

**ANAR INDUSTRIES LIMITED**  
**Formerly known as Enrich Industries Ltd.**  
**(CIN: L29199GJ1992PLC018047)**

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

**Annual Report**

**2013-14**

**ANAR INDUSTRIES LIMITED**  
**(CIN: L29199GJ1992PLC018047)**

**BOARD OF DIRECTORS**

Mr. Swetank M. Patel	Chairman & Mg. Director-DIN:00116551
Mr. Narendra S. Ayer	Director-DIN:00116692
Mrs. Hina S. Patel	Director-DIN:01987053
Mr. Umesh R. Naik	Director-DIN:02269103
Mr. Raju Dubey	Company Secretary

**AUDITORS**

M/s. J. K. Parmar & Co.  
Chartered Accountants,  
31, Binori Corner, Nr. Rly. Overbridge,  
Jivraj Park, Ahmedabad: 380051.

**Bankers**

State Bank of India  
Axis Bank  
ICICI Bank

**ANNUAL GENERAL MEETING**

On Tuesday, 30<sup>th</sup> September, 2014 – 11 a.m  
A- 404, Satyamev-2,  
Nr. Kargil Petrol Pump,  
S. G. Highway Ahmedabad: 380061

**REGISTERED OFFICE**

A- 404, Satyamev –2,  
Nr. Kargil Petrol Pump,  
S.G.Highway, Ahmedabad: 380061  
E-mail: [enrichind@gmail.com](mailto:enrichind@gmail.com)  
Tel 079 27660965 Fax 079 26561500

**Shares Transfer Agent**

M/s. SHAREPRO SERVICES (I) PVT.LTD  
Office No. 416-420,  
Devnandan Mega Mall,  
Opp Sanyas Ashram,  
Ashram Road, Ahmedabad.  
Tel – 079-26582381/26582382.

**CONTENTS**

Notice  
Director's Report  
Corporate Governance Report  
Management Discussions and Analysis  
Auditor's Report  
Balance Sheet  
Statement of Profit & Loss  
Notes Forming part of Financial Statement  
Cash Flow Statement

## NOTICE

Notice is hereby given that the Twenty second Annual General Meeting of the Members of **ANAR INDUSTRIES LIMITED** will be held on Tuesday the 30<sup>th</sup> September, 2014 at 11.00 A.M. at A-404, Satyamev-2, Nr. Kargil Petrol Pump, S.G. Highway, Ahmedabad: 380061 to transact the following business :-

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Statement of Profit & Loss for the year ended on 31st March, 2014, Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Swetank Patel (DIN 00116551), whose period of office is not liable to determination for retirement of directors by rotation under the erstwhile provisions of the Companies Act, 1956 but who pursuant to applicable provisions of Companies Act, 2013, is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution.

“RESOLVED THAT pursuant to provisions of Section 139, 141, 142 and other applicable provisions if any of the Companies Act, 2013, M/s. J. K. Parmar & Co., Chartered Accountants, Ahmedabad be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be decided by the Board of Directors of the Company in conclusion with the aforesaid firm of Auditors.”

### SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 149,150,152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, and Clause-49 of the Listing Agreement, Shri Narendra Ayer (DIN: 00116692), Director of the Company, who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019”.

5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 149,150,152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, and Clause-49 of the Listing Agreement, Shri Umesh R. Naik (DIN: 02269103), Director of the Company, who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019”.

6. To consider and if thought fit to pass with or without modification the following resolution as Special Resolution

“RESOLVED THAT pursuant to the provisions of section 14 and all other applicable provisions of the Companies Act, 2013 (the Act), read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s)

or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**Regd. Office:**

A-404 Satyamev 2, Nr. Kargil Petrol Pump,  
S.G.Highway, Ahmedabad – 380 061

**By Order of the Board**

For Anar Industries Ltd.

Date: 14/08/2014

Raju Dubey  
Company Secretary

**Notes:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.
2. The instrument appointing the proxy should however be deposited at registered office of the Company at least 48 hours before the time of meeting.
3. Register of Members and Share Transfer Books will remain closed from **23rd September, 2014 to 30th September, 2014 (Both Days Inclusive)**.
4. Members are requested to bring their copy of the Annual Report to the Meeting as No Extra Copy will be distributed at the Meeting as a Measure of Economy.
5. Members desiring any information as regards accounts are requested to write to the Company at Least 7 Days before the Meeting to enable the Management to keep the information ready.
6. Members are requested to be in their seats at the Meeting before the scheduled time of Commencement of The Meeting to avoid interruption in the Proceedings.
7. The Statement pursuant to Section 102 of the Companies Act, 2013 and Clause-49 of the Listing Agreement is annexed hereto and forms part of this Notice.
8. Trading in equity shares of the Company is compulsorily in dematerialised form only. In view of the above, shareholders are advised to convert their shareholding in dematerialised form.
9. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members as on the cutoff date i.e. **29<sup>th</sup> August, 2014** and whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members, as on the cut-off date, and who have not registered their email address, physical copies of the Notice of the 22<sup>nd</sup> Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including annual report, notice, circular etc. from the company electronically.
11. Voting through electronic means  
Pursuant to Section 108 of the Companies Act, 2013 and Rules 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 22<sup>nd</sup> Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

**The instructions for members for voting electronically are as under:-**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, Select the Electronic Voting Sequence Number- “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID;
  - For CDSL: 16 digits beneficiary ID;
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID;

- For Members holding shares in Physical Form: Please enter Folio Number Registered with the Company and then enter the Captcha Code as displayed on the screen;

Then Click on Login

- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing password is to be used. In case you have forgotten your password then enter the User ID and Captcha Code as displayed on the screen and click on Forgot Password and then enter the details as prompted by the system.
- (vi) Otherwise, if you are a first time user or if you are holding shares in physical form, please follow the steps given below:
- (a) Please fill the following details in the appropriate boxes (this is applicable to members holding shares in demat form or physical form):
1. Primary Level  
Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Please enter in CAPITAL LETTERS. This must tally with the PAN registered by you with the Company/Depository Participant. Please note that Members who have not registered their PAN with the Company/Depository Participant, will have to use the default value AAACZ0715E in the PAN field.
  2. Secondary Level  
Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account or folio in dd/mm/yyyy format.  
OR  
Enter the Bank Account Number as registered by you in your demat account or in the Company's records in respect of your shares in the said demat account or folio.  
OR  
In case neither your Date of Birth nor Bank Account details are recorded in your demat account in the Company's records, as aforesaid, then please enter your demat account number (client id) or your folio number in the Bank Account field.
- (b) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the EVSN 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 resolution 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.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (ix) Click on the COMPANY on which you chose to vote.
- (x) 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.
- (xi) Click on the "Resolution File Link" if you wish to view the entire Resolution.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to change your vote subsequently.

- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the Systems for the scrutinizer to verify the same.

Please note that:

1. The voting period begins on **September 24, 2014** at 10.00 a.m. and ends **September 26, 2014** at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is **August 29, 2014**, may cast their vote electronically. The voting rights of Shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on **September 26, 2014**.
2. In case you have any queries or issue regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. Mr. Bipin L. Makwana, Practicing Company Secretary (Membership No. ACS15650) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and forward his report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Result shall be declared on or after the Annual General Meeting (AGM). The result declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Statement Pursuant to Section 102 of the Companies Act, 2013.

Item No. 2

Mr. Swetank Patel (DIN 00116551), is a promoter director of the Company and has been associated with the Company since last five years, He was appointed as the Managing Director of the Company at the Nineteenth Annual General Meeting for a period of five years from 01/03/2011 and not liable to determination by retirement of directors by rotation but pursuant to Section 152 of the Companies Act, 2013, he shall be liable to retire by rotation. Being eligible, he offers himself for re-appointment. His re-appointment is proposed under Section 152 of the Companies Act, 2013 and he shall be liable to retire by rotation.

