

24TH ANNUAL REPORT OF RACHANA CAPITAL AND SECURITIES LIMITED

***RACHANA CAPITAL AND
SECURITIES LIMITED***

YEAR 2015-16

24TH ANNUAL REPORT

Rachana Capital and Securities Limited

CIN Number: L67120GJ1992PLC017397

Registered Office: 903, D Tower, Kalpvruksh Apartment, Gotri Road, Vadodara-390021

Board of Directors:

Mr. Rakesh Nizare	- Whole Time Director
Mr. Rajendra Chopra	- Non – Executive Director
Mr. Dipesh Patel	- Independent Director
Miss. Dhvani Contractor	- Independent Woman Director

Key Managerial Personnel:

Mr. Rakesh Nizare	-Whole Time Director
Ms. Grishma Ajayrao Shewale	- Company Secretary & Compliance Officer

Audit Committee:

Mr. Dipesh Patel	Chairman
Mr. Rajendra Chopra	Member
Miss. Dhvani Contractor	Member

Nomination & Remuneration Committee:

Miss. Dhvani Contractor	Chairman
Mr. Dipesh Patel	Member
Mr. Rajendra Chopra	Member

Stakeholder's Relationship Committee:

Mr. Rakesh Nizare	Chairman
Mr. Rajendra Chopra	Member
Mr. Dipesh Patel	Member

Independent Auditors:

M/s. Prachi Bhagvat
Chartered Accountants

Bankers:

Tamilnadu Mercantile Bank
Indusind Bank

Secretarial Auditor:

Mr. S D Bhattbhatt
B-212, Atlantis K-10,
Opp. Honest Restaurant,
Near Genda Circle, Sarabhai Road,
Vadodara-390020

Share Transfer Agents:

MCS Share Transfer Agent Ltd
101, Shatdal Complex
1st Floor, Opp. Bata Showroom
Ashram Road, Ahemdabad-380009

Listed in Stock Exchange:

Ahmedabad Stock Exchange Ltd

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The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to intimate their e-mail ID to the Company or send it through email at rachnacapital@gmail.com mentioning their name(s) and folio number or send the details at Company's Registered Office.

Notice

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF THE MEMBERS OF RACHANA CAPITAL AND SECURITIES LIMITED WILL BE HELD ON FRIDAY, THE 30TH SEPTEMBER, 2016 AT 11.00 A.M., AT 903, D TOWER, KALPVUKSH APARTMENT, OPP. MGVCCL OFFICE VADODARA - 390021 TO TRANSACT THE FOLLOWING BUSINESSES:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dipesh Ravjibhai Patel (DIN: 06692318), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration, and if thought fit to pass, with or without modification(s)) the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board, Messers N. B. Sakhara & Co., Chartered Accountants, having registration No. : 138942W be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors Messers Prachi Bhagvat, Chartered Accountants Ahmedabad, who shall hold office till the conclusion of the 24th Annual General Meeting and that the Board be and is hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

Registered Office:

**903, D Tower,
Kalpvruksh Apartment,
Gotri Road, Vadodara - 390021**

for Rachana Capital and Securities Limited

Date: 30th May, 2016

**SD/-
Grishma Shewale
Company Secretary
M. No. A41834**

Notes:

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy / Proxies to attend and vote on a poll instead of himself / herself and such a proxy/proxies need not be a member of the Company.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.

- 2.** The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Moreover, Members /proxies should bring the attendance slips duly filled in and PHOTO ID Proof for attending the meeting.
- 3.** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed and forms part of the Notice.
- 4.** In terms of Article of Association of the company, read with Section 152, of the companies act, 2013 Mr. Dipesh Patel, Director of the company retires by rotation at the ensuing meeting and being eligible, offers himself for reappointment Brief profile and other required information about the directors proposed to be appointed/ reappointed, as required under regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 is attached to this notice.
- 5.** The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2016 to 29th September, 2016 (both days inclusive).
- 6.** Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

7. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filing required form.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.
9. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.
10. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its Registrar & Share Transfer Agent along with relevant Share Certificates.
11. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of shares or any other shares related matter and/or change in address and bank account, to company's Registered Office.
12. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Compliance Officer of the Company at the registered office of the Company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.

13. Voting Through Electronic Voting: (E-Voting Procedure)

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies(Management and Administration) Rules, 2014as amended by Companies (Management and Administration) Rules, 2015,('Amended Rules 2015') and Clause35B of the Listing Agreement, the Company is pleased to provide Members with a facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by Electronic means and the business may be transacted through Electronic Voting (e-Voting) Services. The facility for casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be

provided by National Securities Depository Limited (NSDL). The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instruction for members for e-voting are as under:

A. In case of Members receiving E-mail:

- (i) Open email and open PDF file viz; **“Rachana Capital and Securities Limited remote e-voting.pdf”** with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select “REVEN” of **“ Rachana Capital and Securities Limited”**.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to **suhasbrd@rediffmail.com** or **rachnacapital@gmail.com** with a copy marked to **evoting@nsdl.co.in**

B. In case of members receiving the physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM: REVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN:

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of **www.evoting.nsdl.com** or call on toll free no.: **1800-222-990**.

7. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

8. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

9. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24rd September, 2016.

10. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 24rd September, 2016 may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **rachnacapital@gmail.com**. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on **www.evoting.nsdl.com**.

11. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

12. Mr. S D Bhattbhatt, Company Secretary (Membership No. 11975), proprietor of M/s. S. Bhattbhatt & Co., Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

13. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting.

14. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast Through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

15. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.rcasl.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

17. This Notice has been updated with the instructions for voting through electronic means as per the Amended Rules 2015.

14. All documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Saturday and Sunday) between 11.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.

15. The entire Annual Report is also available on the Company's website www.rcasl.com

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT IN THE ENUSING ANNUAL GENERAL MEETING

Name of Director	Dipesh Ravjibhai Patel
Date of Birth	28/04/1984
Nationality	Indian
Date of Appointment	09.02.2015
Expertise & Qualification	Mr. Dipesh Patel is Bachelor of Business Administration and post graduate in Business Management He has completed his graduation in Law in the year 2012. He is also pursuing professional course of Company Secretary from the Institute of Company Secretaries of India. He has completed Intermediate (executive) level. He is associated with the company since last Eight years.
Shareholding in Rachana Capital and Securities Limited	NIL
List of outside directorship	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**Item No. 3**

Resolution No. 3 The statutory Auditors, M/s Prachi Bhagvat have expressed their unwillingness to be re-appointed as the auditors of the Company as she is shifting to different location. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s N. B. Sakhara & Co., Chartered Accountants, as the statutory auditors. The Audit Committee has considered the qualification and vast experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Ordinary Resolution appointing M/s N B Sakhara & Co, Chartered Accountants, as statutory auditors in place of the retiring Auditor M/s Prachi Bhagvat. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 3 of the Notice.

