than the minimum prescribed limits. Certificate of the Auditors in this regard is annexed to the Board's Report.

#### **Deposits:**

The Company has not invited or accepted any fixed deposit from the public during the year under review.

#### **Subsidiaries and Joint Venture:**

Company does not have any subsidiary companies. Company has not made any investment in Joint Venture Companies.

#### **Internal Financial Controls**

The Company has in place adequate internal financial controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness was observed.

#### **Auditors:**

Niral Parikh & Associates., Chartered Accountant, Ahmedabad the statutory auditor of the Company were appointed as Statutory Auditors of the Company for auditing the

Financial Statement of Financial Year 2015-16 for the term of five years. Their appointment is subject to ratification by the members in every annual general meeting. They have furnished a certificate regarding their eligibility for reappointment as Statutory Auditor of the Company pursuant to Section 139(1) of Companies Act 2013, read with rules framed there under.

The Auditors' report for financial year 2016-17 is self explanatory and forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

**Secretarial Audit:**

Viral Ranpura, Company Secretary in practice was appointed as Secretarial Auditor of the Company and they have issued a Report under provisions of Section 204 of Companies Act 2013 and is placed as annexure to this report. The Secretarial Audit Report is self explanatory and does not require any comments or clarification.

**Cost Audit:**

Provisions of Section 148 of Companies Act 2013 are not applicable to the Company and hence no disclosures are required in that regard.

**Directors:**

**Composition:**

The Board comprises of 6 (Six) Directors, of which 3 (Three) are Independent Directors.

**Directors Retiring By Rotation**

Mr. Saumil Shah (holding DIN: 01601299), a Director, whose terms of office is liable to determination by retirement of Directors by rotation under section 152 of Companies Act 2013 and being eligible offers herself for reappointment. Directors recommend his re appointment.

**Resignation of Directors:**

During the year, none of the Directors of the company have resigned from Board.

**Declaration on Independent Directors:**

Pursuant to provisions of section 149(7) of Companies Act 2013, the Company has received declaration from Independent Directors for FY 2017-18 confirming that they meet the criteria of independence as prescribed under the Act and erstwhile Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

**Number of Meetings of the Board:**

The Board meets at regular interval with gap between two meetings not exceeding 120 days. Additional meetings were held as and when necessary. During the year under

review, the Board met Eight times and the proceeds of the Board Meeting have been duly recorded in minutes book.

**Policy on Directors' Appointment:**

Pursuant to provisions of section 178 read with 134(3)(e) of Companies Act 2013, The Nomination and Remuneration Committee (NRC) has approved the criteria and process for identification / appointment of Directors. Directors of the Company strictly follow the process and criteria as prescribed by the committee.

**Manner of Evaluation of Board, Its Committees and Individual Directors:**

The Evaluation of Board, its Committees and Individual Directors was carried out as per process and criteria laid down by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.

The obtaining and consolidation of feedback from all Directors in this regards, was coordinated by the Chairman of Independent Directors' meeting for Board and Non-Independent Directors while the process of evaluation of the Independent Directors was coordinated by the Chairman of the Company. Based on this, Chairman of the Company briefed the Board and each of the Individual Directors, as applicable.

**Remuneration:**

**Remuneration Policy:**

The Company has formulated the policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees of the Company which is as under:

**A) Components of Remuneration:**

- Fixed Pay comprising Basic Salary, HRA, Car Allowance (applicable to General Managers & above employees), Conveyance Allowances / Reimbursement, Company's contribution to Provident Fund, Superannuation Fund, Gratuity, etc.
- Variable Pay, which is either in the form of:  
Commission to Managing Directors and Commission to Whole-time Directors

**B) Annual Appraisal process:**

Annual Appraisals are conducted, following which annual increments and promotions in deserving cases are decided once in a year based on:

- Employees self-assessment;
- Assessment by Immediate Superior;
- Assessment by Head of Department;

Annual Increment leading to an increase in Fixed Pay consists of:

- Economic Rise based on All India Consumer Price Index published by the Government of India or Internal Survey wherein inflation on commonly used items is calculated.

### **Remuneration of Independent Directors:**

The Company has formulated a policy for the remuneration of Independent Directors as follows:

- Sitting Fees of maximum Rs. 2500/- for each meeting of the Board or any Committee thereof, attended by them;
- Reimbursement of Expenses incurred by Independent Directors for attending any meeting of the Board.

### **Particulars of Employees and Related Disclosures:**

There are no employees in the company hence no disclosure under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 are required.

### **Risk Management Vigil Mechanism Policy:**

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business.

### **Vigil Mechanism**

The Company has adopted a Whistle Blower Policy since March 2015 in compliance with erstwhile Listing Agreement and Companies Act 2013. The Policy empowers all the Stakeholders to raise concerns by making Protected Disclosures as defined in the Policy. The Policy also provides for adequate safeguards against victimization of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee on a quarterly basis.

### **Risk Management Policy**

The Board of Directors has developed and implemented Risk Management Policy for the Company. It has identified and assessed various risks factors, with potential impact on the Company in achieving its strategic objectives or may threaten its existence. The Policy lays down procedures for risk identification, assessment, monitoring, review and reporting. The Policy also lists the roles and responsibilities of Board and Risk Management Committee.

### **Environment, Health And Safety**

The Company accords the highest priority to health, environment and safety. The Company does not carry on manufacturing operations. The Company takes at most care for the employees and ensures compliance with the applicable rules and regulation applicable to the Company.

### **Extracts of Annual Return and other disclosures under Companies (appointment & Remuneration) Rules, 2014:**

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3)(a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies(Management & Administration) Rules, 2014 duly certified is annexed hereto and forms part of this report. Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto and forms part of this report.

### **Particulars of Loans, guarantees or investments:**

The particulars of Loans, Guarantees or investments as covered under provision of section 186 of the Companies Act, 2013 made by the company during financial year 2016-17 are given under the respective head and the same is furnished in the notes to the financial statement.

### **Related Party Transactions:**

There are no materially significant transactions with related parties i.e., promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interest. There are no transaction took place with related party which are considered to be not in the normal course of Business.

### **Conservation of Energy, technology absorption, foreign exchange earnings and outgo:**

The Particulars regarding foreign exchange earnings and expenditure is NIL. Since your company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

### **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2016-17, the Company has not received any complaint on sexual harassment.



**Acknowledgment:**

The Board of Directors wishes to place on record its appreciation for the cooperation extended by Banks, Government Authorities, Customers, Shareholders and Employees of the Company and looks forward to a continued mutual support and co-operation.

**Regd. Office:**

4 Sharad Flats Opp-Dharnidhar Temple,  
Ahmedabad-380007

Date: 01/09/2017

Place: Ahmedabad

By Order of the Board  
**Shangar Decor Limited**

Samirbhai Shah  
**Managing Director**

**Form no. MGT-9:  
Extract of Annual Return**

**As on the Financial Year Ended On 31.03.2017**

[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 Number	L36998GJ1995PLC028139
(ii)	Registration Date	16/11/1995
(iii)	Name of the Company	Shangar Decor Limited
(iv)	C a t e g o r y / S u b - category of the Company	Public Company/Limited by Shares
(v)	Address of the Registered Office with Contact Details	4 Sharad Flats Opp-Dharnidhartemple, Ahmedabad-380007  Tel No. 07926634458 E-mail ID: <a href="mailto:shangardecorltd@hotmail.com">shangardecorltd@hotmail.com</a> Website: <a href="http://www.shangardecor.com">www.shangardecor.com</a>
(vi)	Whether Listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agents if any	<b>M/s. PurvaSharegistry (India) Pvt. Ltd.</b> Unit no. 9, Shiv Shakti Ind. Estate, J .R. Borichamarg Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai 400 011 Tel No. 91-22-23016761/8261 Email Id: <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>

**II. Principal business activities of the company:**

Sl.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to total turnover of the company
1.	Other Business Activities	74999	100

**III. Particulars of holding, subsidiary and associate companies:**

The Company Does not have any holding, subsidiary and associate companies.