Mr. Swetank Patel aged 49, is B.E and he has very good knowledge and experience of various business particularly development of construction business as well as software (E-commerce) and computers related activities. He has very good business relation with big business houses from the company may get good amount of business in near future and under his leadership, the company will make more progress in terms of business and profit in near future.

Mr. Swetank Patel holds directorship in Nishan Grafitech Pvt. Ltd. and Anar Retail Pvt. Ltd. He is member of Shareholder/investor grievance committee, Remuneration Committee and Share Transfer Committee.

Mr. Swetank Patel holds 2735369 equity shares of the Company.

Mr. Swetank Patel is related to Mrs. Hina Patel is deemed to be concerned or interested in the resolution. None of the other director is concerned or interested in the above resolution.

#### **Item No. 4**

Shri Narendra Ayer (DIN: 00116692) is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in March, 2011.

Shri Narendra Ayer, aged 49, holds directorship in Milan Grafitech Pvt. Ltd and Soham Biomethane Pvt. Ltd. He is the Chairman of Audit Committee, Shareholders/ Investor Grievance Committee and a Member of Share Transfer Committee, Remuneration Committee. He has experience of more than 10 years of finance and marketing aspect.

Mr. Narendra Ayer retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, if any, Mr. Narendra Ayer being eligible and offering himself for appointment, is proposed to be appointed, pursuant to the recommendations of Nomination and Remuneration Committee to the Board as an Independent Director to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019 and he shall not be liable to retire by rotation. A notice has been received from a member proposing his candidature for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Narendra Ayer fulfils the conditions as specified in the Companies Act, 2013 and rules for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Narendra Ayer as an Independent Director setting out the terms and conditions would be available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Narendra Ayer as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 4, in relation to appointment of Mr. Narendra Ayer as an Independent Director, for your approval as an ordinary resolution.

Mr. Narendra Ayer is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution. This explanatory statement may also be regarded as a disclosure under Clause-49 of the Listing Agreement with the Stock Exchanges.

#### **Item No.5**

Shri Umesh Naik (DIN: 02269103) is an Independent Non-Executive Director of the Company. He joined the Board of Directors of the Company in March, 2011.

Shri Umesh Naik, aged 55, is qualified as B.E. He has an in depth knowledge of setting up of ISP unit successfully. He has created 25000 customers base in Retail, SME and Corporates in Surat and sputh Gujarat. Further he has in depth knowledge of in the field of marketing, sales, Installation and servicing. He holds directorship in Shrinathji Softcom Pvt. Ltd., Shrinathji Datacom Pvt. Ltd. Green Planet Solutions Pvt. Ltd. and Riya Tradecom Pvt. Ltd. He is the Member of Audit Committee and a Member of Share Transfer Committee, Remuneration Committee and Shareholders Grievance Committee.

Shri Umesh Naik retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, if any, Shri Umesh Naik being eligible and offering himself for appointment, is proposed to be appointed, pursuant to the recommendations of Nomination and Remuneration Committee to the Board as an Independent Director hold office for 5 (Five) consecutive years for a term up to the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019 and he shall not be liable to retire by rotation. A notice has been received from a member proposing his candidature for the office of Independent Director of the Company.

In the opinion of the Board, Shri Umesh Naik fulfils the conditions as specified in the Companies Act, 2013 and rules for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Umesh Naik as an Independent Director setting out the terms and conditions would be available for inspection without any fees by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Umesh Naik as an Independent Director of the Company. Accordingly, the Board recommends the resolution at Item No. 5, in relation to appointment of Shri Umesh Naik as an Independent Director, for your approval as an ordinary resolution.

Shri Umesh Naik is deemed to be interested in the resolution. None of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested in the resolution. This explanatory statement may also be regarded as a disclosure under Clause-49 of the Listing Agreement with the Stock Exchanges.

#### **Item No. 6**

The existing Articles of Association (AoA) of the Company are based on the Companies Act, 1956, and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 (the Act). With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. The proposed new draft of AoA is being uploaded on the Company's website for perusal by the shareholders. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

#### **Regd. Office:**

A-404 Satyamev 2, Nr. Kargil Petrol Pump,  
S.G.Highway, Ahmedabad – 380 061

#### **By Order of the Board**

For Anar Industries Ltd.

Raju Dubey

Date: 14/08/2014

Company Secretary



## DIRECTOR'S REPORT

Your Directors have pleasure in presenting their Twenty second annual report and the audited statement of accounts for 12 months period ended March 31, 2014.

	(Rs. In Lacs)	
FINANCIAL RESULTS	Year ended 31 <sup>st</sup> March 2014	Year ended 31 <sup>st</sup> March 2013
Income from Operations	11.21	198.5
Profit\Loss Before Tax	(-) 28.08	(-) 16.94
Loss Transfer to Capital Reduction	NIL	NIL
Income of Previous year	NIL	NIL
Provision for Differed Tax	9.55	3.29
Profit\Loss after Tax	(-) 18.41	(-) 13.65

### DIVIDEND:

In view of loss incurred during the period under review, your Directors do not recommend any dividend for the current financial year. The dividend was also not paid during the previous year 2012-13.

### OPERATIONS:

During the year company has incurred net loss of Rs. 18.41 lacs after making necessary provisions. During the year company has achieved sales of Rs 11.21 lacs and management is putting their best efforts for doing more business in the field of Software/Hardware, Internet provider and also to carry out construction activities in near future.

### DEPOSITS:

The company has not invited and accepted any deposits from the public.

### DIRECTOR'S RESPONSIBILITY STATEMENT:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- II. Appropriate accounting policies have been selected and applied consistently and have 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 Loss of the company for the year under review.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. The annual accounts have been prepared on a going concern basis.

### DIRECTORS:

As per the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, your directors are seeking appointment of Mr. Narendra Ayer and Mr. Umesh Naik as Independent directors on the Board for a period of consecutive five years and they shall not be liable to retire by rotation.

In terms of the provisions of Section 152 of the Companies Act, 2013, two third of the total strength of the Board (excluding Independent Directors) shall be liable to retire by rotation. One-third of such directors who are liable to retire by rotation shall retire at every Annual General Meeting. Directors to retire by rotation shall be those who have been longest in office since last appointment. The Board of Directors of your Company at present consists of two (2) Non-Independent Directors. In the light of above referred provisions of the Companies Act, 2013, it is desirable that the period of office of Mr. Swetank M. Patel amd Mrs. Hina Patel are made liable to determination by retirement of directors by rotation.

Accordingly Mr. Swetank Patel who retires by rotation, being eligible, offers himself for re-appointment.

### AUDITOR'S REPORT:

The comments of the auditors in the report are self explanatory.

### AUDITORS:

M/s. J. K. Parmar & Co. Chartered Accountants, Ahmedabad retires at the conclusion of the ensuing Annual General Meeting and is eligible, offer themselves for appointment. The certificate has been obtained from them for their appointment, if made, shall be in accordance with the provisions of Section 224 (1 B) of the companies Act, 1956.

**CORPORATE GOVERNANCE:**

A separate Report on Corporate Governance together with the Certificate from Auditors is provided.

**EMPLOYEES:**

None of the employee of the company were in receipt remuneration in excess prescribed limit and hence information pursuant to the provisions of section 217 (2 A) of the companies Act, 1956, read with companies (Particulars of Employees) Rules. 1975 not required to be furnished.

**LISTING OF SECURITIES:**

The Company's equity shares are listed on the BSE Limited. The Annual Listing fees to each of these Stock Exchanges have been paid by the Company.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Since the company is not engaged in any manufacturing activity the information under conservation of energy and Technology absorption is not applicable. There has been no foreign exchange earnings or outgo in respect of the company.

**APPRECIATION:**

Your company and its Directors wish to place on record their appreciation for the support received from staff, banks and customers during the year.