Registered Office:

903, D Tower,

Kalpvrksh Apartment,

Gotri Road, Vadodara - 390021

Date: 30th May, 2016

for Rachana Capital and Securities Limited

SD/-

Grishma Shewale

Company Secretary

M. No. A41834

Rachana Capital

Directors' Report

To the Members of,

Rachana Capital and Securities Limited

The Directors have pleasure to present their 24th Annual Report and the audited Annual Accounts for the year ended 31st March, 2016.

Financial Results:-

Particulars	(in Rupees) Current Year 2015-16	(in Rupees) Previous Year 2014-15
Total Income	45,59,155	29,74,986
Total Expense	33,33,190	2,16,849
Profit before Finance Cost and Depreciation	12,25,965	27,58,137
Less : Finance Cost	--	--
Profit before Depreciation	12,25,965	27,58,137
Less : Depreciation	11,79,236	--
Profit/(Loss) before Tax	46,729	27,58,137
Provision for Tax		
Deferred Tax		
Current Tax	14,019	6,98,616
Balance of Profit/(Loss) for the year	32,710	20,59,521
Earning per equity share:		
Basic & Diluted (Rs.10/- each)	0.01	0.66

Performance Review:

During the year under review the interest income was limited to 0.75 Lakhs as company has shifted its business strategy from financing to financial services. The major secured loan was converted into equity. Further company is able to recover bad loans for total amount of Rs. 16.50 Lakhs. The gross total income increase to Rs. 45.59 lacs as compared to 29.75 lacs for the previous year. The Net Profit stood at 0.32 lacs for the year 2015-16 as compared to 20.59 lacs for the year 2014-15. The main reason for reduction of Net Profit is payment of processing fees to BSE which is onetime expense.

Dividend:

No dividend recommended by the Board of directors in view of limited profit for the Financial Year ended 31st March, 2016.

Transfer to General Reserve:

A sum of Rs. 32,710 has been transferred to the General Reserves of the company. This reflects well on the financial strength of the Company.

Number of Board Meetings held during the year:

The number of Board meetings held during the year from 1st April 2015 to 31st March 2016 is the dates of meeting are given below:

- 1) 25th May, 2015
- 2) 15th July, 2015
- 3) 31st July, 2015
- 4) 14th August, 2015
- 5) 17th August, 2015
- 6) 3rd September, 2015
- 7) 16th November, 2015
- 8) 27th January, 2016
- 9) 25th February, 2016

The time gap between any two meetings did not exceed four months. The compliance report in respect of laws applicable to the Company has been periodically reviewed by the Board of Directors of the Company.

Directors' Responsibility Statement:

The directors report that

(1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(2) 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 31st March, 2016 and of the profit and loss account of the company for that period.

(3) 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.

(4) The Directors have prepared the annual accounts on a going concern basis.

(5) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

Listed on Stock Exchanges

At Present the Equity shares of the Company are listed and traded with the Ahmedabad Stock Exchange Limited. Scrip Code of the Company is 47643.

Management Discussion and Analysis Report:

A detailed discussion on the Company's operations is presented in the chapter on Management Discussion and Analysis, which forms part of this Annual Report.

Corporate Governance Report

As per SEBI LODR, Compliance with the provisions of regulation 17 through 27 and clauses (b) to (i) of sub – regulations 46 and Para C,D and E of schedule V is not mandatory for the time being, in respect of the following class of Companies:

- a) Companies having paid –up equity share capital not exceeding Rs. 10 crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of previous financial year;
- b) The listed entity which has listed its specified securities on the SME Exchange;

As such our Company falls in the ambit of aforesaid exemption. Consequently Corporate Governance does not form part of the Annual Report for the Financial Year 2015-16. However, the Company is following industry best corporate governance standards.

Associate & Subsidiary Companies

The company does not have any Associate or Subsidiary Companies.

Deposits:

The Company has not invited or accepted any fixed deposit from the public during the year under review.

Secretarial Audit:

Secretarial Audit Report as per Section 204 of Companies Act 2013 is placed as annexure to this report. No adverse comments have been made in the said report by the Practising Company Secretary.

Extracts of Annual Return and other disclosures under Companies (appointment & Remuneration) Rules, 2014:

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3)(a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies(Management & Administration) Rules, 2014 duly certified by the Practising Company Secretary is annexed hereto and forms part of this report. Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto and forms part of this report.

Declaration on Independent Directors:

The Board of Directors declares that the Independent Directors Mr. Dipesh Ravjibhai Patel and Ms. Dhvani Contractor are:

- (a) in the opinion of the Board, are persons of integrity and possesses relevant expertise and experience;
- (b) (i) who were or were not a promoter of the company or its holding, subsidiary or associate company
- (ii) Who are not related to promoters or directors in the company, its holding, and subsidiary or associate Company?

(c) Who have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;

(d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty Lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) Who, neither himself nor any of his relatives –

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or propriety or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –

(A) A firm of auditors or company secretaries in practice or cost auditors or the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;

(iii) Holds together with his relative two per cent, or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

(f) Who possesses such other qualification as may be prescribed.

Related Party Transactions:

There are no materially significant transactions with related parties i.e., promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interest. There are no transaction took place with related party which are considered to be not in the normal course of Business.

Particulars of Employees:

None of the Employees of the company was in receipt of the remuneration exceeding the limits prescribed under section 197 of the Companies Act, 2013 as amended, during the year under review.

Conservation of Energy, technology absorption, foreign exchange earnings and outgo:

The Particulars regarding foreign exchange earnings and expenditure is NIL.

Since your company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

Risk Management Policy implementation

The board takes responsibility for the overall process of risk management in the organization. Risk Management is the process of minimising mitigating the risk. Its start with identification and evaluation of risk. The Company has followed strict approach to deal with possibility of any risk in the finance business. To Control the Operational risk Company has taken several measures and applied strict credit strategies. Through a detailed risk management programme, each functional head addresses opportunities and the attendant risks through a systematic approach aligned to the Company's objectives. The audit committee also reviews reports covering operational, financial and other business risk areas.