#### 4. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total equity)

##### i) Category-wise Share Holding:

Category of Shareholder	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 Share	% Change during the year.
<b>A. PROMOTER AND PROMOTER GROUP</b>									
<b>1) INDIAN</b>									
(a) Individual / HUF	0	19,99,700	19,99,700	65.35	0	19,99,700	19,99,700	65.35	0.00
(b) Central Government									
(c) State Government (s)									
(d) Bodies Corporate									
(e) Financial Institutions / Banks									
(f) Any Other									
<b>Sub - Total A (1)</b>	<b>0</b>	<b>19,99,700</b>	<b>19,99,700</b>	<b>65.35</b>	<b>0</b>	<b>19,99,700</b>	<b>19,99,700</b>	<b>65.35</b>	<b>0.00</b>
<b>2) FOREIGN</b>									
a) Individuals (NRIs / Foreign Individuals)	0	0	0	0	0	0	0	0	0.00
b) Other individuals									
c) Bodies Corporate									
d) Banks / FIs									
e) Any others									
<b>Sub Total A (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoters A = A(1) + A(2)</b>	<b>0</b>	<b>19,99,700</b>	<b>19,99,700</b>	<b>65.35</b>	<b>0</b>	<b>19,99,700</b>	<b>19,99,700</b>	<b>65.35</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1) INSTITUTIONS</b>									
a) Mutual Fund									
b) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
c) State / Central Government									
d) Venture Capital Funds									
e) Insurance companies									
f) Foreign Institutional Investors									
g) Foreign Venture Capital Investors									
h) Others									
<b>Sub Total B(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>

<b>2) NON - INSTITUTION</b>									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
b) Individuals									
- Individual Shareholders holding nominal share capital up to Rs. 2 Lac	0	565600	565600	18.48	0	565600	565600	18.48	0.00
- Individual Shareholders holding nominal share capital in excess of Rs. 2 Lac	0	494800	494800	16.17	0	494800	494800	16.17	0.00
c) Others									
- HUF	0	0	0	0.00	0	0	0	0.00	0.00
- Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
- NRI	0	0	0	0.00	0	0	0	0.00	0.00
- Trust	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total B (2)</b>									
<b>Total Public Shareholding B = B(1) + B(2)</b>	<b>0</b>	<b>1060400</b>	<b>1060400</b>	<b>34.65</b>	<b>0</b>	<b>1060400</b>	<b>1060400</b>	<b>34.65</b>	<b>0.00</b>
C. SHARES HELD BY CUSTODIANS FOR ADR / GDR									
<b>Grand Total (A + B+ C)</b>	<b>0</b>	<b>3060100</b>	<b>3060100</b>	<b>100.00</b>	<b>0</b>	<b>3060100</b>	<b>3060100</b>	<b>100.00</b>	<b>0.00</b>

**ii) Share Holding by Promoters:**

Shareholders' Name	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
	No. of shares	% of total shares of the Company	% of shares pledged to total shares	No. of shares	% of total shares of the Company	% of shares pledged to total shares	
1. Samir Shah	1174500	38.38	-	1174500	38.38	-	0
2. Saumil shrenikbhai Shah	300000	9.80	-	300000	9.80	-	0
3. Vipul Jagdishchandra	300000	9.80	-	300000	9.80	-	0
4. Parul Samir Shah	206300	6.74	-	206300	6.74	-	0
5. Himani Mounil Shah	6300	0.21	-	6300	0.21	-	0
6. Moulin Shah	6300	0.21	-	6300	0.21	-	0
7. Sahil Shah	6300	0.21	-	6300	0.21	-	0

### Change in Promoters' Shareholding:

Sr. No	Particulars	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the Company	No. of Shares.	% of total shares of the Company.
1	At the beginning of the year	01.04.2016	19,99,700	65.35	19,99,700	65.35
2	Date wise increase or decrease in promoters shareholding during the year specifying the reason for increase / decrease	-	-	-	-	-
3	At the end of the year	31.03.2017	19,99,700	65.35	19,99,700	65.35

### iii) Shareholding pattern of Top 10 Shareholders (other than Directors, Promoters and holders of ADR / GDRs)

Sr. No	Name of Shareholder	Shareholding		Date	Increase / Decrease in Shareholding	Cumulative Shareholding	
		No. of shares at the beginning (01.04.2016)	% of shares of the company			Nos. of shares	% of total shares of the company
1)	Deepal M Desai	72000	2.35	-	-	72000	2.35
2)	Manali Thakkar	72000	2.35	-	-	72,000	2.35
3)	Kavita Subramanian	63000	2.06	-	-	63,000	2.06
4)	Manthan P Sheth	36,000	1.18	-	-	36,000	1.18
5)	Nirav Parikh	36,000	1.18	-	-	36,000	1.18
6)	Krupali Nirav Parikh	36,000	1.18	-	-	36,000	1.18
7)	Nirav C Parikh HUF	33,300	1.09	-	-	33,300	1.09
8)	Chandreshbhai M Parikh	33,000	1.08	-	-	33,300	1.08
9)	Dakshaben C Parikh	33,000	1.08	-	-	33,000	1.08
10)	Komal Gaur	27,000	0.88	-	-	27,000	0.88

**iv) Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Name of Director and KMP	Shareholding at the beginning of the year 01.04.2016		Shareholding at the end of the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Saumil Shrenik Shah	300,000	9.80	300,000	9.80
2	Parulben Samir Shah	206,300	6.74	206,300	6.74
3	Samirbhai Rasiklal Shah	11,74,500	38.38	11,74,500	38.38

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

Sr. No	Particulars of Debt	Secured Loans excluding Deposit	Unsecured Loans	Deposits	Total indebtedness
1	Inter Corporate Loan	-	-	-	-

**vi) Remuneration of Directors and Key Managerial Personnel:**

Company pays Annual Remuneration as under:

Name of Director	Salary & Perquisites	Commission	Total
Samir Rasiklal Shah	954,000	-	954,000

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

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

To,  
The Members,  
**SHANGAR DECOR LIMITED**  
(CIN: L36998GJ1995PLC028139)  
4<sup>th</sup>Sharad Flats, Opp. Dharnidhar Temple,  
Ahmedabad, Gujarat-380007

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s SHANGAR DECOR LIMITED** (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2017** ('Audit Period') complied with the statutory provisions listed here under 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 the Company for the financial year ended on **31<sup>st</sup> March 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made 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 Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'): —
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Uniform Listing Agreement entered into by the Company with Stock Exchanges pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.

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/qualification:

**(a) The Company has not provided the E-voting facility to the Members of the Company in their Annual General Meeting held on 30<sup>th</sup> September, 2016.**

**I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) Payment of Bonus Act, 1965 and Rules made there under;
- (b) Minimum Wages Act, 1948 and Rules made there under;
- (c) Contract Labour (Regulation & Abolition) Act, 1970 and Rules made there under;



- (d) Employee State Insurance Act, 1948 and Rules made there under;
- (e) Provident Fund Act, 1952 and Rules made there under;

**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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**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.