For and on behalf of the Board

DATE: 30/05/2014  
PLACE: AHMEDABAD

SWETANK M PATEL  
CHAIRMAN

## ANNEXURE II TO DIRECTOR'S REPORT - REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE :

The company believes in functioning in a transparent manner and this philosophy being to enhance the shareholders values, keeping in mind the needs and interest of other stockholders. In compliance thereof, the following information is placed before the shareholders.

### 2. BOARD OF DIRECTORS:

Meeting and Attendance, as on 31<sup>st</sup> March 2014, the board comprises of a Chairman & Managing Director and 3 Non executive Directors aggregating to total of 4 members. The company's corporate Governance Policy requires the board to meet at least four times in a year. During the financial year ended 31<sup>st</sup> March 2014 the board meetings were held on 21<sup>st</sup> May, 2013; 14<sup>th</sup> August, 2013, 12<sup>th</sup> November, 2013 and 14<sup>th</sup> February, 2014.

Attendance at Board meetings and at Annual General Meeting (AGM):

Name of Director	No. of Board Meeting Attended	Attendance at last AGM	Composition of Board of Directors	No. of other directorship held	Committee Position held in other companies	
				Public	Member	Chairman
Mr. Swetank M. Patel	4	Yes	Chairman and M.D.(promoter)	Nil	Nil	Nil
Mr. Narendra S. Ayer	4	Yes	Non Executive-Independent	Nil	Nil	Nil
Mrs. Hina S. Patel	2	Yes	Non Executive (Promoter)	Nil	Nil	Nil
Mr. Umesh R. Naik	3	No	Non Executive-Independent	Nil	Nil	Nil

1. Excludes directorship held in Private Companies, Foreign Companies and Companies incorporated under Section 25 of the Companies Act, 1956.
2. Represents only membership/chairmanship of Audit Committee and Shareholders'/Investor Grievance Committee of Indian Public Limited Companies.

### 3. AUDIT COMMITTEE:

The audit committee of the company inter alias, provides assurance to the board on the accepted accounting principles, auditing assurance Standards and other accounts & taxation matters etc. are observed by the company. They also provide guidance and liaison with internal Auditors as well as the statutory auditors of the company. The Committee meets once in every quarter and prepares its minutes on the proceeding and business transacted. Terms of reference of the Audit Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement. Main areas are deliberated as under.

- a) To provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors (BOD).
- b) To oversee the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.
- c) To consider and review the adequacy of internal control including computerized information system controls and security: and related findings and recommendations of the independent auditor and internal auditor together with the management's responses.
- d) To review and discuss with the management and the independent auditors, the annual audited financial statements and quarterly audited / unaudited financial statements, including the company's disclosures under "Management's Discussion and Analysis of Financial Condition and of Results of Operations"
- e) To conduct a post – audit review of the financial statements and audit findings, including any significant suggestions for improvements provided to management by the independent auditors.
- f) Review, in conjunction with counsel, any legal matters that could have a significant impact on the company's financial statements.

- g) Report periodically to the Board of Directors on significant activities.

Relying on the review and discussions with the management and the independent auditor, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Generally Accepted Accounting Principles in all material aspects.

During financial year ended 31<sup>st</sup> March 2014 Four meetings of the audit committee were held to deliberate on various matters. The details of the attendance by the Committee members are as follows:

Name of Director	Status	No. of Meeting Attended
Mr. Narendra Ayer	Chairman	4
Mr. Umesh Naik	Member	4
Mr. Hina Patel	Member	2

#### 4. SHARE HOLDERS/INVESTORS GRIEVANCE COMMITTEE:

- a) Terms of reference :

The company has constituted a shareholder Grievance committee to expeditiously redress the shareholders complains and grievances, if any. The Committee is empowered to keep complete records of demat shares and investors grievance.

- b) Composition :

The shareholders grievance comprises of three non-executive directors and one executive director. During the year the committee held 5 meetings and the attendance of members was as follows:

Name of Director	Status	No. of Meeting Attended
Mr. Narendra Ayer	Chairman	4
Mr. Umesh Naik	Member	3
Mr. Swetank Patel	Member	2

Complaints from Investors:

All the complaints relating to transfer, transmission, dividend, interest, demat and change of address and others received during the year have been resolved.

#### 5. REMUNERATION COMMITTEE

The Remuneration Committee is formed to review the policy on remuneration packages for Executive Directors. The Committee determines and recommends to the Board the compensation to the directors. All Board-level compensation is approved by shareholders, and separately disclosed in the financial statements.

In fixing remuneration, practices followed by the companies of size and standing similar to the Company and that of the industry standards are taken into consideration. However, remuneration to Non- Executive Directors will be decided by the Board of Directors.

The Constitution of the committee and the attendance of each member of the committee is given below:

Name	Designation	Category
Mr. Swetank M patel	Member	Managing Director
Mr.Umesh R Naik	Member	Non-Executive Director / Independent
Mr. Narendra Ayer	Member	Non-Executive Director

**The committee has appointed Mr. Swetank M Patel as Managing Director and fixed his remuneration in it's meeting dt.12-03-2011.**

**Details of remuneration paid / payable to the Directors for Financial Year 2013-14****(Amount in Rupees)**

Name	Salary and Perquisites (Rs.)	Commission	Shares issued under ESOP	Details of service contracts: notice period and severance fees
Mr.Swetank M Patel -MD	Rs.840000	Nil Nil Nil	Nil Nil Nil	Resolution passed in Board meeting dt.12-03-2011.

**6. SHARE TRANSFER COMMITTEE:**

a) Terms of reference:

The company has constituted a share transfer committee to consider and process various requests for transfer of shares, issue of duplicate shares, Split/Consolidation of shares and thereupon issue of fresh share certificates, transmissions or transposition of shares.

Name of Director	Status	No. of Meetings Attended
Mr. Narendra Ayer	Member	4
Mr. Swetank M Patel	Chairman	4
Mr. Umesh Naik	Member	3

**7. CODE OF CONDUCT:**

The Company has adopted a code of conduct for its directors and for its senior executives. All the Board members have agreed to follow the compliance of code of conduct.

**8. GENERAL BODY MEETING:**

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
21 <sup>st</sup>	31-03-2013	A-Wing, 404, 4 <sup>th</sup> Floor, Satyamev-II, Nr. Gujarat High Court, S.G. Highway, Ahmedabad.	28-09-2013	11.00 a.m.
20 <sup>th</sup> A.G.M.	31-03-2012	----- DO-----	28-09-2012	11.00 a.m.
19 <sup>th</sup> AGM	31-03-2011	----- DO-----	28-09-2011	11.00 a.m.

**9. NOTES ON DIRECTORS' APPOINTMENT / REAPPOINTMENT**

As per the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, your directors are seeking appointment of Mr. Narendra Ayer and Mr. Umesh Naik as Independent directors on the Board for a period of consecutive five years and they shall not be liable to retire by rotation.

In terms of the provisions of Section 152 of the Companies Act, 2013, two third of the total strength of the Board (excluding Independent Directors) shall be liable to retire by rotation. One-third of such directors who are liable to retire by rotation shall retire at every Annual General Meeting. Directors to retire by rotation shall be those who have been longest in office since last appointment. The Board of Directors of your Company at present consists of two (2) Non-Independent Directors. In the light of above referred provisions of the Companies Act, 2013, it is desirable that the period of office of Mr. Swetank M. Patel and Mrs. Hina Patel are made liable to determination by retirement of directors by rotation.

Accordingly Mr. Swetank Patel who retires by rotation, being eligible, offers himself for re-appointment.

## 10. DISCLOSURES

i) Disclosure on materially significant related party transaction i.e. transactions of the Company of material nature, with its promoters, the Directors or the management and their subsidiaries or relatives etc. That may have potential conflict with the interest of company at large. The transactions entered into did not have any potential conflict with the interest of the company.

ii) Details of non-compliance by the company, penalties, structures, imposed on the company by Stock Exchange or S.E.B.I. or any statutory authority, on any matter related to Capital Market, during the last three years – NIL.