Formation and adoption of Different Policies:

a) **Policy Determination of Materiality:** In Accordance with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the Company has adopt a policy determination of Materiality containing Disclosure of Events or Information relating to specified securities.

b) **Policy for Preservation of Documents:** Regulation 9 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 requires every listed entity should formulate a policy for preservation of documents and accordingly the Company has adopted the same and upload the same on the website.

c) **Policy on Materiality of Related Party Transactions:** The Company has adopted a policy of Related Party Transactions with a view to set out the materiality thresholds for the related party transactions and the manner of dealing with the transactions between the Company and its related parties based on the Companies Act, 2013, SEBI (LODR) Regulations and any other laws and regulations as may be applicable to the Company.

d) **Whistle Blower Policy:** The Company has adopted the Whistle Blower Policy for their employees and directors to report the concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy as per Section 177(9) of the Companies Act, 2013 and as per Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Remuneration policy

A Nomination & Remuneration policy has been formulated pursuant to the provisions of section 178 and other applicable provisions of the companies act, 2013 and rules thereto and SEBI LODR stating therein the Company's policy and Directors/Key Managerial Personnel/other Employees appointment and remuneration recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. The said policy may be referred on Company's Website. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Disclosure under the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2014-15, the Company has not received any complaint on sexual harassment.

Directors:

1. Rotation of Director:

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr. Dipesh Patel (DIN:06692318), Director of the Company, retires by rotation at this Annual General Meeting and being eligible offer himself for re-appointment.

2. Resignation of Directors:

As per the provisions of section 168 of the Companies Act, 2013 during the year the following Directors had resigned from the Company:

A. Mr. Ripul Kotecha resigned w.e.f 15th July, 2015

B. Mr. Dhaneshkumar Mangilal Jain – Resigned w.e.f. 14th August, 2015

C. Mr. Kamlesh M Jain – Resigned w.e.f. 14th August, 2015

During the year under review Mr. Dhaneshkumar M Jain, Mr. Kamlesh M Jain, Mr. Ripul Kotecha have resigned as directors due to their pre-occupancy. Manish Shah 30th March, 2015.

Auditors:

M/s. N. B. Sakhara & Co, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company pursuant to section 139 of the Companies Act, 2013 to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM (subject to ratification by members at every AGM held after this AGM) and that the Board of Directors be and is hereby authorized to fix the remuneration as may be recommended by the Audit Committee in consultation with the Auditors. The explanation given in Auditor's report and notes on accounts are self-explanatory and do not call for any comments.

AUDIT COMMITTEE:

The Audit Committee has been formed as per the provisions of Companies Act, 2013 and also compliance with regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises of following three members:

Name of the Member	Designation	Nature of Directorship
Mr. Dipesh Patel	Chairman	Independent Non-Executive Director
Mr. Rajendra Chopra	Member	Promoter & Non- Executive Director
Mrs. Dhvani Contractor	Member	Independent Non-Executive Director

The primary objective of the committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with

the highest levels of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, Statutory Auditor, and notes the processes and safeguards employed by each of them. The committee has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors in accordance with the law. All possible measures must be taken by the committee to ensure the objectivity and independence of the Statutory Auditor.

All the members of the Audit Committee are financially literate and at least one Member shall have accounting or related financial management expertise. The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditor is responsible for carrying out independent audits of the Company. The financial statements in accordance with the generally accepted auditing practices and as per Accounting Standard and for issuing reports based on such audits.

STAKEHOLDERS GRIEVANCE COMMITTEE:

The Stakeholder Relationship Committee has been formed as per provisions of the Companies Act, 2013 and also Compliance with regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises of following three members:

Name of the Member	Designation	Nature of Directorship
Mr. Rakesh Nizare	Chairman	Whole Time Director
Mr. Rajendra Chopra	Member	Promoter & Non- Executive Director
Mr. Dipesh Patel	Member	Independent Non-Executive Director

The committee expresses satisfaction with the Company's performance in dealing with investor grievances, and in its share-transfer system.

The terms of reference of the committee are to maintain healthy relationship with stakeholder and also be monitoring the response to investor questions and grievances, and approving share transfers, transmissions including review of cases for refusal of transfer / transmission of shares and debentures, queries and grievances.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been formed as per as per provisions of the Companies Act, 2013 and also in Compliance with regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of the Member	Designation	Nature of Directorship
Mrs. Dhvani Contractor	Chairman	Independent Non-Executive Director
Mr. Rajendra Chopra	Member	Promoter & Non- Executive Director
Mr. Dipesh Patel	Member	Independent Non-Executive Director

The purpose of the committee is to oversee the Company's nomination process for the top-level management and specifically to identify, screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM. The committee also makes recommendations to the Board on candidates for (i) nomination for election or re-election by the shareholders; and (ii) any Board vacancies that are to be filled. The committee may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposals submitted by the Executive Chairman of the Board. The committee will review and discuss all matters pertaining to candidates and will evaluate the candidates in accordance with a process that it sees fit and appropriate, passing on the recommendations for the nomination to the Board.

Acknowledgment:

The Board of Directors wishes to place on record its appreciation for the cooperation extended by Banks, Government Authorities, Customers, Shareholders and Employees of the Company and looks forward to a continued mutual support and co-operation.

Regd. Office:
903, D Tower, Kalpvruksh Apartments
Opp. MGVL Office, Gotri Road
Vadodara – 390021

for Rachana Capital and Securities Limited

SD/-
Rakesh Nizare

SD/-
Dipesh Patel

(Whole Time Director)

(Director)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OUTLOOK

India is today one of the most vibrant global economies on the back of robust finance sectors. Indian economy is on the brink of a major transformation, with several policy initiatives set to be implemented shortly. Economic growth in India accelerated in Fiscal Year 2015 despite a double-digit decline in exports. It is projected to dip marginally in FY2016 due to a slowdown in public investment, stressed corporate balance sheets, and declining exports, then pick up in FY2017 as newly strengthened bank and corporate finances allow a revival in investment. Notwithstanding unexpected delays in enacting some economic reform, the prospects for continued rapid growth are undiminished. It is projected that Economic growth hovering around 7.5% and Investment will pick gradually. Also the relaxation of foreign investment rules in other finance sector going to receive very positive response like insurance sector.

COMPANY OVERVIEW AND PERFORMANCE:

The Business of finance is always attractive domain as there is no inventory to maintain, supply-chain to worry about, warehouses to upkeep, delivery to process etc. It is an inherently scalable business that can be run with technology and a relatively lean staff. However such an opportunity also comes with major challenges. In the current scenario one of the major task is regulatory changes and compliances and another inherent challenge is to deal with bad loans. We need to look into the facts that how quickly the unrecoverable lending by public sector banks rose in the last few years. Between 2004-2012, bad debts rose by about 4% while they rose by a staggering 60% between 2013-2015. There is no doubt about India's economic growth and growth on the financial sector reforms, however SMEs need to be extraordinary cautious involved in lending business.

