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HOW TO PREPARE THE DIRECTORS' REPORT AS PER COMPANIES ACT, 2013'

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Series- 102

I. ADDRESS TO MEMBERS:

Language:	How To Check The Financial Year
Your Directors have pleasure in presenting the (No. of Financial Years) Annual Report together with the Audited Statement of Accounts of your Company for the financial year ended March 31, 2015	i. Check from the Annual Return/Directors' Report of previous financial year. ii. Check the incorporation date and calculate to verify.

II. FINANCIAL HIGHLIGHTS:

Language:	How To Fill the Figures
The Company's financial performance for the year ended March 31, 2015:	Check the Statement of Profit & Loss Account for the year ended March 31, 2015. You will find required figures on the FACE of Statement of Profit & Loss Account.

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
Turnover		
Profit Before Tax		
Less: Current Tax		
Deferred Tax		
Income Tax earlier years		

Turnover: Section- 2(91)- Aggregate value of the realization of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year

Deferred tax: As per Accounting Standard (AS) 22, deferred tax is the tax effect of timing differences.

Profit For The Year			
Add: Balance in Profit and Loss Account			
Sub Total			
Less: Appropriation			
Closing Balance			

III. STATE OF AFFAIRS: Section 134(3)(i)

Purpose	Language:	How to Check the Affairs of the Company
134(3)(I) The State of The Company's Affairs;	The Company is engaged in the business of ______________________. There has been no change in the business of the Company during the financial year ended 31st March, 2015. Or there is ____________________ Changes in the business of the Company during the financial year ended 31st March, 2015. The highlights of the Company's performance are as under:- ○ Revenue from operations increased by _____% from Rs. ______ lacs to Rs. ____ lacs. ○ Net Profit for the year increased by ______% from Rs. ________ lacs to Rs. ____ lacs. ○ Earnings per share have increased by ______% from Rs. _____ to Rs. ______.	○ Company can find the Affairs of the Company from the Notes to Accounts (attached as part of Balance Sheet). ○ Company can find if there is any Change in the affairs of the Company by comparing the Notes to Account of Last financial year TO current financial year. **How to analyze the Companies Performance:** Check the Statement of Profit & Loss Account for the year ended March 31, 2015. All the adjacent required figures are available on the FACE of Statement of Profit & Loss Account. Compare the figures of Last financial year TO current financial year and calculate the increase/Decrease in Revenue from Operation/ Net Profit/ Earning per share. **Formula for calculating Percentage**

	The increase in revenue, net profit and EPS as mentioned above is accredited to increase in turnover in comparison to the last financial year. OR The decrease in revenue, net loss and EPS as mentioned above is debited to decrease in turnover in comparison to the last financial year.	Change: (Turnover of Current Financial Year-Turnover of Last Financial Year/ Turnover of Last Financial Year)*100 If value comes in Positive (+) that will be result of_________% increase in Revenue If value comes in Negative (-) that will be result of_________% decrease in Revenue SAME FORMULA FOR NET PROFIT AND EPS.

IV. DIVIDEND: Section 134(3)(k)

Purpose	Language:	From where to Check
The amount, if any, which it recommends should be paid by way of dividend;	In view of the sustained working results during the year under review, the Board of Directors are pleased to recommend a dividend of Rs __/- per equity share OR In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2015.	**First:** Check the Face of Statement of Profit and Loss Account; Amount of Dividend will be mention there. **Second:** Check the Copy of General Meeting resolution in case of final Dividend and check the Board Meeting resolution in case of interim Dividend.

V. DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

Purpose	Language:	How to find out Subsidiary, JV and Associates
Rule 8(5)(iv) The name of companies	The Company does not have any Subsidiary, Joint Venture or Associate Company.	First Check: Check the Investment of the Company from Non Current Investment in the Balance

which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year;	OR The names of companies which have become or ceased to be the Company's subsidiaries, joint ventures or associate companies during the year under review is provided below: S.N | Name of the Company | Subsidiary /JV /Associate | Become/Ceased | Effective Date	Sheet, check the relevant Note and analyze about Subsidiary, Associate and Joint Venture as per definition given u/s 2(87) and 2(6) of the Companies Act, 2013. **Second:** Check from the (Accounting Standard) AS-18.

VI. INTERNAL FINANCIAL CONTROL:

	Language:	How to Check?
Rule 8(5)(vii) ICAI guidance note on adequacy of internal financial controls with reference to financial statements can be referred for this Purpose.	The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed	Most listed companies are reading requirements related to IFC as those referring to IFC for financial reporting along with limited focus on the operational controls aspect. Auditors are required to certify that the IFC are designed and operate effectively.

VII. PARTICULAR OF LOAN AND INVESTMENT:

Purpose	Language:	How to Check?
Section 134(3)(g) particulars of loans, guarantees or investments under section 186;	Particular of Loans given, investments made, guarantee given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (please refer Note ______ to the standalone	Check the Loan and Investment from the Assets side of Balance sheet and relevant Notes. Check the Guarantee from the Contingent Liabilities and schedule. Also check from the Notes to Financial Accounts.

	balance sheet).	