## 11. MANAGEMENT

The Management discussion and Analysis report forms part of this report.

The Company has not entered any materially significant transactions during the year under report with Promoters, directors, senior management personnel etc. other transaction, if any, entered into in the normal course of business.

## 12. RISK MANAGEMENT

The Company has laid down procedure to inform board members about the risk assessment and minimization procedures. The procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

## 13. MEANS OF COMMUNICATIONS

The means of communication between the shareholders and company are transparent and investor friendly. The quarterly results of the company are published in The Western Times [English] and [Gujarati] as required by the listing agreement.

## 14 CEO/CFO Certification

A certificate from the Managing Director of the Company in terms of clause 49(V) of the Listing agreement was placed before the Board.

## 15. GENERAL SHAREHOLDERS INFORMATION

22 <sup>nd</sup> Annual General Meeting:Date	:	30-09-2014.
(to be Held)Time	:	11.00 a.m.
Venue	:	A- 404, Satyamev-2, Nr. Kargil Petrol Pump, S.G. Highway, Ahmedabad.
Accounting Year	:	1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014.
Date of Book closure	:	from Tuesday 23 <sup>rd</sup> September, 2014 to Tuesday 30 <sup>th</sup> September, 2014.
Dividend Payment Date	:	No dividend is declared.
Listing on Stock Exchange	:	The Stock Exchange, Mumbai.
Stock Code	:	531127

a) Market Price Data: The monthly High & Low quotations at Mumbai Stock Exchange [BSE] during the financial year 2013-2014.

Month	Low Rs.	High Rs.	Volume of Trading Shares
April 2013	14.65	14.65	105
May 2013	Nil	Nil	Nil
June 2013	Nil	Nil	Nil
July 2013	Nil	Nil	Nil
August 2013	Nil	Nil	Nil
September 2013	Nil	Nil	Nil
October 2013	14.62	15.38	727
November 2013	15.31	16.11	709
December 2013	16.05	16.80	200
January 2014	16.00	17.40	2911
February 2014	15.90	18.30	1154
March 2014	17.25	19.95	138

b) Distribution of shareholding as on March 31, 2014.

Sr. No.	Category	No. of Shares	% of share Holding
1	Promoters	4749894	74.98
2	Corporate Bodies	106445	1.68
3	Indian Public	1460527	23.06
4	NRI / OCBs	16483	0.26
5	Foreign Instit. Inv. (FILS)	0	0
6	Banks, Financial Institutions,	1350	0.02
7	Stat Gov. Inst., Non-Gov.Inst.	0	0
8	Mutual Funds & UTI	0	0
GRAND TOTAL		63,34,699	100.00

Demat (ISIN) International security identification INE 148B 01025 IN NSDL and CDSL for equity shares.

c) Dematerialization of Shares and liquidity

The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that delivery in the Company's shares against Stock Exchange trades became compulsory in demat format. As on 31-03-2014, 6081613 Equity Shares (96.00%) (% of the total number of shares) have been dematerialized.

d) Investors' correspondence: M/s. Sharepro Services (India) Private Limited

Address :416-420,Devnadan Mall,opp. Sanyas  
Ashram, Ashram Road, Ahmedabad-380006  
Phone Nos: - 079-26582381\82  
E-mail:- [sharepro@shareproservices.co](mailto:sharepro@shareproservices.co)

e) Auditors

: J. K. Parmar & Co.  
Chartered Accountants  
31, Binori Corner, Nr. Rly. Overbridge  
Jivrajpark, Ahmedabad – 380051.

f) Compliance Certificate of the Auditors

A Certificate from the Auditors of the Company regarding compliance of conditions of corporate Governance as stipulated under clause 49 of the listing Agreement is attached to this Report.

g) Management Discussion and Analysis Report

(i) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a system of internal control in all activities. The audit committee regularly reviews the findings of any deficiency and immediately effective steps are being implemented. In the opinion of the board, an effective internal control system adequate to the size of the company.

(ii) CAUTIONARY STATEMENT:

Statement in the management discussion and analysis describing the company's position and expectation may be for word looking statements, within the meaning of applicable securities laws and regulations. Actual results could differ materially from those express or implied. Important factors that could make, among other, economic condition effecting demand/ supply and price condition in the market in which the company operates, in the Government regulations, tax laws and other statutes and incidental factors.

## **Certificate of Compliance with the Code of Business Conduct**

To,  
The Shareholders,  
Anar Industries Limited

Anar Industries Limited has in place a Code of Business Conduct (the “Code”) for its Board of Directors and senior management personnel. I report that the Board of Directors has received affirmation on compliance with the Code from the members of the Board and senior management of the Company for the year under review.

Ahmedabad  
14<sup>th</sup> August, 2014

Swetank Patel  
Chairman

## **AUDITOR’S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**ANAR INDUSTRIES LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Anar Industries Limited, for the year ended on 31<sup>st</sup> March, 2014 as stipulated Clause 49 of the Listing Agreement of the said Company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibilities of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representation made by the Directors and the Management, We certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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

**For J. K. PARMAR & CO.  
CHARTERED ACCOUNTANTS**

**PLACE: AHMEDABAD  
DATE: 14-08-2014**

**(J. K. PARMAR)  
PROPRIETOR  
Firm Regn No. 107599W  
Membership No. 34138**



## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF  
ANAR INDUSTRIES LIMITED**

### **Report on financial statements**

We have audited the accompanying financial statements of ANAR INDUSTRIES LIMITED ("the Company") which comprise the balance sheet as at March 31, 2014, and the statement of profit and loss and the cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of general circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We concluded our audit in accordance with the standards on auditing issued by the institute of chartered accountant of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view subject to note no. 21 in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the company as at March 31, 2014;
- (b) in the case of the statement of profit and loss, of the loss of the Company for the year ended on that date; and
- (c) In the case of the cash flow statement, of the cash flows of the company for the year ended on that date.

## Report on other legal and regulatory requirements

1. As required by the Companies (Auditors Report) Order, 2003 (“the order”) issued by the central government in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the Accounting Standers referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with the general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e. On the basis of written representations received from the directors as on March 31, 2014, taken on record by the board of directors, none of the director is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of  
**J. K. PARMAR & CO.**  
Firm Registration No. 105799W  
Chartered Accountants

**J. K. Parmar**  
Proprietor  
Membership No. 34138

Place: Ahmedabad  
Date: 30-05-2014

**ANNEXURE TO IN INDEPENDENT AUDITOR'S REPORT  
RE: ANAR INDUSTRIES LIMITED ("THE COMPANY")**

[Referred to in paragraph (1) under the heading ("Report on other Legal and Regulatory Requirements") of our report of even date]

1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) As explained to us, all the fixed assets have been physically verified by the management, interval of verification which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification;

(c) In our opinion, the Company has not disposed off substantial part of its fixed assets during the period and the going concern status of the Company is not affected.

2 As explained to us, there is no inventory; hence this clause is not applicable with respect to inventory.

3 In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

(a) The Company has granted unsecured loans to one party. In respect of the said loans, the maximum amount outstanding at any time during the period is Rs. 87.91 lacs and the yearend balance is Rs. 87.91 lacs;

(b) In our opinion and according to information and explanations given to us, the rate of interest, where applicable and the other terms and conditions of the loans given are not prescribed by the Company hence we are unable to give any comment.

[c] In respect of said loans, the terms of repayment and interest are not prescribed hence we are unable to give comment on overdue.

(d) The Company has not taken any loan during the period from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.

4 In our opinion and according to the information and explanations given to us, there is adequate internal control system 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. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5 To the best of our knowledge and belief and according to the information and explanation given to us, there are no contracts or arrangements that needed to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.

6 The Company has not accepted any deposit from the public during the year under Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. According to information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any Court or any other Tribunal.