Management in their previous report informed to members about the possibility of moving toward low risk financial business particularly financial and investment consultancy. In the option of prudent and successful policy adoption your company has approached various NBFCs and Banks to offer expertise we have in the sector and generate more than twelve Lakhs for the year under review. Management's continuous focus to achieve a healthy return on equity (ROE) and adherence of prudent policy able to recover an amount in the tune of 16.50 Lakhs from bad debts.

The management focus to protect erosion of capital vis a vis maintain overall profitability forced to take some bold decisions including conversion of some loan amount in to investment

by acquisition of quoted and unquoted stocks. It has been a conscious decision of the Management to have diversified businesses to protect the overall profitability.

OPPORTUNITIES & THREATS:

The Government of India has introduced several reforms to liberalize as well as regulate the finance industry. Past has witness the growth of this sector at constant increment. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises. These measures include launching Credit Guarantee Fund Scheme for Micro and Small Enterprises, issuing guideline to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency. The vibrant reforms like allowing foreign investment in the insurance and pension sectors in the automatic route up to 49 per cent, 'Jan Dhan' initiative for financial inclusion is gaining momentum. Under Pradhan Mantri Jan DhanYojna, 217 million accounts have been opened and 174.6 million RuPay debit cards have been issued. With a combined push by both government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

Bad loans at Indian banks have jumped an unprecedented. For all the past few years of growth and reform, banks in India have continued rolling over troubled loans or restructured them to make terms favorable to borrowers. Uncertainty in global economy and high volatility in financial markets are prominent risk confronting the emerging market economy.

RISK MANAGEMENT & INTERNAL CONTROL SYSTEM:

Your Company will continue to adopt strategies to register significant increase in business volumes, and would intimate still more concentrated efforts to maintain the NPA level to its minimum. Our system of internal control assists in ensuring that the Board and management are able to fulfill our business objectives. An effective internal control framework contributes to safeguarding the shareholders' investment and our assets. The objective of our internal control framework is to ensure that internal controls are established, properly documented, maintained and adhered to in each functional department.

Focus of Risk Management should be identifying and addressing the risk which restrict overall company objective. Your Company is committed to adopting, embedding and sustaining risk management as a core competency throughout the organization. In doing so, Company aims to enhance the performance of key activities, in an effort to protect its assets and enrich the organizations ability to manage uncertainty, in achieving its key corporate objectives and goals.

The Company's well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations.

HUMAN RESOURCE:

Human Resources (HR) are the most important resources and the key assets of any organization. The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people growth and development and constantly endeavors to train nurture and groom its people.

CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. Important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted a Code of conduct for its employees including the director. WE confirm that the Company has in respect of the financial Year ended 31st March, 2015, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the code of Conduct as applicable to them.

**Regd. Office:
903, D Tower, Kalpvruksh Apartments
Opp. MGVCCL Office, Gotri Road
Vadodara – 390021**

for Rachana Capital and Securities Limited

Rakesh Nizare

Dipesh Patel

(Whole Time Director)

(Director)

Code of Conduct and CEO/CFO Certification:

I, Rakesh Nizare, Whole Time Director of the Company, hereby declare that to the best of my knowledge and belief, all the directors and the senior management personnel of the Company have confirmed compliance with the company's Code of Conduct, as applicable to them, for the year ended on 31 March 2016.

(a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief;

- These statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading, and
- These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violate the company's code of conduct;

(c) I accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and audit committee, deficiencies in the design or operation on internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies and

(d) I have informed the auditors and the audit committee that :

- a. There has not been any significant changes in internal control over financial reporting during the year under reference;
- b. There has not been any significant changes in accounting policies during the year requiring disclosed in the notes to the financial statements; and
- c. There has not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

SD/-

Rakesh Nizare

Place: Vadodara

Date: 22nd August, 2016

(Whole Time Director)

Form no. MGT-9: Extract of Annual Return

As on the Financial Year Ended On 31.03.2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

(i)	CIN Number	L67120GJ1992PLC017397
(ii)	Registration Date	27/03/1992
(iii)	Name of the Company	RACHANA CAPITAL AND SECURITIES LIMITED
(iv)	Category / Sub - category of the Company	Public Company/Limited by Shares
(v)	Address of the Registered Office with Contact Details	903, D Tower, Kalpvruksh Apartment, Opp. MGVC Office, Gotri, Vaodara-390021 Tel: 0265-3192220 Email: rachnacapital@gmail.com Website: www.rcasl.com
(vi)	Whether Listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agents if any	M/s. MCS Share Transfer Agent Limited (Ahemdabad) 101, Shatdal Complex, 1st Floor Opp. Bata Showroom, Ashram Road, Ahmedabad-380 009, Phone :079-26584027 Email: mcsahmd@gmail.com , Website: www.mcsdel.com

II. Principal business activities of the company:

Sl. No	Name and Description of Main Products/Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Activities of commercial loan and Consultancy companies.	65923	100

III. Particulars of holding, subsidiary and associate companies:

The Company Does not have any holding, subsidiary and associate companies

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Share Holding:

Category of Shareholders	No.of Shares held at the beginning of the Year (01.04.2015)				No. of share held at the end of the year (31.03.2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual/HUF	--	808360	808360	26.04	--	808360	808360	26.04	Nil
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt(s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks/FI	--	--	--	--	--	--	--	--	--
Any Other	--	--	--	--	--	--	--	--	--
Sub-Total (A) (1):-	--	808360	808360	26.04	--	808360	808360	26.04	Nil
(2) Foreign									
NRIs-Individual	--	--	--	--	--	--	--	--	--

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Other-Individual	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks/FI	--	--	--	--	--	--	--	--	--
Any Other	--	--	--	--	--	--	--	--	--
Sub-Total (A) (2):-	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	--	808360	808360	26.04	--	808360	808360	26.04	Nil
B. Public Shareholding									
1. Institutions									
Mutual Funds	--	--	--	--	--	--	--	--	--
Banks/FI	--	--	--	--	--	--	--	--	--
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt(s)	--	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--	--
Insurance Companies	--	--	--	--	--	--	--	--	--
FIs	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
Others (specify)	--	--	--	--	--	--	--	--	--
Sub-Total (B) (1):-	--	--	--	--	--	--	--	--	--

