

**Saakaar Constructions Private Limited**  
**Director's Report**

Your Directors have pleasure in presenting their 20th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2017.

**1 CONSOLIDATED FINANCIAL PERFORMANCE SUMMARY :**

Particulars	Current Yr	Prev. Yr.
Gross Income	189,770,463	192,081,844
Profit from operations before other income, finance cost, Depreciation and Exceptional items	43,808,475	36,088,147
Other income	1,840,902	1,537,613
Finance Cost	4,900,710	9,203,998
Depreciation	3,702,570	5,085,422
Exceptional items	-	-
Net Profit Before Tax	37,046,096	23,336,340
Provision for Tax	13,246,742	8,548,302
Net Profit After Tax	23,799,354	14,788,038
Balance of Profit brought forward	31,491,271	18,795,423
Balance available for appropriation	55,290,625	33,583,461
Proposed Dividend on Equity Shares	837,960	508,640
Tax on proposed Dividend	170,590	103,550
Transfer to General Reserve	2,380,000	1,480,000
Surplus carried to Balance Sheet	51,902,075	31,491,271

**2 BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

During the year company posted marginal decline in Gross income which decreased by 1.20% in comparison to previous year from Rs. 192081843.99 to Rs. 189770463. However, PBT posted significant rise of 58.75% rise from Rs. 23336339.55 to Rs. 37046096.37 and PAT 60.94% from Rs. 14788037.55 to Rs. 23799354.37.

**3 EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

There is no material changes and commitments affecting Financial position of the company which have occurred between the end of the financial year of the Company and the date of Board's Report.

**4 CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business of the company.

**5 TRANSFER TO GENERAL RESERVE**

Out of the total profit after tax of Rs. 23799354.37 for the financial year, Rs. 2380000 is proposed to be transferred to the General Reserve.

**6 DIVIDEND:**

The Board of directors has recommended a Dividend of 12% (Rs 1.2 per equity share) to the Equity shareholders. The said dividend, if approved, would involve a total cash outflow of Rs 1008550 for the FY 2016-17 (including Dividend Distribution Tax thereon) and result in payout of 4.24% of the current profit (Prev.Yr. Nil)

**7 BOARD MEETINGS:**

The Board of Directors met 11 times during this financial year.

**8 DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

There is no change in any of the directors of the company during the financial year.

For Saakaar Constructions Pvt. Ltd.



## 9 DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

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

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

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

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

(e) 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;

## 10 INFORMATION ABOUT THE SUBSIDIARIES / ASSOCIATES/ JV AND THE FINANCIAL PERFORMANCE / FINANCIAL POSITION THEREOF

Copy of audited financial statements as on 31st March, 2017 alongwith auditors report and board report of the subsidiary company Saakaar Bricks Private Limited is attached herewith. The statement pursuant to sub-section 3 of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014 is given as AOC-1

## 11 EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report is attached here with as Annexure-II.

## 12 AUDITORS:

M/s U.Narain & Co., Chartered Accountants, (FRN : 000935C), is retiring at the conclusion of the ensuing Annual General Meeting. It is proposed to appoint M/s V.Maskara & Associates, Chartered Accountants, (FRN : 014297C) in place of retiring auditors who has shown their unwillingness to be reappointed. M/s V.Maskara & Associates has confirmed their eligibility and willingness for the appointment. The Board of Directors of Company have decided to recommend their appointment from the conclusion of this Annual General Meeting until the conclusion of fifth Annual General Meeting for the FY 2021-22 to be held after this meeting, subject to ratification at every Annual General Meeting in terms of Section 139 of the Companies Act 2013. The company obtained from them a certificate to the effect that their appointment, if made, will be within the limit specified in the said section and they satisfy the criteria provided in section 141.

## 13 AUDITORS REPORT:

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

## 14 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

### (A) Conservation of energy:

#### (i) the steps taken or impact on conservation of energy;

The company has installed most modern and energy efficient machines for its operation with special thrust on conservation of energy, so that energy usage can be optimised to the extent possible.

#### (ii) the steps taken by the company for utilising alternate sources of energy : Nil

#### (iii) the capital investment on energy conservation equipments Nil

Improved operational efficiency and decrease in energy utilization.

### (B)Technology Absorption

The Company is substantially using indigenous machinery for its construction activities.

### (C ) Foreign Exchange earnings and outgo.

Foreign exchange earnings and out go is nil during the year

## 15 DEPOSITS

The Company has not accepted any deposits during the year under review.

## 16 SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

There were no significant/ material orders passed by any Regulator or Court or Tribunal which would impact the going concern status of the Company and its future operations.