7 In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.

8 The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Act for the Company.

9 In respect of statutory dues:

(a) According to the records of the Company, the company has been generally regular in depositing with statutory authorities, undisputed statutory dues, including provident fund, income tax, sales tax, wealth tax, service tax, custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding, as at March 31, 2014 for a period of more than six months from the date they became payable except service tax payable Rs. 187460 for the year 2010-11 and TDS payable of Rs. 92,202 for the AY 2014-15.

10 The Company has accumulated losses at the end of the financial period, which are less than fifty percent of its net worth. The Company has incurred cash losses during the period covered under the audit, and also has incurred cash losses in the immediately preceding financial year.

11 Based on the information and explanations given by the management, we are of opinion that the Company has not defaulted in repayment of dues to any financial institutions and banks. The Company has not issued debentures.

12 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture and other securities.

13 In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of paragraph 4 of the Order are not applicable.

14 In our opinion and according to information and explanation given to us, the company is not a dealer or trader in securities. The company has not invested surplus funds in marketable securities and mutual funds.

15 In our opinion and according to information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, hence the question of terms and condition of that guarantee is not arise.

16 Based on the information and explanation given to us by the management, the term loans were applied for the purpose for which the loans were raised.

17 According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.

18 The Company has not made during the period any preferential allotment of shares to companies, firms, parties covered in the register maintained under section 301 of the Companies Act 1956.

19 In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly, provisions of clause (xix) of paragraph 4 of the Order are not applicable.

20 The Company has not raised any money by public issues during the period.

21 Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we have not come across any instance of material fraud on or by the Company, noticed or reported during the period, nor have been informed of such case by the management.

For and on behalf of  
**J. K. PARMAR & CO.**  
Chartered Accountants  
Firm Registration No. 105799W

**J. K. Parmar**  
Proprietor  
Membership No. 34138

Place: Ahmedabad  
Date: 30-05-2014

**ANAR INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2014**

PARTICULARS	NOTES	AS AT 31-03-2014		AS AT 31-03-2013	
		INR	INR	INR	INR
<b>I EQUITY AND LIABILITIES</b>					
<b>1 SHAREHOLDERS' FUNDS</b>					
(a) Share Capital	2	63,346,990		63,346,990	
(b) Reserves & Surplus	3	(3,805,756)		(1,964,744)	
			<b>59,541,234</b>		<b>61,382,246</b>
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT (NON REFUNDABLE)</b>					
<b>3 NON-CURRENT LIABILITIES</b>					
(a) Long-term borrowings	4	972,115		0	
			<b>972,115</b>		<b>0</b>
<b>4 CURRENT LIABILITIES</b>					
(b) Trade payables	5 (a)	846,391		18,394,157	
(c) Other current liabilities	5 (b)	770,672		338,847	
			<b>1,617,063</b>		<b>18,733,004</b>
<b>TOTAL</b>			<b>62,130,412</b>		<b>80,115,250</b>
<b>II ASSETS</b>					
<b>1 NON CURRENT ASSETS</b>					
(a) Fixed assets					
(i) Tangible assets	6	4,441,362		2,763,322	
(b) Deffered tax assets (Net)	7	2,624,900		1,657,226	
(c) Long-term loans and advances	8	48,931,378		46,890,000	
(d) Other non-current assets	9	2,279,608		22,352,920	
			<b>58,277,248</b>		<b>73,663,469</b>
<b>2 CURRENT ASSETS</b>					
(a) Cash & Cash equivalents	10	3,755,946		4,854,352	
(b) Short-term loans & advances	11	97,218		1,597,429	
			<b>3,853,164</b>		<b>6,451,781</b>
<b>TOTAL</b>			<b>62,130,412</b>		<b>80,115,250</b>

Summary of Significant accounting policies

1

Refer Notes forming part of the Financial Statements

In terms of our report attached.

As per our report of even date

**FOR ANAR INDUSTRIES LTD.**

**For J.K.Parmar & Co.**

Chartered Accountants

Firm No. 107599W

**SWETANK M  
PATEL**

**HEENA S  
PATEL**

[ J.K.Parmar ]

**DIRECTOR**

**DIRECTOR**

Proprietor

Membership No.34138

PLACE : AHMEDABAD

PLACE : AHMEDABAD

DATE : 30/05/2014

Date : 30/05/2014

**ANAR INDUSTRIES LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

			(In Rupees)	
PARTICULARS	NOTES	2013-14	2012-13	
		INR	INR	
<b>A CONTINUING OPERATIONS</b>				
<b>I Revenue from Operation</b>	<b>12</b>	1,121,500	19,850,000	
<b>II Other Income</b>	<b>13</b>	16,208	582,279	
<b>III Total Revenue (I + II)</b>		<b>1,137,708</b>	<b>20,432,279</b>	
<b>IV Expenses</b>				
Purchases of Stock-in-Trade	<b>14</b>	1,025,000	19,475,000	
Employee benefits expense	<b>15</b>	437,500	367,500	
Finance costs	<b>16</b>	93,308	6,221	
Depreciation and amortization expense	<b>17</b>	882,517	618,839	
Other expenses	<b>18</b>	1,508,068	1,658,588	
<b>Total Expenses</b>		<b>3,946,394</b>	<b>22,126,148</b>	
<b>V Profit for the year before Exceptional and extraordinary items and tax (III-IV)</b>		<b>(2,808,686)</b>	<b>(1,693,869)</b>	
<b>VI Less : Exceptional items</b>		0	0	
<b>VII Profit for the year before extraordinary items and tax (V-VI)</b>		<b>(2,808,686)</b>	<b>(1,693,869)</b>	
<b>VIII Less : Prior Period expenses</b>		0	0	
<b>IX Profit for the year before taxation (VII-VIII)</b>		<b>(2,808,686)</b>	<b>(1,693,869)</b>	
<b>X Tax Expense</b>		967,674	329,130	
<b>XI Profit (Loss) from continuing operations (IX - X)</b>		<b>(1,841,012)</b>	<b>(1,364,739)</b>	
<b>B DISCONTINUING OPERATIONS</b>				
<b>XII Profit / (Loss) from discontinuing operations</b>		0	0	
<b>XIII Tax expense of discontinuing operations</b>		0	0	
<b>XIV Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)</b>		<b>0</b>	<b>0</b>	
<b>XV Profit (Loss) for the year (XI + XIV)</b>		<b>(1,841,012)</b>	<b>(1,364,739)</b>	
<b>XVI Earning per Equity Share:</b>				
- Basic		(0.29)	(0.22)	
- Diluted		(0.29)	(0.22)	
Summary of Significant accounting policies	<b>1</b>			

Refer Notes forming part of the Financial Statements

In terms of our report attached.

As per our report of even date

**For J.K.Parmar & Co.**

Chartered Accountants

Firm No. 107599W

[ J.K.Parmar ]