VIII. CHANGE IN NATURE OF BUSINESS, IF ANY:

Purpose	Language:	How to check?
Rules 8(5)(i)	There is no change in the business of Company and its Subsidiary Company. The Board may provide details relating to change in the business carried on by the company or its subsidiaries. This shall also contain details pertaining to classes of business in which the company has an interest.	Check the Followings: - Main object of the Company - Notes of the Financial Statement

IX. AMOUNTS TRANSFERRED TO RESERVES, IF ANY:

Provision	Language:	How to check?
Section- 134(3)(J) The Board of the company has decided/ proposed to carry Rs___ to its reserves	No amount was transferred to the reserves during the financial year ended 31st March, 2015. The Board of the company has decided/proposed to carry Rs___ to its reserves.	Check the Assets side of Balance sheet, if there is increase in reserve other than the balance of profit and loss account.

X. CHANGES IN SHARE CAPITAL, IF ANY:

Language:	How to check?
During the Financial Year 2014-15, the share capital of the Company has been increased from ___ to ___, pursuant to allotment of___ equity shares of Rs ___ each under Private Placement/Preferential allotment/Rights issue /Employee Stock Option Scheme of the Company	Check the Followings: - Whether any PAS-3 filed - Check from the Minutes of the Meeting - Difference b/w amount of Capital in the Balance sheet (2015-2014).

XI. EXTRACT OF ANNUAL RETURN:

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Provisions:	Language:	How to check?
Section 134(3)(a) the extract of the annual return as provided under sub-section (3) of section 92;	The extract of Annual Return, in format MGT -9, for the Financial Year 2014-15 has been enclosed with this report	Format of MGT-9 given in Companies Act, 2013. For preparation of MGT-9 first prepare the MGT-7.

XII. NUMBER OF BOARD MEETING:

Purpose	Language:	How to check?
Section 134(3)(a) number of meetings of the Board; held during the financial year 2014-15	During the Financial Year 2014-15, [**] meetings of the Board of Directors of the company were held. [Preferable to state the dates of meetings]	Check the Minutes of the Board Meeting. Get the Index of Board Meetings from the Company.

XIII. PARTICULARS OF CONTRACT AND ARRANGMENT WITH RELATED PARTIES:

Provision:	Language:	How to check?
Section- 134(3)(h) The Particulars of contracts or arrangement s with related party referred to in Section 188(1) of the Companies Act, 2013 for the Financial Year 2014-15 in the prescribed format AOC-2, has been enclosed with the report.	All related party transactions that were entered into during the financial year ended 31st March, 2015 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Details of the transactions are given in AOC-2	Check the following : - AS-18 - Minutes of Board Meeting & General Meeting (If any Resolution passed)

XIV. EXPLANATION TO AUDITOR'S REMARKS:

Provision:	Language:	How to check?
Section 134(3)(f) Explanation or comment by the Board on every qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report and/or by the secretarial auditor in the secretarial Audit Report.	The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory and does not call for any further comment.	Check the Auditor Report

XV. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Provision:	Language:	How to check?
134(3)(L) Details regarding any material changes / events, if any, occurring after balance sheet date till the date of the report to be stated	No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.	Check the following - Trial Balance - Financial Position - Market Condition

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

Provision:	Language:	How to check?
134(3)(M) The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under: a) Conservation of Energy: b) Technology Absorption: c) Foreign Exchange	The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have been furnished considering the nature of activities undertaken by the company during the year under review.	Check the following - Financial of the Company. - Check with directors.

Earnings/ Outgo:		

XVII. RISK MANAGEMENT POLICY:

Provision:	Language:	How to check?
134(3)(N) Statement indicating the development and implementation of the risk management policy of the company Moreover, in case the Company has constituted a risk management committee, then the constitution and the terms of reference of the same to be disclosed.	The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.	Check the policy prepared by the Company.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Provision:	Language:	How to check?
Rule 8(5)(iii) Details of Directors and KMP appointed or resigned during the year. Details of directors retiring by rotation in the ensuing Annual General Meeting	There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same	Check the Following: - DIR-12 - MCA - Comparison from last annual return

XVIII. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

Provision:	Language:	How to check?
Details of the order passed by the authorities which impacts the going concern status and company's operations in future	No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future	Get the information from the Management of the Company.

XIX. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT:

Provision:	Language:	How to check?
This section is not yet enforced		

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

Provision:	Language:	How to check?
Section 22 of Sexual Harassment of Women at Workplace. The employer shall include in its report the number of cases filed, if any, and their	The Company is committed to provide a safe and conducive work environment to its employees. During the year under review. Your Directors further state that during the year under	Get the information from the Management of the Company.

disposal under this Act in the annual report of his organization or where no such report is required to be prepared, intimate such number of cases, if any, to the District Officer.	review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	

XXI.CONSOLIDATED FINANCIAL STATEMENTS:

Provision:	Language:	How to check?
The Board's Report shall contain a Separate section wherein a report on the performance and financial position of each: • Subsidiary • Associate • Joint venture companies, including in the consolidated financial statement is presented	Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F. Y. 2014-15. OR Consolidated financial statement is prepared and attached with financials.	Check the followings: - Financial Statement - Whether company have subsidiary or not

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