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2. Non - Institutions									
(a) Bodies Corp.	--	34000	34000	1.1	--	34000	34000	1.1	NIL
Indian									
Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
Individual Shareholders holding nominal share capital upto Rs.2 lakh	--	1784540	1784540	57.49	--	1784540	1784540	57.49	NIL
Individual shareholders holding nominal share capital in excess of Rs.2 lakh	--	476900	476900	15.37	--	476900	476900	15.37	NIL
c) others (specify)	--	--	--	--	--	--	--	--	--
Clearing House	--	--	--	--	--	--	--	--	--
HUF	--	--	--	--	--	--	--	--	--
NRIs	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Sub-Total (B)(2)	--	2295440	2295440	73.96	--	2295440	2295440	73.96	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	2295440	2295440	73.96	--	2295440	2295440	73.96	NIL

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C. Shares held by Custodian for GDRs * ADRs	--	--	---	--	--	--	--	--	--
Grand Total(A+B+C)	--	3103800	3103800	100	--	3103800	3103800	100	NIL

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% change in share holding during the year
		No. of shares	% of total shares of the Company	%of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	%of shares pledged/ encumbered to total shares	
1.	Mega Bucks Capital Limited	445000	14.34	--	445000	14.34	--	Nil
2.	Navin G Shah	45000	1.45	--	45000	1.45	--	Nil
3.	Jyotsna Shah	28500	0.92	--	28500	0.92	--	Nil
4.	Jitul N Shah	46300	1.49	--	46300	1.49	--	Nil
5.	Vipul N Shah	43700	1.41	--	43700	1.41	--	Nil
6.	Zarna V Shah	56800	1.83	--	56800	1.83	--	Nil
7.	Swati F Shah	49500	1.59	--	49500	1.59	--	Nil
8.	Final F Shah	50000	1.61	--	50000	1.61	--	Nil
9.	Charmi J Shah	43560	1.40	--	43560	1.40	--	Nil
	Total	808360	26.04	--	808360	26.04	--	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change) – No Change in the Promoters shareholding during the period under review.

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Swati A Shah	45300	1.46	45300	1.46
2.	Bhavarsing Rajpurohit	38000	1.22	38000	1.22
3.	Truptiben Patel	32500	1.05	32500	1.05
4.	Shaileshbhai M Patel	32000	1.03	32000	1.03
5.	Trigon Zinco Limited	29800	0.96	29800	0.96
6.	Sunil S Patel	29500	0.95	29500	0.95
7.	Atul J Shah	28600	0.92	28600	0.92
8.	Sonal S Bhatt	28000	0.90	28000	0.90
9.	Ashokbhai F Patel	28000	0.90	28000	0.90
10.	Dipak R Patel	26700	0.86	26700	0.86

(v) Shareholding of Directors and Key managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
A. Directors					
1.	Mr. Dipeshbhai Ravjibhai Patel	Nil	Nil	Nil	Nil
2.	Miss. Dhvani Contractor	Nil	Nil	Nil	Nil

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3.	Mr. Rajendra Chopra	Nil	Nil	Nil	Nil
B.					
Key Managerial Personnel					
1.	Mr. Rakesh Nizare (Whole Time Director)	Nil	Nil	Nil	Nil
2.	Ms. Grishma Shewale (Company Secretary)	Nil	Nil	Nil	Nil

V. Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year	--	--	--	--
(i) Principal Amount	--	--	--	--
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--
Change in Indebtedness during the financial year	--	--	--	--
Additions	--	--	--	--
Reduction	--	--	--	--
Net Change	--	--	--	--
Indebtedness at the end of the financial year				
(i) Principal Amount	--	--	--	--
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	--	--	--

VI. Remuneration of directors and key managerial personnel:

A. Remuneration of Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Total Amount	
		Mr. Rakesh Nizare (Whole Time Director)	
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - As % of profit - Others, specify...	No Commission Paid During the year.	No Commission Paid During the year.
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per Companies Act, 2013	--	--
	* Less than a month	--	--

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total
1.	Independent Directors	Miss Dhvani Contractor	Mr. Dipesh Patel		
	- Fees for attending Board/Committee Meetings	10,000	18,000	--	28,000
	- Commission	--	--	--	--

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	- Others, please specify	--	--	--	--
	Total (1)	10,000	18,000	--	28,000
2.	Other Non-executive Directors	Mr. Rajendra Chopra			
	- Fees for attending Board/Committee Meetings	18,000	--	--	18,000
	- Commission	--	--	--	--
	- Others, please specify	--	--	--	--
	Total (2)	18,000	--	--	18,000
	Total (B)= (1+2)	28,000	18,000	--	46,000
	Total Managerial Remuneration	28,000	18,000	--	46,000
	Overall Ceiling as per the Companies Act, 2013	--	--	--	--

C. Remuneration of key managerial personnel other than MD/manager/whole time director:

Sr. no	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Grishma Shewale Company Secretary	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Rs 2,10,000 -- --	Rs 2,10,000 -- --
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - As % of profit - Others, specify...	-- -- --	-- -- --
5.	Others, please specify		
	Total (A)	Rs 2,10,000	Rs 2,10,000
	Ceiling as per Companies Act, 2013	--	--

VII. Penalties/punishment/compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCL / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS - Nil					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. OTHER OFFICERS IN DEFAULT – Nil					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

1. The Total Salary/Employee Benefit Expense for the year 2015-16 was Rs. 2,97,706/- out of which Rs. 2,10,000/- was paid to the Company Secretary of the Company and the Remaining Balance Amount of Rs. 87,706/- was paid to the other Employees of the Company.
2. During the year under review, there was no increase in Remuneration of any Director.
3. The Total Number of Employees stood at 4 at the year ended 31st March, 2016.
4. There was no CEO/CFO other than Whole Time Director appointed for the Year 2015-16. The Whole Time Director of the Company acts as CFO of the Company.

Note: The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Rachana Capital and Securities Limited
903, D Tower, Kalpvruksh Apartment,
Opp. MGVCL Office, Gotri,
Vadodara-390021

I, S D Bhattbhatt., Proprietor of S. Bhattbhatt & Co., a Practicing Company Secretary, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Rachana Capital And Securities Limited [CIN: L67120GJ1992PLC017397] (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Rachana Capital And Securities Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Rachana Capital And Securities Limited ("the Company") for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. However, the Company has adopted the prescribed code of conduct under the Regulations and the same has been displayed on the website of the Company.