Proprietor

Membership No.34138

PLACE : AHMEDABAD

DATE : 30/05/2014

**FOR ANAR INDUSTRIES LTD.**

SWETANK M PATEL HEENA S PATEL

**DIRECTOR**

**DIRECTOR**

PLACE : AHMEDABAD

Date : 30/05/2014

**ANAR INDUSTRIES LIMITED**

<b>CASH FLOW STATEMENT FOR THE YEAR END ON 31-03-2014</b>	<b>31-03-2013</b>	<b>31-03-2013</b>
	<b>Amt.</b>	<b>Amt.</b>
<b>(A) CASH FLOW FROM OPERATING ACTIVITY</b>		
Net profit before Tax & Extraordinary Items	(2,808,686)	(1,708,869)
Adjustment for:		
ADD: Depreciation	882,517	618,839
Differed tax assets	967,674	329,132
	1,850,191	947,971
Operating profit before working capital changes	(958,494)	(760,898)
Adjustment for:		
Trade & other receivables, loans, assets	23,853,131	(15,533,167)
Inventories	0	0
Trade Payables, other payables	(17,115,941)	16,711,159
	6,737,190	1,177,992
Cash generated from Operations	5,778,696	417,094
<b>Net cash flow from operating activities (A)</b>	<b>5,778,696</b>	<b>417,094</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITY</b>		
Purchases of Fixed Assets	(2,560,557)	(101,058)
Long Term Loans & Advances	(2,041,378)	(11,500,000)
Other non current assets	(2,279,608)	0
Deferred tax Assets	(967,674)	(329,132)
<b>Net cash flow from Investing activities (B)</b>	<b>(7,849,217)</b>	<b>(11,930,190)</b>
<b>TOTAL (A) +(B)</b>	<b>(2,070,521)</b>	<b>(11,513,096)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITY</b>		
Proceeds from issue of share Capital	0	0
Shares issue Expenditure	0	0
Secured Loan issued	972,115	0
<b>Net cash flow from Financing activities (C)</b>	<b>972,115</b>	<b>0</b>
	<b>(1,098,406)</b>	<b>(11,513,096)</b>
Net Increase/Decrease in cash & bank equivalents	<b>(1,098,406)</b>	<b>(11,513,096)</b>
Cash & Bank equivalents as at 01-04-13 (Op.Bal)	4,854,352	16,367,448
Cash & Bank equivalents as at 31-03-14 (Cl.Bal)	3,755,946	4,854,352

Refer Notes forming part of the Financial Statements  
 In terms of our report attached.  
 As per our report of even date  
**For J.K.Parmar & Co.**

**FOR ANAR INDUSTRIES LTD.**

Chartered Accountants  
 Firm No. 107599W  
**[ J.K.Parmar ]**  
 Proprietor  
 Membership No.34138

**SWETANK  
 M PATEL  
  
 DIRECTOR**

**HEENA S  
 PATEL  
  
 DIRECTOR**

**PLACE : AHMEDABAD  
 DATE : 30/05/2014**

**PLACE : AHMEDABAD  
 Date : 30/05/2014**



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

### Note 1 CORPORATE INFORMATION

The company is based in Ahmedabad and is primarily involved in trading of Mobile Tracking Devices/ computer hardwares/I.T. Services/Investing.

#### **SIGNIFICANT ACCOUNTING POLICIES adopted by the Company in the preparation and presentation of the Accounts: -**

- a) **BASIS OF PREPARATION OF FINANCIAL STATEMENT**
- b) **USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.
- c) **INVENTORIES**
  - i) Inventories are valued at lower of cost (FIFO Basis) or Net Realisable value.
- d) **CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)**
- e) **CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. It also includes fixed deposits with schedule banks.
- f) **PRIOR PERIOD ITEMS**

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Expenses Account"
- g) **DEPRECIATION**
  - i) Depreciation on Fixed Assets is provided on writtendown value method at rates and in the manner specified in Schedule XIV to the Companies Act, 1956 read with the relevant circulars issued by the Department of Company Affairs.
  - ii) Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.
  - iii) Individual assets costing less than Rs.5000 are fully depreciated in the year of purchase.
- h) **REVENUE RECOGNITION**
  - i) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax/ value added tax.
  - ii) Income from services rendered is accounted for when the work is performed.
  - iii) Interest revenues are recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

### i) **FIXED ASSETS**

i) Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation.

ii) Expenditure on accounts of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.

iii) Any capital expenditure in respect of assets, the ownership of which would not vest with the Company, are charged off to revenue in the year of incurrence.

### j) **FOREIGN CURRENCY TRANSACTIONS (NOT APPLICABLE)**

#### i) **Initial Recognition**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

#### ii) **Conversion**

At the year-end, monetary items denominated in foreign currencies, other than those covered by forward contracts, are converted into rupee equivalents at the year end exchange rates.

#### iii) **Exchange Differences**

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Profit and Loss Account.

#### iv) **Forward Exchange Contracts**

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of contract is recognised as income or expense over the life of the contract.

### k) **EMPLOYEE BENEFITS**

#### i) **Provident Fund and Pension Fund:** (NOT APPLICABLE)

ii) **Gratuity:** Gratuity liability as on 31st March, 2014 has not been determined by the actuarial valuation and so that such liability has not been provided for in these accounts.

iii) **Leave Encashment:** The company does not have any policy to carry forward unutilised leaves. Accordingly no provision for same is made in these accounts.

iv) **Other Employee Benefits:** Other Employee Benefits are accounted for on accrual basis.

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

### **l) BORROWING COSTS (NOT APPLICABLE)**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. 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.

### **m) SEGMENT ACCOUNTING (NOT APPLICABLE)**

Accounting Standard Interpretation (ASI) 20 Dated 14th February, 2004 issued by the Accounting Standards Board of the Institute Chartered Accountants of India, on AS 17, Segment Reporting clarifies that in case, by applying the definitions of “business segment” and “geographical segment” given in AS 17, it is concluded that there is neither more than one business segment nor more than one geographical segment. Segment information as per AS 17 is not required to be disclosed.

### **n) RELATED PARTY TRANSACTIONS**

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 “Related Party disclosures” has been set out in a separate note forming part of this schedule. Related Parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by key managerial personnel and information available with the Company.

### **o) LEASES (NOT APPLICABLE)**

The Company’s significant leasing arrangements are in respect of operating leases for office premises, stores & godown. The leasing arrangements ranging between 11 months and five years are generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.

### **p) EARNING PER SHARE**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 prescribed under The Companies Accounting Standards Rules, 2006. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

### **q) TAXES ON INCOME**

#### **i) Deferred Taxation**

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, prescribed under The Companies Accounting Standards Rules, 2006, the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

#### **ii) Current Taxation**

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

### **r) IMPAIRMENT OF FIXED ASSETS**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognized whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses, which is determined, based on the estimated future cash flow discounted to their present values. All impairment losses are recognized in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognized in the profit and loss account.

### **s) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurements are recognised 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 recognised but are disclosed in notes. Contingent assets are neither recognised nor disclosed in the financial statements.

### **t) ACCOUNTING OF CLAIMS (NOT APPLICABLE)**

i) Claims received are accounted at the time of lodgment depending on the certainty of receipt and claims payable are accounted at the time of acceptance.

ii) Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on legality of each claim. Adjustments, if any, are made in the year in which disputes are finally settled.

### **u) EXPORT INCENTIVES (NOT APPLICABLE)**

Export benefits under various scheme announced by the Central Government under Exim policies are accounted for in the year of receipt as against accrual basis to the extent considered receivable, depending on the certainty of receipt upto previous year. However there is no impact of the same on the profitability for the current year.

v) Though other Accounting Standards also apply to the Company by virtue of the Companies Accounting Standards Rules, 2006, no disclosure for the same is being made as the Company has not done any transaction to which the said accounting standards apply.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

Note 2 SHARE CAPITAL

(In Rupees)

PARTICULARS	AS AT 31-03-2014		AS AT 31-03-2013	
	Number of shares	INR	Number of shares	INR
<b>AUTHORISED SHARE CAPITAL</b>				
Equity Shares of Re. 10/- each	16,500,000	165,000,000	16,500,000	165,000,000
	<b>16,500,000</b>	<b>165,000,000</b>	<b>16,500,000</b>	<b>165,000,000</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP SHARES</b>				
<b>Equity Share of Rs. 10/- each Fully paid</b>	6,334,699	63,346,990	6,334,699	63,346,990
<b>a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>				
At the beginning of the Year	6,334,699	63,346,990	6,334,699	63,346,990
Add : Issued during the Year			0	0
Add : Issued on account of merger / Conversion / Bonus / Split			0	0
Less : Buy back of share			0	0
Less : Forfeited Share (amount originally paid up)			0	0
At the end of the Year	6,334,699	63,346,990	6,334,699	63,346,990
Less: Calls Unpaid (Showing aggregate value of calls unpaid by directors and officers)			0	0
<b>TOTAL</b>	<b>6,334,699</b>	<b>63,346,990</b>	<b>6,334,699</b>	<b>63,346,990</b>

b) **Terms/ Rights attached to Equity Shares**

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company.

