

DNR Corporation Private Limited
CIN: U45201KA2007PTC044602
Regd. Office: No. 303, A Wing, Queens Corner Apartments,
Queens Road, Bangalore, Karnataka-560001
E-mail: accounts@dnrgroup.in; Tel No.: 080 22268786

Board's Report

To
The Members of
DNR Corporation Private Limited

Your Directors have pleasure in presenting the Ninth Board's Report of your Company together with the Audited Financial Statement and the Auditors' Report of your Company for the financial year ended 31st March, 2016.

Extract of Annual Return

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. (Please refer Annexure: 1).

Number of Board meetings held

The Board duly met Six (6) times during the Financial Year 2015-16.

Details of the Board meetings:

Date of Board Meeting	Name of Director present				
	Vipul Kumar Kumat	Ritesh Kumar Kumat	Subodh Kochatta	Pramod Kumar Shantilal	Monica Surana
26.06.2015	Present	Present	Present	Present	Present
01.07.2015	Present	Present	Absent	Absent	Present
06.07.2015	Present	Present	Present	Present	Present
01.09.2015	Present	Present	Present	Present	Present
14.12.2015	Present	Present	Absent	Absent	Present
09.02.2016	Present	Present	Absent	Absent	NA

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Board of Directors of the Company hereby confirm that:-

- (a) In the preparation of the annual accounts for the year ended 31.03.2016, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and

fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The company being unlisted sub clause (e) of section 134(3) is not applicable.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration of Independent Directors:

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013.

Date and Number of separate meeting of Independent Directors held during the financial year 2015-16:

Sl. No.	Date	Name of committee member	
		Subodh Kochatta	Pramod Kumar Shantilal
1	01.09.2015	Present	Present

Nomination & Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 your company has constituted the Nomination & Remuneration Committee.

Date and Number of meeting held during the financial year 2015-16:

Sl. No.	Date	Name of committee member		
		Subodh Kochatta	Pramod Kumar Shantilal	Monica Surana
1	26.06.2015	Present	Present	Present
2	01.09.2015	Present	Present	Present

Auditors and Report thereon

M/s. Prakash N & Co. (FRN: 012214S), Chartered Accountants, Bangalore were appointed as Statutory Auditors of the Company for a period of 5 years in the 7th Annual General Meeting held on 27th September 2014 to hold the office till the conclusion of 12th Annual General Meeting of the Company subject to the ratification at every Annual General Meeting.

Necessary consent and eligibility letter from the Auditors has been obtained. Accordingly, the appointment of M/s. Prakash N & Co., Chartered Accountants, (FRN: 012214S), will be placed before the members for ratification.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Loans, Guarantees and Investments

Details of loans and guarantees given and investment made are given in the Notes to the financial statement, wherever applicable.

Related Party Transactions

During the financial year there were no new contracts entered which require approval under Section 188(1) of the Companies Act, 2013 and there were no materially significant related party transaction made by your Company during the year and hence no information is required to be provided as prescribed under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

State of Company's Affairs and Future Outlook

Your company has performed reasonably well during the year and the same is evident from the audited statement of accounts for the financial year ended 31st March 2016 presented along with this report. The company hopes to see a significant increase in profitability in the coming year.

Amounts transferred to Reserves

During the year the company has not transferred any amount to reserves.

Dividend

The company has not declared any dividend for the financial year ended 31.03.2016.

Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company occurred between 31st March 2016 and the date of Board's Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

A. Conservation of Energy,

Particulars	Explanations
(i) the steps taken or impact on conservation of energy	The company has adopted such technology to ensure maximum conservation of energy.
(ii) the steps taken by the company for utilising alternate sources of energy	The company has set up alternate source of energy for smooth operation of

	Business activities.
(iii) the capital investment on energy conservation equipment	The Company found enough system and equipment to conserve the energy; hence the management was not required to make additional investment on energy conservation related equipment.

B. Technology Absorption

Particulars	Explanations
(i) the efforts made towards technology absorption	No New technology absorption. Hence it's Not applicable.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Not Applicable.
(iv) the expenditure incurred on Research and Development	Not Applicable.

C. Foreign Exchange Earnings and Outgo on Actuals:

There was no foreign exchange inflow or Outflow during the year under review.

Risk Management

The periodic assessments to identify the risk areas have been carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks. The risks are taken into account while preparing the annual business plan for the year. The Board was periodically informed of the business risks and the actions have been taken to manage them.

Corporate Social Responsibility (CSR) Policy

The Company is not covered under section 135 (1) of the Companies Act 2013. Hence it has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to your company.

Financial Highlights and Change in Nature of Business, If any

During the year under review, performance of your company as

Particulars	Year ended 31 st March 2016	Amount in INR
		Year ended 31 st March 2015
Total Revenue	57,69,96,518	62,92,32,397
Total Expenses	50,66,39,592	57,51,16,331
Profit Before Tax	7,03,56,926	5,41,16,067
Tax Expenses	(2,29,73,624)	(1,76,64,964)
Profit/(Loss) after tax	4,73,83,302	3,64,51,103

There is no change in nature of business during the year.

Directors and KMP

During the year Mrs. Monica Surana (DIN: 00650023) was resigned from the board with effect from 9th February 2016.

Further Mr. Vipul Kumar Kumat (DIN: 00040728) retires by rotation and being eligible to offers himself for reappointment at the ensuing Annual General Meeting. The Company need not to appoint any Key Managerial Personnel during the year.

Information about Subsidiary/ JV/ Associate Company

The company does not have any Subsidiary, Joint venture or Associate Company.

Deposits and Disclosure thereon:

The Company has neither accepted nor renewed any deposits during the year under review. The balance of such unsecured loan as on 31.03.2016 borrowed from directors stands at INR. 50,76,923. The details of such borrowings and stating in the directors account are as follows:

Sl. No.	Name of the director	Amount outstanding as on 31.03.2016 (Rs.)
1	Vipul Kumar Kumat	41,68,729
2	Ritesh Kumar Kumat	9,08,194

Order of Court

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

Statement in respect of adequacy of Internal Financial Control with reference to the Financial Statements

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

Audit Committee

In compliance with the provisions of Section 177 of the Companies Act, 2013 your company has constituted the Audit Committee.

Date and Number of meeting held during the financial year 2015-16.

Sl. No.	Date	Name of committee member		
		Subodh Kochatta	Pramod Kumar Shantilal	Monica Surana
1	26.06.2015	Present	Present	Present
2	01.09.2015	Present	Present	Present

Disclosure on Vigil Mechanism

The establishment of vigil mechanism for directors and employees to report their genuine concerns or grievance is not applicable.

Disclosure as required under Rule 5(2) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees in the company who are drawing salary more than the limit prescribed under Rule 5(2) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence this is not applicable.

Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is not covered under the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgements

Your Directors wish to place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company activities during the year under review. Your directors also grateful to the shareholders for their support and confidence reposed on your Company.

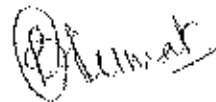
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATE: 19.08.2016

PLACE: BANGALORE



VIPUL KUMAR KUMAT
MANAGING DIRECTOR
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RITESH KUMAR KUMAT
WHOLE-TIME DIRECTOR
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