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following:

- I) Secretarial Standards issued by the Institute of Company Secretaries of India (w.e.f. July, 2015)
- II) The Listing Agreement entered into by the Company with BSE Limited; Provisions of the following Act, Regulations and Guidelines were not attracted and applicable to the Company during the financial year under review:

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(iii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations noted against each legislations.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All Major decisions of the board were unanimous and the same were captured and recorded as part of the minutes.

I further report that as represented by the Company and relied upon by me there are generally adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/ sweat equity.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

Moreover, During the Audit Period i observed that the Company is go for Direct Listing under Direct Listing norms with the Bombay Stock Exchange Limited and for that the Company has submitted all the necessary documents and complete the Paper work and procedure at the time of Application for Direct Listing as per my opinion and verification.

Place: Vadodara
Date: 30th May, 2016

for S Bhattbhatt & Co.
Practicing Company Secretaries

S D Bhattbhatt
(Practicing Company Secretary)
ACS No: A11975
CP No.: 10427

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Rachana Capital and Securities Limited**

Report on the Financial Statements

We have audited the accompanying Standalone financial statements of Rachana Capital & Securities Limited ("the Company"), for the quarter and year ended 31st March, 2016 which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information pursuant to the requirement of the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Management's Responsibility for the Standalone Financial Statements

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

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 in conformity with the accounting principles generally accepted in India:

- a) In case of Balance Sheet and state of affairs of the Company as at 31st March, 2016
- b) In case of Profit & Loss Account of the Profit for the year ended on that date;
- c) In 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

As required by the Companies (Auditor's Report) Order 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanation given to us. We give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

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;

In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. the Company does not have any pending litigations which would impact its financial position.
- II. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

Annexure to the AUDITORS' REPORT

The Annexure referred to in the Auditor's Report to the Member of RACHANA CAPITAL AND SECURITIES LIMITED on the accounts for the year ended March 31, 2016, we report that:

(i) In respect of Fixed Assets:

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

(b) As explained to us, fixed assets have been physically verified by the management at the year-end on a rotational basis at the plants. Further any discrepancies if any, noticed on such verification have been properly dealt in the books of Accounts;

(ii) (a) The Inventory has been physically verified by management during the current year. In our opinion, the frequency of such verification is reasonable.

(b) The procedures for the physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory.

(iii) (a) According to the information and explanations given to us, the Company has not Granted any loans, secured or unsecured to Companies, firms or other parties Covered in the register maintained under section 189 of the Companies Act 2013.

(b) According to the information and explanations given to us, The Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013 have been so entered.

(iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regards to the purchases of inventory, fixed assets and for the sale of goods & services and trading activity . In our opinion, and according to the information and explanations given to us, there is no major weakness has been noticed in internal control system.

(vi) According to the information and explanations given to us, the company has not accepted deposits from the public within meaning of section 73 to 76 of the Act and the rules framed there under and accordingly company has passed the Board resolution.

(vi) Considering the nature of business activities of the Company, maintenance of cost records under Section 148 of the Companies Act, 2013 are not required.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Sales Tax, VAT, Wealth Tax, service tax, Custom Duty, Excise Duty, Cess and any other dues during the year with the appropriate authorities. There are no undisputed dues payable for a period of more than six months from the date they became payable on 31-03-2016.

(b) According to the information and explanations given to us, the company has no disputed dues of Sales Tax, Income Tax, Custom duty, Wealth Tax, Service Tax, VAT, Excise duty, Cess as on the balance sheet date.

(viii) The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred Cash losses in the financial year and immediately preceding such financial year.

(ix) According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.

(x) The company has not granted any guarantee for loans taken by others from bank or financial institutions, the terms and conditions thereof is prejudicial to the interest of the company.

(xi) The Company has not obtained any Term loan during the year as the Order is not applicable.

(xii) No fraud on or by the company has been noticed or reported during the year.

Place: Vadodara

Date: 30th May, 2016

Prachi Bhagwat

(Chartered Accountants)

SD/-

Prachi Bhagwat

Proprietor

M No: 126407

Balance Sheet as on 31st March, 2016

(In Rs.)

Particulars	Note No	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	31,038,000	31,038,000
(b) Reserves and Surplus	B	(9,27,430)	(9,60,140)
(2) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)		-	-
(b) Other Long term liabilities		-	-
(3) Current Liabilities			
(a) Other current liabilities	C	25,000	-
(b) Short-term provisions	D	5,63,005	566,761
Total		30,698,575	30,644,621
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	E	92,71,052	-
(ii) Intangible assets		-	-
(b) Non-current investments	F	179,55,367	955,000
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	G	-	23,545,000
(e) Other Non-current Assets ("H" Schedule)		-	81,708
(2) Current Assets			
(a) Cash and Cash Equivalents	I	8,64,721	4,782,913
(b) Short-term loans and advances	J	-	-
(c) Other current assets	K	2,607,435	1,280,000
Total		30,698,575	30,644,621
Significant Accounting Policies and other explanatory notes and information	P		

Rakesh Nizare
Whole Time Director

Dipesh Patel
Director

Place: Vadodara
Date: 30th May, 2016

Prachi Bhagwat
(Chartered Accountants)

Prachi Bhagwat
Proprietor
M No: 126407

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	31st March, 2016	31st March, 2015
I. Revenue from operations	L	4,285,255	2,972,202
II. Other Income	M	273,900	2,784
III. Total Revenue (I +II)		4,559,155	2,974,986
IV. Expenses:			
Employee benefit Expense	N	2,97,706	120,036
Other expenses	O	30,35,484	96,813
Total Expenses		33,33,190	216,849
V. Profit / (Loss) before Interest, Depreciation		1,225,965	2,758,137
Depreciation		11,79,236	-
VI. Profit before tax		46,729	27,58,137
VII. Tax expense:			
Current tax		14,019	6,98,616
Deferred tax		-	-
VIII. Profit/(Loss) for the year		32,710	2,059,521
IX. Earning per equity share:			
Basic & Diluted (Rs.10/- each)		0.0105	0.66
Significant Accounting Policies and other explanatory notes and information	P		

Rakesh Nizare
Whole Time Director

Dipesh Patel
Director

Place: Vadodara
Date: 30th May, 2016

Prachi Bhagwat
(Chartered Accountants)