c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates – NIL

d) Bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date – NIL

e) **Details of shareholders holding more than 5% shares in the company**

(In Rupees)

Name of Shareholder	AS AT 31-03-2014		AS AT 31-03-2013	
	Number of shares	% holding	Number of shares	% holding
SWETANK MADUVIR PATEL	2,735,369	43	2,735,369	43
HINABEN SWETANK PATEL	1,525,610	24	1,525,610	24

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014

**RESERVES & SURPLUS**  
**Note 3**

(In Rupees)

PARTICULARS	AS AT 31-03-2014		AS AT 31-03-2013	
<b>Amalgamation Reserve (Excess consideration due to fractional shares to</b>				
1 <b>Anar Softcom P. Ltd.)</b>	844,452		844,452	
[76853 shares 61]		844,452		844,452
<b>SURPLUS IN STATEMENT OF PROFIT</b>				
2 <b>AND LOSS</b>				
As per last balance sheet	(2,809,196)		(1,429,457)	
Add : Profit for the Year	(1,841,012)		(1,379,739)	
		(4,650,208)		(2,809,196)
<b>TOTAL</b>		<b>(3,805,756)</b>		<b>(1,964,744)</b>

**NOTE 4 SECURED LOANS**

(In Rupees)

PARTICULARS	AS AT 31-03-2014		AS AT 31-03-2013	
<b>ICICI Car loan</b>	972,115		0	
Against HPA charge with bank.		972,115		0
<b>TOTAL</b>		<b>972,115</b>		<b>0</b>

**NOTE 5 OTHER CURRENT LIABILITIES**

(In Rupees)

PARTICULARS	AS AT 31-03-2014		AS AT 31-03-2013	
a) <b>Trade Payables</b>	846,391		18,394,157	
		846,391		18,394,157
b) <b>Other Liabilities</b>				
(a) TDS payable	92,202		86,487	
(c) Auditor's Fees Payable	29,250		29,500	
(d) Service tax payable	187,460		187,460	
(g) Salary Payable	13,550		13,550	
(h) Unpaid Expenses	2,100		2,100	
(i) VAT payable	0		13,750	
(j) Legal fees payable(tax matter)	6,000		6,000	
(k) Remuneration Payable	440,110		0	
		770,672		338,847
<b>TOTAL</b>		<b>1,617,063</b>		<b>18,733,004</b>

- a) The Company has circulated letters to all its suppliers requesting them to confirm whether they are covered under the Micro, Small and Medium Enterprises Act, 2006 ('MSMED'). However from the majority of the suppliers these confirmations are still awaited. Hence disclosure relating to amount unpaid as at the yearend together with interest paid/payable as required under the said act has not been made.

ANAR INDUSTRIES LTD.  
AHMEDABAD.

NOTE TO BALANCE SHEET AT 31/03/2014.

NOTE NO.06

**FIXED ASSETS AND DEPRECIATION**

SR. NO.	TANGIBLE ASSETS	WDV RATE	GROSS BLOCK		DEPRECIATION		NET BLOCK					
			As at 1/4/2013	Addition during the year	Deduction during the year	As at 31-03-2014	As at 01-04-2013	Addition Dur. Year	Deduction Dur. Year	As at 31-03-2014	As at 31-03-2013	
1	Air Conditioners	13.91%	97,198	-	-	97,198	58,594	13,520	-	72,114	83,678	97,198
2	Computer	40.00%	29,307	-	-	29,307	90,677	11,723	-	102,400	17,584	29,307
3	Office Equipments	13.91%	545,082	-	-	545,082	175,797	75,821	-	251,618	469,261	545,082
4	Plant & Machinery	13.91%	1,221,715	37,200	-	1,258,915	1,002,410	175,115	-	1,177,525	1,083,800	1,221,715
5	Vehicle	25.89%	870,020	2,523,357	-	3,393,377	1,825,069	606,338	-	2,431,407	2,787,039	870,020
<b>Total</b>			<b>2,763,322</b>	<b>2,560,557</b>	<b>-</b>	<b>5,323,879</b>	<b>3,152,547</b>	<b>882,517</b>	<b>-</b>	<b>4,035,064</b>	<b>4,441,362</b>	<b>2,763,322</b>
<b>Previous Year 2012-13</b>			<b>3,281,104</b>	<b>101,058</b>	<b>-</b>	<b>3,382,162</b>	<b>2,533,707</b>	<b>618,839</b>	<b>-</b>	<b>3,152,546</b>	<b>2,763,323</b>	<b>3,281,104</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

**NOTE 7 DEFERRED TAX**

a)

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
<b>On account of Depreciation</b>	43,253	46,325
<b>On account of Loss/Unabsorbed Depreciation upto earlier years</b>	1,752,030	1,185,791
<b>On account of Loss of Current years</b>	829,618	425,110
<b>Net Deferred Tax Asset TOTAL</b>	<b>2,624,900</b>	<b>1,657,226</b>

b) In accordance with “Accounting Standard 22”, the Deferred Tax Assets of Rs. 9,55,024/- (Previous year deferred tax Assets Rs. 16,57,226/-) for the year has been recognised in the Profit & Loss Account.

**NOTE 8 LONG-TERM LOANS AND ADVANCES**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(a) Secured, considered good	0	0
(b) Unsecured, considered good	48,931,378	46,890,000
(c) Others considered doubtful	0	0
<b>TOTAL</b>	<b>48,931,378</b>	<b>46,890,000</b>

**NOTE 9 OTHER NON CURRENT ASSETS**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
<b>Outstanding for more than six months</b>		
(a) Secured, considered good	0	0
(b) Unsecured, considered good	0	22,352,920
(c) Others considered doubtful	0	0
<b>Less : (d) Allowance for bad and doubtful Debts</b>	<b>0</b>	<b>0</b>
<b>Outstanding for more than one year</b>	<b>2,279,608</b>	
<b>TOTAL</b>	<b>2,279,608</b>	<b>22,352,920</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

**NOTE 10 CASH AND CASH EQUIVALENTS**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(a) Balances with scheduled banks		
- In Current Accounts	2,439,678	3,551,084
- In Fixed Deposit Account (Due within 12 Months)	0	44,349
(b) Cash on hand	1,316,268	1,258,919
<b>TOTAL</b>	<b>3,755,946</b>	<b>4,854,352</b>

**NOTE 11 SHORT TERM LOANS AND ADVANCES**

(In Rupees)

<b>PARTICULARS</b>		
	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
<b>Balance with Government Authorities</b>		
<b>(i) Advance Payment of Income Tax</b>	<b>97,218</b>	<b>97,218</b>
(a) TDS Receivable AY 12-13	55,863	
(b) TDS Receivable AY 13-14	41,355	
<b>Loans and Advances in Cash or Kind</b>	<b>0</b>	<b>1,500,211</b>
<b>TOTAL</b>	<b>97,218</b>	<b>1,597,429</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

**NOTE 12 REVENUE FROM OPERATIONS**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(a) Sale of products	1,121,500	19,850,000
<b>TOTAL</b>	<b>1,121,500</b>	<b>19,850,000</b>

**NOTE 13 OTHER INCOME**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(a) Interest Income From Bank	0	413,373
(b) Other non-operating income	16,208	0
(d) Income tax Refund	0	168,906
<b>TOTAL</b>	<b>16,208</b>	<b>582,279</b>

**NOTE 14 PURCHASES OF STOCK-IN-TRADE**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(i) Finished/Traded Goods	1,025,000	19,475,000
<b>TOTAL</b>	<b>1,025,000</b>	<b>19,475,000</b>

**NOTE 15 EMPLOYEE BENEFIT EXPENSE**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(i) Salaries, Bonus expenses & Staff welfare	437,500	367,500
<b>TOTAL</b>	<b>437,500</b>	<b>367,500</b>