**Place: Ahmadabad**  
**Date: September 1, 2017**

**VIRAL RANPURA**  
**COMPANY SECRETARIES**  
**(ACS 28496, COP 10361)**

To,  
The Members,  
**SHANGAR DECOR LIMITED**  
(CIN: L36998GJ1995PLC028139)  
4<sup>th</sup>Sharad Flats, Opp. Dharnidhar Temple,  
Ahmedabad, Gujarat-380007

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Ahmadabad**  
**Date: September 01, 2017**

**VIRAL RANPURA**  
**COMPANY SECRETARIES**  
**(ACS 28496, COP 10361)**

## **Management Discussion and Analysis Report**

### **Overview of the Economy:**

As per the revised estimates for GDP data released by Central Statistical Office (CSO), the GDP is to grow at 7.4% in 2014-15 as against 6.9% in 2013-14 and 5.1% in 2012-13. While the industry and services sector are estimated to grow at a higher rate in 2014-15 than that in 2013-14, the agriculture sector was also affected adversely by shortfall and unseasonal rains.

The economy of India in the FY 2014–15 has emerged as one of the largest economies with a promising economic outlook on the back of controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and reforms among others. More benefit to the Country is that it has got stable Government with good support at Central level after long.

The average Wholesale Price Index (WPI) inflation declined in 2014–15 to 3.4% (April-December), vis-à-vis 8.9% in 2013–14, as fuel has witnessed a sharp decline in prices. Food price inflation also moderated to 4.8% during April-December 2014 as compared to 9.4% in 2013–14.

Further average retail inflation, measured by Consumer Price Index (CPI), moderated to 6.3% in 2014–15 (April-December) from 9.5% in 2013–14.

As per Global Economic Prospects Report, the global economy is expected to grow 2.8 percent in 2015, slightly less than forecast. Developing country growth, buffeted by falling commodity prices, the stronger dollar, and tightening financial conditions, has been revised downward to 4.4% in 2015 but is expected to pick up momentum and reach 5.3% in 2016–17.

### **Industry Structure and Development:**

The growth of Company's Services is based on the push-and-pull effects of Demand and Supply determinants like the economic trends in India & Outside, growth of infrastructure. It always remains key area of the Company to provide innovative Service in design and finishing to the customers without compromising with quality. Today, the per head income in India is increased which converted into purchasing power of a person. However, looking to the stability of Central Government, clear vision and mission of Government to provide Stable income to every family at possible level etc. the growth rate of this industry is expected around 7 to 8% in coming year. The population in India has the youngest persons in the world. The mixture of newness and economic productivity is result into investments in interior as well as exterior decoration. In India urbanization is the big matter which may generate more demand for Decoration Services and will result into increase in demand of associated products.

## **Opportunities and Threats:**

### **Opportunities:**

- **Good Brand Image:** Company has good brand image and quality Services in the Indian market.
- **Wide Service range:** Company has Very Wide service Coverage as compared to others.
- **Superiority over its competitors:** Company remains eager in providing latest designs and Service to its customers.
- **Online Services:** Company Provide Online Services to its Customer. The company will take effective steps to take benefit of this opportunity.
- **Expand Market Network:** The Company continues to expand its marketing networks, by appointing Consignment Agent, branches, distributors, dealers etc. in various states in all over the country.

### **Threats:**

- **High Competition Era:** The Decor Industry has entered into the orbit of the high competition. The market fights are set to intensify with unstoppable capacity build up. The Competition from both unorganized and other organized players, leading to difficulties in improving market share.
- **Manpower:** The one of the common problem is emerge for finding talent with competence or even skilled man power for Decor industries irrespective of the company Brand or Size.
- **Under cutting of price:** Due to high competitions in market, the competitors are doing price cutting of Services to compete or keep their existence in markets which is ultimate big problems for the industries.
- **New Entrance:** More and more new organized players are entering into market which will increase competition in organized sector also.
- Threat of substitute products and Services move toward market.

## **Segment-Wise Financial Performance:**

Decorative, commercial and other Service division is acting very soundly. The company is also focusing to capture rural market along with urban market. Turnover of the company increased from 3,87,08,288 to 3,74,99,299 as compared to previous financial year. The company has planned course of action for achieving more improved margins by better

control over fixed overheads and better resource management in the next year. Directors are hopeful for higher turnover and improved margins for the next year.

### **Future Outlook:**

The Company's outlook for the year 2017-18 is to add more products in the product range as per requirement in the market. After a long time, Country got a fully supported and stable government which may benefit to the Decor Industry. However, there may be possibility of entrance of new organized and unorganized industries in this sector, the supply may beat to demand which can cause price volatility in the market. But, having modern technology and plants, valuable brands, the products of our Company may be in position to capture emerging prospects and to face the market risk or competition.

### **Internal Control Systems and Their Adequacy:**

Company has an adequate Internal Controls system aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. Your company has internal control Department which carried following activities on regular basis.

- Reviewing accounting system and related controls.
- Examining management of financial and operating information.
- Examining the economy, efficiency, effectiveness and propriety of operations.
- Identifying the risks in relation to key business processes and verify whether an effective control exists to mitigate these risks.
- Suggesting measures for optimizing the Business Process Controls.
- Reviewing adherence to corporate policies.
- To examine and audit the areas in consultation with the management and to report on critical issues the internal controls Department headed by Internal Auditor of the company. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets and so that the main company risks (operational, compliance-related, economic and financial) are properly identified and managed over time. The Board of Directors, responsible for the internal control system, sets the guidelines, verifying its adequacy, effectiveness and application.

**Material Developments in Human Resources / Industrial Relations Front, Including Number of People Employed:**

The Company always recognizes the importance of manpower. Company promotes employees to attend outside seminars or programs related to their fields and motivational which encourage them to make contribution toward company, family and nation at large. Company also encourages to the employees to offer their creative suggestions for development in their respective areas which are thoroughly discussed in periodical meetings. The company enjoyed excellent relationship with workers and staff at its manufacturing plants and administrative office. The Company has been maintaining cordial and healthy Industrial Relations, which has helped to a great extent in achieving the upper growth.

**Caution Statement:**

Statements made in the Management Discussion and Analysis describing the various parts may be “forward looking statement” within the meaning of applicable securities laws and regulations. The actual results may differ from those expectations depending upon the economic conditions, changes in Govt. Regulations and amendments in tax laws and other internal and external factors.

**CORPORATE GOVERNANCE REPORT**

**I. Company’s Philosophy on Code of Corporate Governance:**

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. The Company recognizes the ideals and importance of Corporate Governance and acknowledges its responsibilities. Good Corporate Governance acts as a catalyst for consistent growth of an organization. it is the adoption of best business practices which ensure that the Company operates not only within regulatory framework, but is also guided by ethics.

**II. Board of Directors**

The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015 read with Section 149 of the Act. As on 31<sup>st</sup> March, 2017, the Board comprises of 6 Directors, who brings in a wide range of skills and experience to the Board. The Chairman is Executive and the number of Independent Directors are (3) Three. None of the Directors of the Company are related to each other.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations read with Section 149(6) of the Act. The maximum tenure of

independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as Mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations read with Section 149(6) of the Act.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other Listed companies as on March 31, 2016 are given herein below.

During the year, Eight Board Meetings were held. The dates on which the meeting held were as follows: 22/04/2016, 30/05/2016, 14/08/2016, 08/10/2016, 17/11/2016, 04/01/2017, 10/02/2017, 21/03/2017.

The time gap between any two meetings did not exceed four months. The compliance report in respect of laws applicable to the Company has been periodically reviewed by the Board of Directors of the Company.