## 17 DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

As per the provisions of Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility of ensuring that the Company has implemented robust systems/ framework of internal financial controls to provide them with assurance regarding adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. To enable the Directors to meet the responsibilities, the Board has devised systems/ frameworks which are operating within the company. In line with best practice, the Board regularly reviews the internal control system to ensure that it remains effective and fit for purpose. Where weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen the controls and these are in turn reviewed on regular basis.

During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

## 18 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The full particulars of loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements. Refer note no. 26(7)

## 19 RISK MANAGEMENT POLICY :

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

## 20 CORPORATE SOCIAL RESPONSIBILITY POLICY :

Not applicable

## 21 RELATED PARTY TRANSACTIONS :

AS per company's policy agreements or the transactions with the related parties are entered by the Company in ordinary course of business and were in arm's length basis. The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transaction with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority. However, there is no such transaction during the year to be reported here.

## 22 DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. It has been endeavour of the company to encourage women professionals by creating proper policies to tackle issues relating to safe and proper working conditions for them and create and maintain a healthy and conducive work environment, free from discrimination on any basis, including gender and any form of sexual harassment.

As per provisions of Section 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the report of the number of cases filed under Sexual Harassment and their disposal is as under :

Number of cases pending as on the beginning of the financial year	NIL
Number of complaints filed during the year	NIL
Number of cases pending as at the end of the financial year	NIL

**23 ACKNOWLEDGMENT**

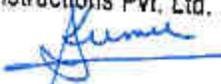
Your Directors would like to express their sincere appreciation for the assistance and cooperation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For & On Behalf of the Board

Sd/-  
(Sudip Kumar)  
DIN : 00937583  
Chairperson

Patna, 26th August, 2017

For Saakaar Constructions Pvt. Ltd.

  
Managing Director

29

## FORM - AOC-1

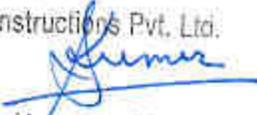
## Statement containing salient features of the financial statement of subsidiary company

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Name of the Subsidiary	Saakaar Bricks Pvt Ltd
Reporting period for the subsidiary concerned, (if different from the holding company's reporting period)	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	NA
Share Capital	50,00,000.00
Reserve & surplus	20,13,344.15
Total Assets	1,93,21,671.11
Total Liabilities (Excluding Share Capital & Reserves)	1,23,08,326.96
Investments	-
Turnover	1,48,50,712.36
Profit before taxation	(3,41,419.53)
Provision for taxation	(91,112.00)
Profit after taxation	(2,50,307.53)
Proposed Dividend	-
% of shareholding	51.00%

For & On Behalf of the Board of Directors

For Saakaar Constructions Pvt. Ltd.

  
Managing Director

Sd/-  
(Sudip Kumar)  
DIN : 00937583  
Chairman

Patna, 26th August, 2017

**ANNEXURE : I (annexed to and forming part of Director's Report of Saakaar Construction Pvt Ltd )**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31st March, 2017**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- U00502BR1996PTC007493  
ii) Registration Date 07.10.1996  
iii) Name of the Company Saakaar Constructions Private Limited  
iv) Category / Sub-Category of the Company Company limited by shares/ Indian Non-Government company  
v) Address of the Registered office and contact details  
2nd Floor, Pandooi Place  
Boring Road, Patna - 800001  
Phone : 9771495777  
Email : saakaarpatna@gmail.com  
vi) Whether listed company Yes / No  
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any Nil

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

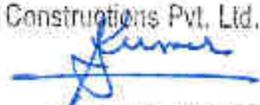
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Builders & Property Developers	0050	100%

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

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

S. NO	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	Saakaar Bricks Pvt Ltd	U26931BR2013PTC020946	Subsidiary	51.00%	2(46)

For Saakaar Constructions Pvt. Ltd.

