Directors' Report

Your Directors have pleasure in presenting their **Fourth** Annual Report on the business and operations of the Company and the accounts for the Financial Year ended **March 31, 2016.**

I. Result of Our Operation :

Particulars	Year ended March 31, 2016 (Rs.)	Year ended March 31, 2015 (Rs.)
Revenue from operations		-
Other Income	2,091,412	338,771
Total Revenue	**2,091,412**	**338,771**
Expenses:		
Land Purchase - Sepal Elegant-3	10,420,600	
Cost of material consumed	2,467,253	
Direct expenses related to scheme	3,852,163	
Indirect expenses related to scheme	277,185	
(Increase)/Decrease in construction work-in-progress	-18,733,135	
Employee benefit expense	644,975	
Financial costs	3,496,947	540,896
Other expenses	241,697	108,479
Total Expenses	**2,675,685**	**649,375**
Profit/(Loss) before tax	**-584,273**	**-310,604**
Tax expense: - Current tax	-	-
Profit/(Loss) for the year	**-584,273**	**-310,604**
Earning per equity share of Rs. 10 each		
(1) Basic	(58.43)	(31.06)
(2) Diluted	(58.43)	(31.06)

Above Figures are extracted from financial statement.

II. Number of meetings of the Board

The Company has conducted one board meeting during each quarter (Four board meetings in a year) for planning and discussing the workings of the Company.

III. Dividend

No Dividend has been declared during the year because of loss from the business operation.

IV. Deposit

The Company has not accepted any deposits falling under the provisions of Company's Acceptance of Deposits Rule, 2014.

V. Brief description of the Company's working during the year

The Company is engaged in the business of real estate development, land development, consultancy and legal advisory for plan passing and non-agricultural approval work, and for that purpose to own, construct, develop, improve, take on lease or leave and license basis or to acquire in any manner, building and constructing of residential and commercial schemes, and to execute contracts in relation to infrastructure projects. The Company is a Partner in two partnership firms, namely "Sepal

Buildcon" and "Sepal Infra Buildcon" and has made investments in these firms. During the year, the Company became partner in "Sepal Developer Moralya" and made investment in the firm. These Partnership Firms are into the business of real estate development and builder activities. During the financial year 2015-16, both these firms have commenced the commercial-cum-residential projects on the land acquired on the names of respective partnership firms. "Sepal Buildcon" has generated revenue from sale of two shops during the year and same has been allocated to the Company as per the standards. Other two firms have not generated any revenue or profit during the current financial year, and hence no substantial profit has been attributed to the Company from investments in these partnership firms. During the year, the Company has initiated construction work of Project "Sepal-3" consisting residential cum commercial building near Chandkheda, Ahmedabad. The Company has also given advance for purchase of land during the year for construction of building under Project "Sepal-4", the work of which will initiate in subsequent year.

VI. Statutory Auditors

Mrunal M. Shah and Co. (Firm Registration No. 139047W), Chartered Accountants, retires at the end of this AGM and, being eligible, offer themselves for re-appointment.

VII. Auditor's Report

The Statutory Auditors in his report dated September 8, 2016 has not made any qualification, reservation, adverse remark or disclaimer.

VIII. Extract of Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith.

IX. Particulars of Loans, Guarantees and Investment

As on March 31, 2016, there were no outstanding loans or guarantees covered under the provisions of Section 186 of the Act. The Company has made certain investments in Partnership Firms during the year, those are into the same nature of business as that of the Company. Details of such investments have been disclosed in the notes forming part of the Financial Statements for the year ended March 31, 2016.

X. Directors Responsibility Statement

As per the Clause (c) of Sub-section (5) of Section 134 of the Companies Act, 2013 :

(a) In the preparation of the annual accounts, all the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.

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

(c) We 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) We had prepared the annual accounts on a going concern basis.

(e) We had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

XI. Acknowledgement

The Board appreciates and places on record the contribution made by the employees during the year under review. The Board also places on record their appreciation of the support of all stakeholders particularly shareholders, customers, suppliers, and business partners. For and on behalf of the Board of Directors.

On behalf of the Board of Directors

Mr. Balvantray G. Fatehkar
Chairman
Ahmedabad, September 10, 2016