Directors' attendance at the Board Meetings during the year and also at the last Annual General Meeting, number of directorships in other companies and Membership/ Chairmanship in other committees etc. is as follows:

Sr. No	Name of Director	Designation	Attendance Particulars		Total Nos. of other Directorship and Membership	
			BM	AGM	Directorship	Memberships
1	Samirbhai Rasiklal Shah	WTD	8	1	-	-
2	Saumil Shrenikbhai Shah	NED	8	1	-	2
3	Parulben Samir Shah	NED	8	1	-	-
4	Ashokkumar Amratlal Shah	ID	8	1	1	2
5	Prasanna Narendra Pandya	ID	8	1	-	3
6	Rajeshkumar Sayajibhai Dharajiya	ID	8	1	1	1

### Board Functions & Procedure

Your Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company and in the creating of shareholder value. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your

Board periodically reviews all the relevant information which is required to be placed before it pursuant to uniform Listing Agreement and in particular reviews the following:

- Approves corporate strategies, business plans, annual budgets, projects and capital expenditure.
- Annual plans, budgets and any updates therein.
- Capital budgets and any updates therein.
- Quarterly results for the Company
- Minutes of meetings of Audit Committee and other Committees of the board.
- Material show cause, demand, prosecution notices and penalty notices, if any.
- Fatal or serious accidents, dangerous occurrences, any.
- Any material default in financial obligations
- Any significant development in human resources.
- Sale of material nature, of investments, subsidiaries, assets which is not in the normal course of business.

Your Board not only monitors the Company's overall corporate performance it also set standards of corporate behaviour, ensures transparency in corporate dealing and compliance with the laws and regulations. Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting.

### **III. Audit Committee**

The Audit Committee is constituted in line with the Provision of Regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Act.

The Audit Committee met 4 times on 30<sup>th</sup> May 2016, 14<sup>th</sup> August, 2016; 8<sup>th</sup> October, 2016; and 10<sup>th</sup> February, 2017 and statutory auditors also attended the meeting and attendance of the members was as under;

#### **Composition and Attendance of Audit Committee:**

<b>Name of Members of Audit Committee</b>	<b>Designation</b>	<b>30.05.16</b>	<b>14.08.16</b>	<b>08.10.16</b>	<b>10.02.17</b>
Ashokkumar Amratlal Shah	Chairman	√	√	√	√
Saumil Shrenikbhai Shah	Member	√	√	√	√
Prasanna Narendra Pandya	Member	√	√	√	√



#### **IV. Stakeholders Relationship Committee/Investor Grievance Committee:**

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations read with section 178 of the Act.

The Stakeholders Relationship Committee met twice during the financial year. The details of the meeting attended by the Directors are as given below:

<b>Name of the Director</b>	<b>Chair Person / Member</b>	<b>No of meetings attended as a member.</b>
Samirbhai Rasiklal Shah	Member	4
Saumil Shrenikbhai Shah	Member	4
Prasanna Narendra Pandya	Member	4

The terms of reference of the committee are inter alia as follows:

- (a) Review the reports submitted by the Registrars and Share Transfer Agents of the Company at half yearly intervals.
- (b) Investor relations and redressal of shareholders grievances including relating to non-receipt of dividend, Annual Report, non – receipt of shares etc.
- (c) Oversee the performance of the Registrars and Share Transfer Agents of the Company.

There are no Shareholder's complaints pending with the Company.

#### **V. Nomination Remuneration Committee**

The Remuneration Committee met twice during the year on 25<sup>th</sup> May, 2016 and 9<sup>th</sup> February, 2017. The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, read with Section 178 of the Act. The constitution of the committee and the attendance of each member during the year is as given below:

<b>Name of Members</b>	<b>Designation</b>	<b>25.05.16</b>	<b>09.02.17</b>
Ashokkumar Shah	Chairman	√	√
Rajeshkumar Dharajiya	Member	√	√
Prasanna Pandya	Member	√	√

### **Independent Directors' Meeting:**

A separate meeting of independent directors was held on 15<sup>th</sup> December 2016 under the chairmanship of Mr. Ashokkumar Shah, to review the performance of Non Independent Directors, the Board and its' chairperson and assess the quality, quantity and timeliness of flow of information about the Company Management and the Board. Details of attendance of the Directors at the said meeting are:

<b>Name of Director</b>	<b>Designation</b>	<b>No of meeting attended</b>
Mr. Ashokkumar Shah	Independent Director	1
Ms. Prasanna Pandya	Independent Director	1
Mr. Rajeshkumar Dharajiya	Independent Director	1

### **VI. General Body Meetings**

Annual General Meeting for the year 2016-17 is scheduled on Saturday, 30<sup>th</sup> September, 2017, 11.00A.M. The meeting will be conducted at the Registered Office of the company 4 Sharad Flats Opp-Dharnidhar Temple, Ahmedabad-380007.

**Details of AGMs of the company held during the last three years are given below:**

19 <sup>th</sup> Annual Meeting.	General	30 <sup>th</sup> September, 2014 At 11.00 am.	4 Sharad Flats Opp-Dharnidhartemple, Ahmedabad-380007
20 <sup>th</sup> Annual Meeting	General	30 <sup>th</sup> September, 2015 At 11.00 am.	4 Sharad Flats Opp-Dharnidhartemple, Ahmedabad-380007
21 <sup>st</sup> Annual Meeting	General	30 <sup>th</sup> September, 2016 At 11.00 am.	4 Sharad Flats Opp-Dharnidhartemple, Ahmedabad-380007

- No special resolution was proposed at the aforesaid annual general meetings.
- No Extra ordinary General Meeting of the Members was held during the year under review.
- No Postal Ballot was conducted during the year 2016 17.

## **VII. Disclosures:**

1. There were no materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, Directors or the Management or their relatives etc. that would conflict with the interests of the Company.
2. The Company has Whistle Blower Policy (WBP) in line with Regulation 22 of the SEBI (LODR) Regulations, 2015. The Company affirms that no employee has been denied access to the Audit Committee.
3. All mandatory requirements as per SEBI (LODR) Regulations, 2015 have been complied with by the Company.
4. The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
5. In terms of SEBI (LODR) Regulations, 2015 the person heading the finance function has made a certification i.e. (CEO / CFO Certificate) to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

## **Code of Business Conduct:**

The Company has adopted a Code of Business Conduct based on the business principles of the Company. The Company has revised its' Code of Business Conduct *inter-alia* to include the Independent Directors under the purview of the Code of Business Conduct in accordance with the provisions of the Act and erstwhile Listing Agreement and SEBI (LODR) Regulations 2015. The Code of Business Conduct has also been posted on the official website of the Company [www.shangardecor.com](http://www.shangardecor.com). In compliance with the Code, Directors and Senior Management of the Company have affirmed their compliance with the Code for the year under review. A declaration to this effect signed by the Director forms part of this annual report.

## **VIII. Means of Communication:**

In compliance with the requirements of Listing Agreement, the Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges. Company also displayed quarterly results on the website of the Company and local newspaper.

## **IX. General Shareholders Information:**

### **a) Annual General Meeting details:**

Date & Time: Friday,  
30<sup>th</sup> September, 2017 at 11.00 A.M.  
Venue: 4 Sharad Flats Opp- Dharnidhar Temple, Ahmedabad-380007

b) **Financial Year (Tentative):**

1<sup>st</sup> April 2017 to 31<sup>st</sup> March, 2018.

- Results for the quarter ending on June 30, 17: Second week of August, 17.
- Results for the quarter ending on September 30, 17: Second week of November, 17.
- Results for the quarter ending on December 31, 17: Second week of February, 18.
- Results for the quarter ending on March 31, 18: Last week of May, 18.

c) **Book Closure date:**

The Share Transfer Books of the Company shall remain closed from 26<sup>th</sup> September 2017 to 30<sup>th</sup> September 2017. (Both the days inclusive.)

d) **Dividend:**

The Board of Directors does not recommend any Dividend

e) **Listing of Equity Shares in Stock Exchanges:**

BSE Limited and The Ahmedabad Stock Exchange Ltd.

f) **Market Price Data:** High, Low during each month in last financial year.