**NOTE 16 FINANCE COSTS**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(b) Bank charges and Other borrowing costs	93,308	6,221
<b>TOTAL</b>	<b>93,308</b>	<b>6,221</b>

**NOTE 17 DEPRECIATION AND AMORTIZATION EXPENSE**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
(a) Depreciation of Tangible Fixed Assets	882,517	618,839
<b>TOTAL</b>	<b>882,517</b>	<b>618,839</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

**NOTE 18 OTHER EXPENSES**

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
1 A.G.M. Expense	0	3,435
2 Advertisement Expense	4,851	53,816
3 Auditors' Remuneration	29,250	29,500
4 Books & Periodicals	4,272	3,972
5 Computer Expense	0	3,450
6 Car Service & Rep. Exp.	47,669	0
7 Donation	100,000	100,000
8 Entertainment Exp.	0	5,916
9 Electricity Expense	15,811	15,790
10 Interest Expense on TDS	1,823	5,267
11 Interest Expense on VAT	320	0
12 Internet Expense	13,483	3,556
13 Insurance Exp.	73,328	11,274
14 Legal & Professional Fees	0	202,963
15 Club Membership Fees	1,685	6,180
16 Maintenance Exp.	12,584	0
17 Office Expense	0	24,100
18 Petrol Exp.	0	56,200
19 Postage & Stamps Expense	1,819	42,517
20 Processing Charges	4,950	0
21 Professional Fees	55,225	0
22 R.O.C. Filling Fees	0	2,500
24 Director's Remuneration	840,000	720,000
25 Repairs & Maintenance Expense	0	2,697
26 Share Transfer Expense	67,416	67,416
27 Stationery & Printing Expense	0	103,240
28 Service & Rep. Exp.	2,921	0
29 Stock Exchange Fees	44,944	53,158
30 Telephone Expense	31,945	9,019
33 Foreign Traveling Exp.	153,772	132,622
<b>TOTAL</b>	<b>1,508,068</b>	<b>1,658,588</b>

**NOTE 19 EARNINGS PER SHARE (EPS)**

- a) The following reflects the profit and share data used in the basic and diluted EPS computations:

(In Rupees)

<b>PARTICULARS</b>	<b>AS AT 31-03-2014</b>	<b>AS AT 31-03-2013</b>
Profit/(loss) for calculation of basic and diluted EPS	(1,841,012)	(1,364,739)
Weighted average number of equity shares in calculating basic EPS	6,334,699	6,334,699
Face value of equity shares	10	10
Basic Earning per share (In Rupees)	(0.29)	(0.22)
Diluted Earning per share (In Rupees)	(0.29)	(0.22)

- b) earning per share of the Company remain the same.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31st MARCH, 2014**

**NOTE 20 RELATED PARTY DISCLOSURES**

(i) List of related parties

<b>Associate Entities</b>	Anar Retail Pvt. Ltd. Nishan Grafitech Pvt. Ltd.
<b>Key Management Personnel</b>	Swetank M Patel
<b>Relatives of Key Management Personnel with whom transactions done during the year</b>	Hina S. Patel

(ii) Related parties with whom transaction have taken place during the year.

(1) Swetank M. Patel

<b>PARTICULARS</b>		<b>31-03-2014</b>
Remuneration		840,000
Foreign Traveling Exp.		153,772

(2) Anar Retail Pvt. Ltd.

<b>PARTICULARS</b>		<b>31-03-2014</b>
Loans granted to Anar Retail Pvt. Ltd.		87,91,000

**NOTE 21 OTHER DISCLOSURES**

a) Sundry Creditors, Receivables and Loans and Advances for which confirmations are yet to be received. Provision for doubtful debts, if any, in respect of above and the consequential adjustments, arising out of reconciliation will be made at the appropriate time. The object & purpose of loans & advances given to various parties is not on record. Interest is also not recovered. The total outstanding of loans & advances exceeding the limit as prescribed u/s 372 of the companies Act, 1956.

b) In the opinion of the Management and to the best of their knowledge and belief the value under the head of Current and Non Current Assets (other than fixed assets and non current investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

c) a) Contingent liabilities not provided for:

	<b>31-03-2014</b>	<b>41,364</b>
In respect of Bills of Exchange Discounted	0	0

b) Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. Nil (Previous Year – Rs.NIL).

d) The company has reclassified previous year figures to confirm to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.

**For J. K. PARMAR**  
Chartered Accountants  
Firm Reg. No. : 107599W

**Swetank M Patel**

**Hina S. Patel**

(J. K. Parmar)  
( Proprietor )  
Membership No. 34138

**Mg. DIRECTOR**

**DIRECTOR**

**PLACE : AHMEDABAD**  
**Date : 30/05/2014**

**PLACE : AHMEDABAD**  
**Date : 30/05/2014**

**ANAR INDUSTRIES LIMITED**  
**(CIN: L29199GJ1992PLC018047)**

Regd. Off: A- 404, Satyamev –2, Nr. Kargil Petrol Pump, S.G.Highway, Ahmedabad.380061  
Tel: 079 27660965 Fax 079 26561500 Email: enrichind@gmail.com

CARD D.P.ID	L.F.No.:
-------------	----------

Client ID	No. Of Shares Held
-----------	--------------------

**ATTENDANCE**

I/we hereby record my/our presence at the Annual General Meeting of the Company to be held on Tuesday, 30<sup>th</sup> September, 2014 at 11.00 A.M. at A- 404, Satyamev-2, Nr. Kargil Petrol Pump, S.G. Highway, Ahmedabad 380061

<b>NAME OF THE SHARE HOLDER (IN BLOCK LETTERS)</b>	
<b>SIGNATURE OF THE SHARE HOLDER</b>	
<b>NAME OF THE PROXY (IN BLOCK LETTERS)</b>	
<b>SIGNATURE OF THE PROXY</b>	

- Applicable for holding in electronic form.

Notes:

1. You are requested to sign and hand over this at the entrance. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy must be deposited at Regd. Office at A- 404, Satyamev–2, Nr.Kargil Petrol Pump,S.G.Highway, Ahmedabad 380061.
2. Not less than 48 hours before the time for holding the meeting.
3. If you are attending the meeting in person or by proxy. You/your proxy for reference at the meeting may please bring your copy of the Balance Sheet.

-----

**ANAR INDUSTRIES LIMITED**  
**(CIN: L29199GJ1992PLC018047)**

Regd. Off: A- 404, Satyamev –2, Nr. Kargil Petrol Pump, S.G.Highway, Ahmedabad.380061  
Tel: 079 27660965 Fax 079 26561500 Email: enrichind@gmail.com

**FORM OF PROXY**

Name of Member (s) :  
Regd. Address :  
Email id :  
Folio No./ Client id :  
DP id:

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

1. Name : \_\_\_\_\_  
Address \_\_\_\_\_  
Email id: \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him
2. Name : \_\_\_\_\_  
Address \_\_\_\_\_  
Email id: \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him
3. Name : \_\_\_\_\_  
Address \_\_\_\_\_  
Email id: \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the annual general meeting to be held on 30<sup>th</sup> September, 2014 at 11 a.m. at the Regd. Office of the Company at A- 404, Satyamev–2, Nr. Kargil Petrol Pump,S.G.Highway, Ahmedabad 380061 and at any adjournment thereof in respect of such resolutions as are indicated below;

Resolution No.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Affix Rupee 1 Revenue Stamp
-----------------------------------

Signature of shareholder; \_\_\_\_\_

Note: 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.

**Regd.Post / Courier**

**To,** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

**If undelivered please return to:**  
**ANAR INDUSTRIES LIMITED**  
(CIN: L29199GJ1992PLC018047)  
Regd. Off: A- 404, Satyamev -2, Nr. Kargil Petrol Pump, S.G.Highway, Ahmedabad 380061  
Tel: 079 27660965 Fax 079 26561500 Email: enrichind@gmail.com