Prachi Bhagwat
Proprietor
M No: 126407

Notes to Balance Sheet as at 31st March, 2016

A. Share Capital:

SI No.	Particulars	31 st March, 2016 (Rs.)		31 st March, 2015 (Rs.)	
a.	Authorized Shares 32,00,000 Equity Shares of Re. 10 each (31 st March, 2015: 32,00,000)	32,000,000		32,000,000	
b.	Issued, Subscribed and Fully Paid up Shares 31,03,800 Equity Shares of Re. 10 each (31 st March, 2015: 31,03,800)	31,038,000		31,038,000	
c.	Reconciliation of shares outstanding at the beginning and at the end of the reporting period.				
		31 st March, 2016		31 st March, 2015	
		No. of Shares	Amount in (Rs.)	No. of Shares	Amount in (Rs.)
	At the Beginning of the Period	3103,800	31,038,000	3103,800	31,038,000
	Add: issued during the year	--	--	--	--
	Less: Shares bought back during the year	--	--	--	--
	Add: Other movements during the year	--	--	--	--
	Outstanding at the end of the period	3103,800	31,038,000	3103,800	31,038,000
d.	<div>-Terms/rights attached to equity shares.</div> <div>-The company has only one class of equity shares having par value of Re. 10 per share. Each holder of equity share is entitled to one vote per share.</div> <div>- The Company has not declared and paid dividend on the equity shares.</div> <div>-In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.</div>				
e.		31 st March, 2016 (Rs.)		31 st March, 2015 (Rs.)	
	Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	Nil		Nil	
f.	Details of shareholders holding more than 5% shares in the Company				
		31 st March, 2016		31 st March, 2015	
		No. of shares	% of holding in the class	No. of shares	% of holding in the class
	Mega Bucks Capital Private Limited	445000	14.34	445000	14.34

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B. Reserves & Surplus:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
	Surplus/(Deficit) in the Statement of Profit and Loss:		
	Balance as per last Financial Statements	(960,140)	(3,019,661)
	Surplus / (Deficit) for the year	32,710	2,059,521
	Less: Appropriations:		
	Total Reserves and Surplus	(927,430)	(960,140)

C. Other Current Liability:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Other Current Liabilities Outstanding Expenses	25,000	--
	Total	25,000	--

D. Short Term Provisions:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Provision for Taxation and Other Provisions	563,005	566,761
	Total	563,005	566,761

E. Tangible Fixed Assets:

	Gross Block				Depreciation & Amortization			Net Block	
Description of Assets	As on 01.04.2015	Add	Del	As on 31.03.2016	Dep as on 01.04.2015	Add	Dep as on 31.03.2016	WDV as on 31.03.2016	WDV as on 31.03.2015
Building	<i>Nil</i>	<i>8032000</i>	<i>Nil</i>	<i>8032000</i>	<i>Nil</i>	<i>391158</i>	<i>391158</i>	<i>7640842</i>	<i>Nil</i>
Computer	<i>Nil</i>	<i>370000</i>	<i>Nil</i>	<i>370000</i>	<i>Nil</i>	<i>233692</i>	<i>233692</i>	<i>136308</i>	<i>Nil</i>
Furniture & Fixture	<i>Nil</i>	<i>1245500</i>	<i>Nil</i>	<i>1245500</i>	<i>Nil</i>	<i>322460</i>	<i>322460</i>	<i>923040</i>	<i>Nil</i>
Electric Installation	<i>Nil</i>	<i>802788</i>	<i>Nil</i>	<i>802788</i>	<i>Nil</i>	<i>231924</i>	<i>231924</i>	<i>570862</i>	<i>Nil</i>
Grand Total	<i>Nil</i>	<i>10450288</i>	<i>Nil</i>	<i>10450288</i>	<i>Nil</i>	<i>1179236</i>	<i>1179236</i>	<i>9271052</i>	<i>Nil</i>

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F. Non-current Investments:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
	Quoted	11,125,500	955,000
	Unquoted	6,829,867	--
	Total	179,55,367	955,000

G. Long Term Loans & Advances:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
	(Unsecured, considered good):		
a.	Long-term loans and advances	--	23,545,000
	(secured considered good)		
	Total	--	23,545,000

H. Other Non-current Assets:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Other	-	81,708
	Total	-	81,708

I. Cash and Cash Equivalents:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Cash	40,000	296,347
b.	Bank balance	824,721	4,486,566
	Total	864,721	4,782,913

J. Short Term Loans & Advances:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
	(Unsecured, considered good):		
a.	Advances to customers	-	-
	(considered good)		
	Total	-	-

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K. Other Current Assets:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
	Stock in Trade	1,194,445	--
	Service Tax Receivable	89,975	--
	Amount Receivable	1,323,015	1,280,000
	Total	2,607,435	1,280,000

L. Revenue from Operations:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Interest	75,139	1,692,202
b.	Recover of bad debts	16,50,000	1,280,000
c.	Commission and Brokerage Income	12,80,436	--
d.	Financial Consultancy Charges & Fees	12,79,680	--
	Total	4,285,255	2,972,202

M. Other Income:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Penalty & Fine Received	2,12,220	--
b.	Reimbursement from clients	34,256	--
c.	Other Income	27,424	2,748
	Total	2,73,900	2,748

N. Employee's Benefit Expenses:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
a.	Salary and other benefits	297,706	120,036
	Total	297,706	120,036

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O. Other Expenses:

SI No.	Particulars	31 st March, 2016 (Rs.)	31 st March, 2015 (Rs.)
	<u>ADMINISTRATIVE EXPENSES</u>		
	Annual Immunity Charges	0	3,775
	Listing& Processing Fees	2,550,000	-
	Legal & Other Charges	180,821	0
	Kasar & VataV	0	3,870
	Annual Issuer Charges	32,217	0
	Repairs and Maintenance	6,000	0
	<u>INDIRECT EXPENSES</u>		
	Accounting Charges	65,000	15,000
	Electricity Charges	24,368	8,549
	Telephone and Internet	28,890	10,551
	Stationary and printing	10,560	3,000
	Rent	56,000	0
	Bank Charges	1,548	1,228
	Books & Periodicals	6,000	6,000
	Donation	0	7,200
	Loss on Quoted Share	0	-
	Petrol Exp	34,560	25,500
	Staff Refreshment Expense	24,520	3,640
	Audit Fees	15,000	8,500
	Total Expenses	3,035,484	96,813

SD/-

Rakesh Nizare

Whole Time Director

SD/-

Dipesh Patel

Director

Place: Vadodara

Date: 30th May, 2016

Prachi Bhagwat

(Chartered Accountants)