During the year, no trade has taken place in the shares of the Company.

g) **Performance in comparison to broad-based:**

At present securities of the Company are listed on Ahmedabad Stock Exchange, which does not provide any trading platform and hence Market Price Data is not available.

h) **Registrar and Transfer Agents:**

Name	<b>M/s. Purva Sharegistry (India) Pvt. Ltd.</b>
Address	Unit no. 9, Shiv Shakti Ind. Estate, J.R. Borichamarg Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai 400 011
Tel No	91-22-23016761/8261
E Mail Id	<a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>
Website	<a href="http://www.purvashare.com">www.purvashare.com</a>

i) **Share Transfer System:**

All the valid transfers are registered and duly transferred and share certificates duly dispatch within 15 days from the date of receipt of transfer.

j) **Share Holding Pattern:**

Category	Number of Shares	Percent
Promoters	1999700	65.35
Public	1060400	34.65
<b>TOTAL</b>	<b>3060100</b>	<b>100</b>

k) **Outstanding GDRs/ADRs/Warrants:**

There is no outstanding GDRs/ADRs/Warrants or any convertible instruments, which likely impact on equity.

l) **Plant Locations**

Company is engaged in Decoration Business and does not have any plant.

m) **Address for correspondence**

4 Sharad Flats Opp-Dharnidhar Temple, Ahmedabad-380007.

n) **Dematerialization of shares and liquidity:**

The company has entered into an agreement with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialization of shares..

By Order of the Board  
For **Shangar Decor Limited**  
Sd/-  
Samirbhai R. Shah  
(**Managing Director**)

Date: 01<sup>st</sup> September 2017

Place: Ahmedabad

**Regd. Office:**

4 Sharad Flats Opp-Dharnidhar Temple,  
Ahmedabad-380007.

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SHANGAR DÉCOR LIMITED**

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

We have audited the accompanying standalone financial statements of **SHANGAR DÉCOR LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the

Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the

Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 thereunder.

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the 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 31st March, 2017, and its profit/loss and its cash flows for the year ended on that date.

Our opinion is not modified in respect of these matters.

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

As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified

as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. *The Company does not have any pending litigations which would impact its financial position.*
- ii. *The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.*
- iii. *There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.*

***For NIRAL PARIKH & ASSOCIATES  
Chartered Accountants  
(FRN 134321W)***

***(Niral Parikh)  
Proprietor  
(Membership No. 144951)***

***Ahmedabad  
Date: 30/05/2017***



## **Annexure to the Independent Auditors' Report**

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

### **(1) In Respect of Fixed Assets**

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

### **(2) In Respect of Inventory**

(a) Physical verification of inventory has been conducted at reasonable intervals by the management.

(b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. There are no inadequacies in such procedures that should be reported.

(c) Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

### **(3) Loans and advances to parties covered under section 189**

YES

(a) Interest has not been charged

(b) Based on our audit procedures and the information and explanation made available to us, no amount is overdue

### **(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control**

In our opinion and according to the information and explanations given to us there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit We have not observed continuing failure to correct major weaknesses in internal control system.

### **(5) Rules followed while accepting Deposits**

In respect of deposits accepted, in our opinion and according to the information and explanations give to us, directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or another relevant provisions of the Companies Act, 2013 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the company law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

**(6) Maintenance of cost records**

To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (l) of section 148 of the Companies Act for the products of the company.

**(7) According to the information and explanations given to us in respect of statutory dues**

(a) The company is *irregular* in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor education protection fund, Employees` state insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it. Service tax has not been deposited to the government.

(b) According to the records of the Company, there are no dues of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities that have been not been deposited on amount of any dispute.

(c) N.A

**(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses**

This clause is not applicable

**(9) Default in Repayment of Loans taken from Bank or Financial Institutions**

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or bank. ***Though there is irregularity in making payment to bank loans***

**(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company**

On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not given guarantees for loans taken by other from banks or financial institutions.

**(11) Application versus purpose for which Loan Granted**

Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

**(12) Reporting of Fraud During the Year Nature and Amount**

Based upon the audit procedures performed for the purpose of recording the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud or by the company has been noticed or reported during the course of our audit.

**FOR Niral Parikh & Associates  
(Chartered Accountants)  
Reg No. :134321W  
Niral Parikh  
(Proprietor)  
Membership No : 144951**

**Place : Ahmedabad  
Date : 30/05/2017**

# SHANGAR DÉCOR LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	Note No.	As at 31.03.2017		As at 31.03.2016	
		Rs.	Rs.	Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' funds</b>					
(a) Share Capital	1	30,601,000.00		30,601,000.00	
(b) Reserves and Surplus	2	23,430,891.21		22,441,686.01	
(c) Money received against share warrants		-	<b>54,031,891.21</b>	-	<b>53,042,686.01</b>
<b>Share application money pending allotment</b> (To the extent not refundable)					
		-		-	
<b>Non-current liabilities</b>					
(a) Long-term borrowings	3	5,716,585.86		17,032,830.14	
(b) Deferred Tax liabilities (Net)		1,103,938.00		1,019,115.00	
(c) Other Long term liabilities		-		-	
(d) Long-term Provisions		-	<b>6,820,523.86</b>	-	<b>18,051,945.14</b>
<b>Current Liabilities</b>					
(a) Short term borrowings	4	-		-	
(b) Trade payables		19,205,144.50		13,930,343.40	
(c) Other current liabilities		-		-	
(d) Short term provisions		1,813,574.20		4,874,400.00	
<b>TOTAL</b>			<b>21,018,718.70</b>		<b>18,804,743.40</b>
			<b>81,871,133.77</b>		<b>89,899,374.55</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
(a) Fixed assets	5				
(i) Tangible assets		43,807,970.00		32,620,320.00	
(b) Non-current investments		-		-	
(c) Deferred tax assets (net)		-		-	
(d) Long-term loans and advances	6	-		-	
(e) Other non-current assets	7	-	<b>43,807,970.00</b>	-	<b>32,620,320.00</b>
<b>Current assets</b>					
(a) Current investments	8	1,912,500.00		4,858,500.00	
(b) Inventories	9	9,495,120.00		6,830,590.00	
(c) Trade receivables	10	9,897,288.00		27,502,062.00	
(d) Cash and Bank Balances	11	2,086,423.77		6,825,191.55	
(e) Short-term loans and advances	12	12,408,277.00		10,463,249.00	
(f) Other current assets	13	2,263,555.00		799,462.00	
<b>TOTAL</b>			<b>38,063,163.77</b>		<b>57,279,054.55</b>
			<b>81,871,133.77</b>		<b>89,899,374.55</b>
			-		-
Significant accounting policies and notes to accounts	22				

Note : Figures in brackets indicate negative figures.

The previous year's figures have been regrouped and reclassified wherever necessary.

