SAROVAR DEVELOPERS PRIVATE LIMITED
CIN: U45201GJ1998033910

DIRECTORS' REPORT

To
The Members,
Sarovar Developers Private Limited

Your Directors are pleased to submit their 19th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

(Rs. In Lacs.)

PARTICULARS	2016-17	2015-16
Revenue from Operations	725.89	3283.83
Other Income	99.39	36.61
Total Income	825.29	3320.45
Total Expenditure	759.39	3206.14
Profit before Tax	65.89	114.31
Less: Provisions for Taxation		-
1. Current Tax	-	25.43
2. Deferred Tax	1.16	(3.22)
Profit After Taxation	64.74	92.11

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year under review, the Revenue from operations has drastically reduced as compared to the previous year. The total income of the Company has also decreased from Rs. 3320.45 Lacs to Rs. 825.29 Lacs. Further, the Net profit of the Company has declined to Rs. 64.74 Lacs as compared to profit of Rs. 92.10 Lacs earned during the previous financial year. Nevertheless, your directors are hopeful better results in the upcoming years.

3. DIVIDEND

In view of retaining the profits for future projects of the Company, the directors do not recommend any dividend for the financial year 2016-17.

4. **TRANSFER TO RESERVES**

The Board does not propose to transfer any amount to the reserves during the year under review.

5. **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitment has occurred subsequent to the close of the financial year of the Company and the date of the report which could affect financial position of the Company.

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

There are no material orders passed by the Regulators, Courts, and tribunals impacting going concern status and the Company's operations in future.

7. **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has adequate internal control system commensurate with the size of the Company and nature of its business.

8. **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company does not have any subsidiary or Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013. However, Company does have joint venture Companies. Details of which are as under:

Sr. No.	Name of Joint Venture Company
1.	Sarovar Projects LLP
2.	Sarovar Realty LLP
3	S & H Associates

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's joint venture Companies in Form AOC-1 is attached as Annexure-1.

9. DEPOSITS

The Company has neither accepted nor renewed any deposits from the public during the year under review and as such, no amount of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

10. STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules framed there under, appointment of M/s. O R Maloo & Co. (Firm Reg. No.: 135586IW), Chartered Accountant, has been ratified from conclusion of 19th Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2017-18.

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

The Auditors' Report to the Shareholders does not contain any qualification.

12. EXTRACT OF THE ANNUAL RETURN

The extract of the annual return as prescribed in Form No. MGT- 9 will be tabled at the Board Meeting as **Annexure-2** and the same forms part of this report.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity pertaining to energy conservation or technology absorption. Details of foreign exchange earnings and outgo are as follows:

Foreign exchange earnings and Outgo:

Foreign Exchange Earning:	Rs. Nil.
Foreign Exchange Outgo :	Rs. Nil.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

15. CHANGES IN DIRECTORS:

There were no changes in Directors or KMP of the Company during the year under review.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
(c) 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;
(d) the directors have prepared the annual accounts on a going concern basis; and
(e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year 2016-17, (5) Five Board Meetings were held on the following dates:

Sr. No.	Dates of Board Meeting
1.	05/04/2016
2.	27/05/2016
3.	05/09/2016
4.	31/12/2016
5.	31/03/2017

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans and Investment made by the Company are provided in the Financial Statement of the Company. During the period under review Company has not provided any Guarantee under section 186 of the Companies Act, 2013.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Particulars of every contract or arrangements entered into by the Company with related parties are disclosed in Form No. AOC-2 enclosed herewith as Annexure-3.

20. VIGIL MECHANISM

The Company does not need to form a vigil mechanism as required by the Companies Act, 2013.

21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

A. **Risk Management Committee**

The Board is of the opinion that no risk element exists which adversely affects the business of the company and therefore, Company has not developed Risk Management Policy.

B. Major risks affecting the existence of the company- Not Applicable.

22. ACKNOWLEDGEMENT

The Directors are thankful to the concerned Government authorities for their support and also record their appreciation for the efforts put in by the employees of the Company.

For and on behalf of the Board of Directors

A. P. Gandhi

Place: Ahmedabad
Date: 08.09.2017

Avish P. Gandhi
Director
DIN: 00137213

Chirag G. Patel
Director
DIN: 00137066