  
Managing Director

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

**I) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	532,900	532,900	83.82%	0	595,400	595,400	85.26%	1.44%
b) Central Govt or State Govt	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	0	532,900	532,900	83.82%	0	595,400	595,400	85.26%	1.44%
<b>(2) Foreign</b>									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	532,900	532,900	83.82%	0	595,400	595,400	85.26%	1.44%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	532,900	532,900	83.82%	0	595,400	595,400	85.26%	1.44%

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Jitendra Nath Gupta	142,200	22.37%	Nil	154,700	22.15%	Nil	-0.21%
2	Ravi Talwar	137,100	21.56%	Nil	149,600	21.42%	Nil	-0.14%
3	Sudip Kumar	89,400	14.06%	Nil	101,900	14.59%	Nil	0.53%
4	Smita Choudhary	82,100	12.91%	Nil	94,600	13.55%	Nil	0.63%
5	Usha Agrawal	82,100	12.91%	Nil	94,600	13.55%	Nil	0.63%
	<b>Total</b>	532,900	83.82%	Nil	595,400	85.26%	Nil	1.45%

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Transaction Details		Cumulative Shareholding during the year		Reason
		No. of shares	% of total shares of the company	Purchase/ (Sale)	Date	No. of shares	% of total shares of the company	
1	Sudip Kumar	89,400	14.06%	12,500	07.10.16	101,900	14.59%	Right Issue
2	Jitendra Nath Gupta	142,200	22.37%	12,500	07.10.16	154,700	22.15%	Right Issue
3	Ravi Talwar	137,100	21.56%	12,500	07.10.16	149,600	21.42%	Right Issue
4	Smita Choudhary	82,100	12.91%	12,500	07.10.16	94,600	13.55%	Right Issue
5	Usha Agrawal	82,100	12.91%	12,500	07.10.16	94,600	13.55%	Right Issue

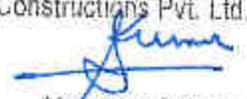
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Transaction Details		Cumulative Shareholding during the year		Reason
		No. of shares	% of total shares of the company	Purchase/ (Sale)	Date	No. of shares	% of total shares of the company	
1	Vishnu Kumar Choudhary	57,300	9.01%			57,300	9.01%	
2	Choudhary Kr Consultants Pvt	30,000	4.72%			30,000	4.72%	
3	Amrapali Banquets Pvt Ltd	10,000	1.57%			10,000	1.57%	
4	Manisha Talwar	5,100	0.80%			5,100	0.80%	
5	Bimmi Mahaseth	100	0.02%			100	0.02%	
6	Priyanka Gupta	100	0.02%			100	0.02%	
7	Sameer Kumar Mahaseth	100	0.02%			100	0.02%	
8	Sudip Kumar HUF	100	0.02%			100	0.02%	
9	Vivek Kumar	100	0.02%			100	0.02%	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Transaction Details		Cumulative Shareholding during the year		Reason
		No. of shares	% of total shares of the company	Purchase/ (Sale)	Date	No. of shares	% of total shares of the company	
1	Jitendra Nath Gupta	142,200	22.37%	12,500	07.10.16	154,700	14.59%	Right Issue
2	Ravi Talwar	137,100	21.56%	12,500	07.10.16	149,600	22.15%	Right Issue
3	Sudip Kumar	89,400	14.06%	12,500	07.10.16	101,900	21.42%	Right Issue
4	Smita Choudhary	82,100	12.91%	12,500	07.10.16	94,600	13.55%	Right Issue
5	Usha Agrawal	82,100	12.91%	12,500	07.10.16	94,600	13.55%	Right Issue

For Saakaar Constructions Pvt. Ltd.

  
Managing Director

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	35,961,155	55,002,258	-	90,963,413
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>35,961,155</b>	<b>55,002,258</b>	<b>-</b>	<b>90,963,413</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	41,675,667	6,465,513	-	48,141,180
- Reduction	25,363,680	1,082,233	-	26,445,913
<b>Net Change</b>	<b>16,311,988</b>	<b>5,383,280</b>	<b>-</b>	<b>21,695,268</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	52,273,143	60,385,538	-	112,658,681
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>52,273,143</b>	<b>60,385,538</b>	<b>-</b>	<b>112,658,681</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Jitendra Nath Gupta	Ravi Talwar	Smita Choudhary	Usha Agrawal	Sudip Kumar	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	9,000,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-
	- others, specify...	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	<b>Total (A)</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>1,800,000</b>	<b>9,000,000</b>
	Ceiling as per the Act	Not applicable					

### B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	Nil	
	(a) Fee for attending board committee meetings	0	-
	(b) Commission	0	-
	(c) Others, please specify	0	-
	<b>Total (1)</b>	<b>0</b>	<b>-</b>
2	Other Non-Executive	Nil	

(a) Fee for attending board committee meetings	0	-
(b) Commission	0	-
(c) Others, please specify Salary for services rendered of Professional nature	0	-
Total (2)	0	-
Total (B)=(1+2)	0	-
Total Managerial Remuneration	0	-
Overall Ceiling as per the Act	Not applicable	

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

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

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

For Saakaar Constructions Pvt. Ltd.

  
Managing Director