In terms of our report of even date

**For, PANKJ & Associates**

Chartered Accountants

On behalf of the Board of Directors

**SHANGAR DÉCOR LIMITED**

**(Pankaj Sheth)**

Partner

M No.: 143994

Place : Ahmedabad

Date : 30.05.2017

(Director)

(Director)

# SHANGAR DÉCOR LIMITED

## PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31st March, 2017

	PARTICULARS	Note No.	UPTO 31.03.2017		UPTO 31.03.2016	
			Rs.	Rs.	Rs.	Rs.
I	<b>Revenue from operations:</b>	14				
	Sale of Products		38,708,288.50		37,499,299.00	
	Sale of Services		-			
	Other Operating Revenues		-	<b>38,708,288.50</b>	-	<b>37,499,299.00</b>
	Less: Excise Duty		-	-	-	
	Increase in Inventory	15	2,664,530.00		1,300,090.00	
II	<b>Other Income</b>	16	277,161.00	<b>2,941,691.00</b>	7,500.00	<b>1,307,590.00</b>
III	<b>Total Revenue (I + II)</b>			<b>41,649,979.50</b>		<b>38,806,889.00</b>
IV	<b>Expenses</b>					
	Cost of Materials Consumed		-		-	
	Purchases of Stock in Trade	17	16,857,486.75		17,591,336.00	
	Employee benefits expense	18	5,081,819.00		2,496,600.00	
	Finance Costs	19	986,463.50		1,668,324.19	
	Depreciation and amortization expense	20	3,425,490.00		3,828,663.00	
	Other expense	21	13,744,411.05		12,536,732.46	
	<b>Total Expense</b>			<b>40,095,670.30</b>		<b>38,121,655.65</b>
V	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>			<b>1,554,309.20</b>		<b>685,233.35</b>
VI	<b>Exceptional Items</b>			-		-
VII.	<b>Profit before extraordinary items and tax (V-VI)</b>			<b>1,554,309.20</b>		<b>685,233.35</b>
VIII	<b>Extraordinary items</b>			-		-
IX	<b>Profit before tax (VII-VIII)</b>			<b>1,554,309.20</b>		<b>685,233.35</b>
X	<b>Tax expense:</b>					
	(1) Current tax		480,281.00		211,737.00	
	(2) Deferred tax		84,823.00		24,891.00	
	(3) Prior Period Adjustments				-	
				<b>565,104.00</b>		<b>236,628.00</b>
XI	<b>Profit/(Loss) for the period from continuing operations (IX - X)</b>			<b>989,205.20</b>		<b>448,605.35</b>
XII	<b>Profit/(Loss) for the period from discontinuing operations</b>			-		-
XIII	<b>Tax expense of discontinuing operations</b>			-		-
XIV	<b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>			-		-
XV	<b>Profit/(Loss) for the period (XI + XIV)</b>			<b>989,205.20</b>		<b>448,605.35</b>
XVI	<b>Earnings per equity share:</b>					
	(1) Basic			0.32		0.15
	(2) Diluted			0.32		0.15
	Significant accounting policies and notes to accounts	22				

Note : Figures in brackets indicate negative figures.

The previous year's figures have been regrouped and reclassified wherever necessary.

In terms of our report of even date

**For, P A N K J & Associates**

Chartered Accountants

On behalf of the Board of Directors

**SHANGAR DÉCOR LIMITED**

**(Pankaj Sheth)**

Partner

M No.: 143994

Place : Ahmedabad

Date : 30.05.2017

**( Director )**

**( Director )**

## NOTES TO FINANCIAL STATEMENTS

### 1 Significant Accounting Policies

#### a) Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended and other relevant provisions of the Companies Act, 2013. All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current-non current classification of assets and liabilities.

#### b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the results are known / materialized.

#### c) Fixed Assets

##### **Tangible Assets**

Fixed Assets are recorded at cost which includes all expenses up to the date of commission / putting the assets into use.

##### **Intangible Assets**

Certain Technical Know-how and Software costs are capitalized and recognized as intangible assets in terms of Accounting Standard 26 "Intangible Assets" based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than one year.

#### d) Depreciation and Amortization

Effective 1<sup>st</sup> April, 2014, the company depreciates its fixed assets over the useful life in the manner prescribed in schedule II of the companies Act,2013, as against earlier practice of deprecating at the rates prescribed in schedule XIV of the Companies Act, 1956

Depreciation on Fixed Assets has been provided on Written Down basis at the rates prescribed under Schedule XIV of the Companies Act, 1956. . Depreciation on Assets Added/Disposed of during the period is provided on pro-rata basis with reference to days of Addition/Disposal.

Further, in case of assets acquired prior to 1<sup>st</sup> April, 2014, the carrying value of assets (Net of Residual Value ) is depreciated over the remaining useful life as determined effective 1<sup>st</sup> April, 2014, as per schedule II of the companies Act,2013,

**e) Inventories**

Inventories except finished goods and work in process are valued at cost on First in First out (FIFO) basis. Finished Goods and Work – in – Process are valued at lower of cost or net realizable value, with cost determined on First-in-First-Out (FIFO) basis.

**f) Investments**

Long term investments are valued at cost. Current Investments are valued at lower of cost & market value.

**g) Borrowing Cost**

Borrowing Cost of the funds borrowed for the qualifying asset is capitalized till the date of commencement of commercial production / put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**h) Retirement Benefits**

Employee benefits of short-term nature are recognized as expenses on accrual basis. Post employment gratuity benefit is recognized as expense based on actuarial valuation at the yearend using the Projected Unit Credit Method. Actuarial gain and loss is recognized immediately in the Profit & Loss Account.

Leave encashment benefits are accounted on accrual basis.

**i) Current Tax**

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax on “timing differences” between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such assets can be realized.

**j) Revenue Recognition**

Sales are recognized at the time of dispatch of goods. All other revenues are recognized on accrual basis.

**k) CENVAT credit**

CENVAT credit is accounted for on accrual basis on purchase of materials, capital goods & payment for input services.

**l) Foreign Currency Transactions**

- Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- Monetary items denominated in foreign currencies at the period end are restated at period end rates.
- Non monetary foreign currency items are carried at cost.
- Any income or expense on account of exchange difference either on settlement or on transaction is recognized in the profit and loss account.
- Foreign currency liabilities covered by forward contracts are stated at the exchange rates under related forward contracts and premium on forward contracts is apportioned over the life of the contracts.

**m) Impairment of Assets**

The company evaluates the impairment losses on the fixed assets whenever events of changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is then recognized for the amount by which the carrying amount of the assets exceeds the recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest levels for which there are separately identified cash flows.

**n) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**o) Subventions and claims**

Claims in the nature of subventions, subsidies, insurance claims, etc. under various schemes of government and authorities, banks and financial institutions are accounted for on basis of acceptance.

- p) Balances of Debtors, Creditors, Loans and advances are subject to confirmation, reconciliation & adjustment if any.

q) **Related Party Disclosures:**  
RELATED PARTIES

Sr. No.	Name of Related Party	Relationship
1.	Samir R Shah	Director
2.	Saumil Shah	Director
3.	Moulin Shah	Relative of Director

**List of Transaction:**

S.N.	Name of Party	Particulars of Transaction	Amount (Rs.)
1.	Samir R Shah	Salary	9,60,000
2.	Saumil Shah	Salary	4,80,000
3	Moulin Shah	Professional Fees	5,00,000

- r) The company has not received information from vendors regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relation to amount unpaid at year end together with interest paid / payable under the Act has not been given.
- s) In absence of conformations from suppliers regarding their status under Micro Small and Medium Enterprises Development Act, 2006, disclosure pursuant to Section 22 of the said Act cannot be made.
- t) In the opinion of the Board, current assets, loans and advances have been stated at value at least realizable in ordinary course of business.

u) Details of Earnings per Shares:

Sr. No.	Particulars	2016-17	2015-16
1.	No. of Equity Shares of Re.10/- each	30,60,100	30,60,100
2.	Net Profit/(Loss) After Tax	9,89,205	4,48,605
3.	Basic and diluted earning per Shares	0.32	0.15

**For Niral Parikh & Associates**  
**Chartered Accounts**  
**FRN - 134321W**

**Niral Parikh**  
Proprietor  
Membership No. 144951  
Date : 30/05/2017  
Place : Ahmedabad



# SHANGAR DÉCOR LIMITED

## NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2017

As At  
31.03.2017  
(Rs.)

As At  
31.03.2016  
(Rs.)

**NOTE : 1**

<b>AUTHORISED CAPITAL :</b>		
70,00,000 Equity Shares of Rs. 10/- each	70,000,000	70,000,000.00
	<b>70,000,000.00</b>	<b>70,000,000.00</b>
<b>ISSUED SUBSCRIBED &amp; PAID UP :</b>		
30,60,100 Equity Shares of Re. 10/- Each fully paidup	30,601,000	30,601,000.00
<b>FORFEITED SHARES</b>	-	-
	<b>30,601,000.00</b>	<b>30,601,000.00</b>

<b>Reconciliation of Shares:</b>	<b>Nos</b>	<b>Amt(Rs)</b>	<b>Nos</b>	<b>Amt(Rs)</b>
Opening Share Capital	3,060,100	30,601,000.00	3,060,100.00	30,601,000.00
Add: Shares issued During the year	-	-	-	-
Add: Rights/Bonus Shares Issued	-	-	-	-
Total	3,060,100	30,601,000.00	3,060,100.00	30,601,000.00
Less: Buy back of Shares	-	-	-	-
Less Reduction in Capital	-	-	-	-
Closing Share Capital	<b>3,060,100</b>	<b>30,601,000.00</b>	<b>3,060,100.00</b>	<b>30,601,000.00</b>

**List of Share holders having 5% or more Shares (In Nos)**

<b>Name Of Shareholders</b>	<b>In Nos</b>	<b>In %</b>	<b>In Nos</b>	<b>In %</b>
Samir Shah	1,174,500	38.38	1,174,500.00	38.38
Saumil Shrenikbhai	300,000	9.80	300,000.00	9.80
Parul Samirbhai	206,300	6.74	206,300.00	6.74
Vipulbhai Shah	300,000	9.80	300,000.00	9.80

**NOTE : 2**

<b>RESERVE &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
Opening Balance	-	-
Add : Transfer from Profit and Loss Account	-	-
Less : Appropriations	-	-
Closing Balance	-	-
<b>Profit and Loss Account</b>		
Opening Balance	12,739,986.01	12,291,380.66
Add: Profit During The Year	989,205.20	448,605.35
Less: Proposed Dividend (Incl .Tax)	-	-
(Disclose Amt of Dividend Per Share)		
Transfer to Reserves	-	-
Bonus Shares	-	-
Closing Balance	13,729,191.21	12,739,986.01
Forfeited Shares	9,701,700.00	9,701,700.00
<b>Total</b>	<b>23,430,891.21</b>	<b>22,441,686.01</b>

**NOTE : 3**

<b><u>Non- Current Liabilities</u></b>		
<b><u>(A) Long term Borrowings</u></b>		
Term Loans ( Secured Against Stock & Co's Assets)		899,665.28
Unsecured Loans	723,714.00	9,594,437.00
Bank Od	4,992,871.86	6,538,727.86
	<b>5,716,585.86</b>	<b>17,032,830.14</b>
<b><u>(B) Deferred Tax liabilities (Net)</u></b>		
Deferred Tax Liabilities	1,103,938.00	1,019,115.00
	<b>1,103,938.00</b>	<b>1,019,115.00</b>

**NOTE : 4**

<b><u>Current Liabilities</u></b>		
<b><u>(A) Short term Borrowings</u></b>		
Unsecured	-	-
Deposits from Dealer	-	-
Other Loans and Advances	-	-
	-	-
<b><u>(B) Trade Payables</u></b>		
For Goods/Services/Expenses	19,205,144.50	13,798,459.40
For Advances From Customers		131,884.00
	<b>19,205,144.50</b>	<b>13,930,343.40</b>
<b><u>(C) Short Term Provision</u></b>		
Other Provisions	27,490.00	16,800.00
Provision for Taxation	1,786,084.20	4,857,600.00
	<b>1,813,574.20</b>	<b>4,874,400.00</b>

# SHANGAR DÉCOR LIMITED

**NOTE : 5**

**FIXED ASSETS AS AT 31ST MARCH, 2017**

PARTICULARS	Gross Block				Depreciation			Net Block	
	OPENING BALANCE	ADDITION	DED.	TOTAL	ADDITION	DED.	TOTAL	31.3.2017	31.3.2016
Air Conditioner	27,195	-	-	27,195	9,175	-	9,175	18,020	27,195
Computer	25,416	-	-	25,416	9,486	-	9,486	15,930	25,416
Decore Wooden	2,636,741	3,142,858	64,000	5,715,599	321,779	-	321,779	5,393,820	2,636,741
Decore Furniture	7,249,226	1,798,191	1,023,295	8,024,122	774,761	-	774,761	7,249,361	7,249,226
Decore Steel & Dome	16,191,080	3,757,057	270,000	19,678,137	929,039	-	929,039	18,749,098	16,191,080
Electric Fittings	177,918	-	-	177,918	36,707	-	36,707	141,211	177,918
Electrical Goods	800,513	328,782	-	1,129,295	153,960	-	153,960	975,335	800,513
EPBX	2,219	-	-	2,219	694	-	694	1,525	2,219
Fire Extinguishers	774	-	-	774	402	-	402	372	774
Godown Building	510,703	184,250	60,000	634,953	174,670	-	174,670	460,283	510,703
Honda Jazz Car	146,732	-	146,732	-	-	-	-	-	146,732
Innova Car	111,482	-	-	111,482	51,216	-	51,216	60,266	111,482
Mobile Telephone	157,571	54,900	-	212,471	59,516	-	59,516	152,955	157,571
Motor Car Skoda Supert	496,292	-	-	496,292	140,551	-	140,551	355,741	496,292
Motor Car SX4	219,156	-	-	219,156	62,395	-	62,395	156,761	219,156
Office Building	198,949	-	-	198,949	70,294	-	70,294	128,655	198,949
Office Furniture	59,181	-	-	59,181	19,678	-	19,678	39,503	59,181
Pagoda Structure	-	6,637,899	-	6,637,899	240,679	-	240,679	6,397,220	-
Refrigerators	3,399	-	-	3,399	1,325	-	1,325	2,074	3,399
Scorpio LX Car	150,503	-	150,503	-	-	-	-	-	150,503
Vehicles	133,469	-	-	133,469	-	-	-	133,469	133,469
Vessels	3,321,801	423,733	-	3,745,534	369,163	-	369,163	3,376,371	3,321,801
<b>TOTAL</b>	<b>32,620,320</b>	<b>16,327,670</b>	<b>1,714,530</b>	<b>47,233,460</b>	<b>3,425,490</b>	<b>-</b>	<b>3,425,490</b>	<b>43,807,970</b>	<b>32,620,320</b>

**NOTE : 6**

<b>Non Current Assets</b>		
<b>Long term Loans &amp; Advances</b>		
Loans and Advances	-	-
	-	-
	-	-

**NOTE : 7**

<b>Other Non Current Assets</b>		
Preliminary & Pre-Operative Exp.	-	-
	-	-

**NOTE : 8**

<b>Current Assets</b>		
<b>(A) Non Current Investments</b>		
Long Term Investment In Equity Shares-Unquoted , fully paid up	1,912,500.00	4,858,500.00
	<b>1,912,500.00</b>	<b>4,858,500.00</b>

**NOTE : 9**

<b>(B) Inventories</b>		
Closing Stock	9,495,120.00	6,830,590.00
	<b>9,495,120.00</b>	<b>6,830,590.00</b>

**NOTE : 10**

<b>(C) Trade Receivables</b>		
Debtors	9,897,288.00	27,502,062.00
	<b>9,897,288.00</b>	<b>27,502,062.00</b>

**NOTE : 11**

<b>(D) Cash &amp; Bank Balances</b>		
Cash on Hand	3,301,310.13	6,145,561.00
Balance with Banks		
-In Current Accounts	(1,214,886.95)	679,630.55
-In Fixed Deposit Accounts	-	-
	<b>2,086,423.18</b>	<b>6,825,191.55</b>

**NOTE : 12**

<b>(E) Short term Loans &amp; Advances</b>		
Loans and Advance	10,638,807.00	9,072,249.00
Deposits	1,769,470.00	1,391,000.00
	<b>12,408,277.00</b>	<b>10,463,249.00</b>

**NOTE : 13**

<b>(F) Other Current Assets</b>		
TDS - Income Tax of Different Years	-	-
Interest Rec.	13,555.00	799,462.00
Prelim Exp for Listing in BSE	2,250,000.00	
	<b>2,263,555.00</b>	<b>799,462.00</b>

# SHANGAR DÉCOR LIMITED

## NOTE FORMING PART OF PROFIT AND LOSS ACCOUNT

Year Ended	Year Ended
31.03.2017	31.03.2016
(Rs.)	(Rs.)

**NOTE : 14**

<u>Sales</u>		
Sales	38,708,288.50	37,499,299.00
	<b>38,708,288.50</b>	<b>37,499,299.00</b>

**NOTE : 15**

<u>Increase / (Decrease) in Stock</u>		
Closing Stock	9,495,120.00	6,830,590.00
Less : Opening Stock	6,830,590.00	5,530,500.00
<b>Increase / (Decrease) in Stock</b>	<b>2,664,530.00</b>	<b>1,300,090.00</b>

**NOTE : 16**

<u>Other Income</u>		
Dividend Income	7,521.00	7,500.00
Interest Income	269,640.00	
	<b>277,161.00</b>	<b>7,500.00</b>

**NOTE : 17**

<u>Purchase</u>		
Genral Purchase	16,857,486.75	17,591,336.00
Purchases		
	<b>16,857,486.75</b>	<b>17,591,336.00</b>

**NOTE : 18**

<u>Employee Benefit Costs</u>		
Salaries, Wages & Labour	954,000.00	1,056,600.00
Director Remuneration	3,440,000.00	1,440,000.00
Workmen and Staff Welfare Expenses	687,819.00	-
	<b>5,081,819.00</b>	<b>2,496,600.00</b>

**NOTE : 19**

<u>Finance Costs</u>		
Interest on Term Loan	876,421.00	1,635,550.19
Bank Charges	110,042.50	32,774.00
	<b>986,463.50</b>	<b>1,668,324.19</b>

**NOTE : 20**

<b>Depreciation and amortization expense</b>		
Depreciation	3,425,490.00	3,828,663.00
Amortization Exp	-	-
	<b>3,425,490.00</b>	<b>3,828,663.00</b>

**NOTE : 21**

<b>Other Expenses</b>		
A/C. service Contract		1,100.00
Advertisement expense	11,570.00	26,500.00
AMC Tax	265,613.00	1,516,292.00
Audit Fees	140,000.00	35,000.00
Accountant Salary	144,000.00	
Boarding & Lodging Exp	27,257.00	
Books & Periodicals	7,158.00	
Carting Expenses		934,300.00
Cleaning & Washing	56,815.00	194,520.00
Commission	812.00	-
Computer Exp	4,000.00	12,200.00
Contract Exps	746,980.00	
Conveyance Allowance	150,000.00	
Design Expenses	60,000.00	50,000.00
Diesel Expense		55,450.00
Electric Burning	927,364.00	659,241.00
Electric Exp	41,017.00	37,013.00
Godown Rent & Maintenance	2,043,374.75	324,000.00
Hall Premium	2,982,500.00	3,207,500.00
Insurance Expense	88,590.00	204,762.00
Kasar vata	137,314.25	(29,860.50)
Misc. Exp	1,840.00	12,300.00
Petrol Exp.	7,500.00	64,850.00
Professional Fees	160,200.00	2,154,150.00
Professional Tax Company	2,400.00	2,400.00
Repairs & Maintenance	692,810.00	311,903.00
Roc Filling		14,400.00
Service Charge	3,392.00	-
Stationary & Printing	37,551.00	29,781.00
Tea & Refreshment		34,650.00
Transportation	602,060.00	
Service Tax	200,664.00	
Mandap Décor	126,542.00	
Membership fees	6,521.00	
Telephone Exp. & Mobile Exp.	253,406.05	260,222.96
Tender fees	(122,436.00)	3,000.00
Travelling Expenses	154,382.00	49,690.00
Vat Exp	413,523.00	268,390.00
Vehicle Exp (Car)	179,300.00	119,253.00
Vehicle Repairing Exp.	231,512.00	319,563.00
Labour Exp	736,686.00	508,150.00
Medical Allw		15,000.00
Office Exp		13,820.00
Wages		525,750.00
Conveyance Exp		38,400.00
Entertainment Allw		6,000.00
Décor furniture repair	629,227.00	105,500.00
directors deating fees		13,000.00
Listing and processing fees		69,000.00
Share capital exp		10,394.00
Swachh bharaat cess		32,571.00
Internet exp		6,115.00
Income tax written off		290,462.00
Participation Fees	10,000.00	
Penalty	35,107.00	
Printing Exp	11,115.00	
House Rent Allw	456,000.00	30,000.00
Loss Due To Fire	592,744.00	
Issuer Fees & Listing Fees	238,000.00	
Prelim Exps	250,000.00	
	<b>13,744,411.05</b>	<b>12,536,732.46</b>

**Shangar Decor Limited**

4 Sharad Flats Opp-Dharnidhar Temple,  
Ahmedabad-380007.

22<sup>nd</sup> Annual General Meeting – 30<sup>th</sup> September 2017

**ATTENDANCE SLIP**

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall.

For Demat Shares

For physical Shares

DP ID:	Regd. Folio No:
Client ID:	Nos. of shares held:

Full Name of the Member attending: \_\_\_\_\_

Name of the proxy: \_\_\_\_\_

(To be filled in if proxy has been duly deposited with the Company)

I, hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the company to be held on Saturday, 30<sup>th</sup> September 2017 at 11.00 a.m. at 4 Sharad Flats Opp-Dharnidhar Temple, Ahmedabad-380007.

.

\_\_\_\_\_  
(Members' / Proxy's signature)

(To be signed at the time of handing over this slip)

\*Persons attending the Annual General Meeting are required to bring their Annual Report.

**Shangar Decor Limited**

4 Sharad Flats Opp-Dharnidhar Temple,  
Ahmedabad-380007.

22<sup>nd</sup> Annual General Meeting – 30<sup>th</sup> September 2017

**PROXY FORM**

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

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

I/ We, being the member of \_\_\_\_\_ Equity shares of Pervasive Commodities Limited, hereby  
appoint:

Name:	Email id:
Address:	Signature:

Or failing him / her

Name:	Email id:
Address:	Signature:

Or failing him / her

Name:	Email id:
Address:	Signature:

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the  
22<sup>nd</sup> **Annual General Meeting** of the Company, to be held on the Saturday, 30<sup>th</sup> September, 2017 at  
11.00 a.m. at 4 Sharad Flats Opp-Dharnidhar Temple, Ahmedabad-380007 and at any adjournment  
thereof in respect of such resolutions as are indicated overleaf:



Sr. No	Resolution	Vote - Refer Note 4		
		For	Against	Abstain
	<b>ORDINARY BUSINESS</b>			
1	Adoption of the Financial Statements of the Company and reports of the Auditors and the Directors thereon.			
2	Reappointment of Mr. Saumil Shah, a Director liable to retire by Rotation.			
3	Appointment of M/s Niral Parikh & Associates, Chartered Accountant, Ahmedabad as Statutory Auditor for FY 2017 18.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Signature of Member(s)

Signature of Proxy Holder

Affix Revenue Stamp of not less than Re. 1/-
--

**Notes:**

1. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 22<sup>nd</sup> Annual General Meeting.
2. 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.
3. A Proxy need not be a member of the Company.
4. It is optional to indicate your preference. If you leave 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in any manner as he/she may deem appropriate.

**Shangar Decor Limited**

4 Sharad Flats Opp-Dharnidhar Temple,  
Ahmedabad-380007.