Prachi Bhagwat

Proprietor

M No: 126407

Cash Flow Statement for the year ended 31st March, 2016

Statement of Cash Flow :	2015-2016 (in Rs.)	2014-2015 (in Rs.)
(A) : CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit after taxation and extraordinary items	12,11,946	20,59,521.00
Adjustment for :		
Depreciation	-11,79,236	--
Interest Expenses	--	--
Profit on sale of Fixed Assets	--	--
Preliminary Expenses Written off	--	--
Provision for Taxation Written back	--	--
Gross Income	-45,59,155	29,74,986.00
Operating Profit before Working Capital changes	-45,26,445	-915,465
Adjustment for working capital changes :		
Movement in Working Capital		
(Increase) / Decrease in Assets & Loans & Advances	81708	20,81,076
Increase / (Decrease) in short term provisions	-3756	--
(Increase) / Decrease in inventories	--	--
(Increase) / Decrease in current assets	-1327435	-12,10,719
Increase / (Decrease) in Deferred tax liability	--	--
(Increase) / Decrease in Deferred tax assets	--	--
(Increase) / Decrease in long term loans & Advances	23545000	--
Increase / (Decrease) in Current Liabilities & Provisions	25000	3,55,973
NET CASH GENERATED FROM OPERATING ACTIVITIES	22320517	310,865
(B) : CASH FLOW FROM INVESTING ACTIVITIES :		
(Increase) / Decrease in Investments	-17000367	--
Gross Income	4559155	29,74,986
Addition / Purchase of Fixed Assets	-9271052	--
Sale proceeds of Fixed Assets	--	--
Other Non-Current Assets	--	93,858
NET CASH GENERATED FROM INVESTING ACTIVITIES	-21712264	30,68,844
(C) : CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Expenses	--	--
Proposed Dividend	--	--
Issue of Share capital	--	--
Increase / (Decrease) in borrowings	--	--

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NET CASH INVESTED IN FINANCING ACTIVITIES	--	--
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	-3918192	33,79,709

SD/-

Rakesh Nizare

Whole Time Director

SD/-

Dipesh Patel

Director

Place: Vadodara

Date: 30th May, 2016

Prachi Bhagwat
(Chartered Accountants)

Prachi Bhagwat
Proprietor
M No: 126407

SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of Financial Statements:

The accounts have been prepared as a going concern under historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

b) Fixed Assets:

All fixed assets are valued at their original cost which includes expenditure incurred in acquisition and construction/installation and other related expenses including duties and other non-refundable taxes or levies, any directly attributable cost of bringing the assets to its working condition. Capital Work in progress is carried at cost comprising of direct cost and related incidental expenses.

c) Investment:

Investments are classified into noncurrent investments and current investments. Noncurrent investments are stated at cost and provisions have been made wherever required to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and provision wherever required, made to recognize any decline in carrying value.

d) Inventories:

Inventories are valued at cost (using FIFO method) or net realizable value, whichever is lower.

e) Depreciation:

Depreciation on Fixed Assets has been provided on Written-down Value (WDV) basis at the rate prescribed in Schedule – II of the Companies Act, 2013.

f) Impairment of Assets:

The carrying amounts of assets are reviewed at the balance sheet date to determine whether there are any indications of impairment. If the carrying amount of the fixed assets exceeds the recoverable amount at the reporting, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use, the value in use determined by the present value estimated future cash flows. Here carrying amounts of fixed assets are equal to recoverable amounts.

g) Revenue Recognition:

- i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- ii) Interest income is recognized on time proportion basis.
- iii) Dividend income is recognized when right to receive is established.
- iv) Profit / Loss on sale of investments are accounted on the trade dates.

h) Retirement Benefits:

- i) Leave encashment benefits are charged to Profit & Loss account in each year on the basis of actual payment made to employee. There are no rules for carried forward leave.
- ii) No provision has been made for the retirement benefits payable to the employees since no employee has yet put in the qualifying period of service and the liability for the same will be provided when it becomes due.

i) Earnings Per Share:

- i) Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earning considered in ascertaining the Company's Earning Per Share is the net profit for the period.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

j) Provisions and Contingent Liabilities:

Contingent Liabilities and Contingent Assets and Provisions are recognized when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent liability is disclosed for: i) Possible obligations which will be confirmed by future events not wholly within the control of the company, or ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

k) Taxation:

The Current Charge for income tax is calculated in accordance with the relevant tax regulations, past assessments and legal opinion sought by the Company. Deferred Tax Assets and Liabilities are recognized for future tax consequences attributable to the timing differences that results between the profits offered for income tax and the profit as per the financial statements. Deferred tax assets and liabilities are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

Commitments:

- i) Uncalled liability on partly paid up shares- Nil Previous Year (Nil)
 - ii) Estimated amount of contracts remaining to be executed on capital accounts- NIL. Previous Year (Nil)
 - iii) Other Commitments Nil Previous Year Nil
-
- 1. In the opinion of Board of Directors & best of their knowledge & belief the provisions of all known liabilities are adequate.
 - 2. In the opinion of Board of directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
 - 3. During the financial year 2015-16; the company has made an investment of Rs NIL
 - 4. CIF value of Imports – NIL Previous Year (NIL)
 - 5. Earning & Expenditure in Foreign Currency: NIL Previous Year (NIL)
 - 6. Payments to Auditor's : Rs 15,000/- Previous year Rs. 8,500/-
 - 7. Director's remuneration: NIL Rs. NIL
 - 8. AS per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

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Sr No.	Particulars	Current year 2015-16	Previous Year 2014-15
1	Net Profit (loss) as per P/L A/c	32,710	2,059,521
2	Average No. of equity shares used as denominator for calculating EPS	31,038,000	31,038,000
3	EPS (Basic & Diluted) (Rs.)	0.0105	0.66
4	Face value of each equity share (Rs.)	10/-	10/-

9. Related Party Disclosure: As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are NIL
10. As per information available with the company, no amount is due to any undertaking/Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006
11. Since the Company is dealing in one segment, No separate Segment reporting is given.
12. The figures of the previous years have been regrouped and rearranged wherever it considered necessary.

ATTENDANCE SLIP
24th Annual General Meeting

Name: Rachana Capital and Securities Limited

CIN: L67120GJ1992PLC017397

Regd Office: 903, D Tower, Kalpvruksh Apartment, Gotri, Vadodara - 390021

Website: www.rcasl.com

Email Id: rachnacapital@gmail.com

Name & Address of Member	
DP ID& Client ID	
Reg. Folio	
No. of Shares Held	

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 24th Annual General Meeting of the Company at 903, D Tower, Kalpvruksh Apartment, Gotri, Vadodara - 390021 at 11.00 A.M. on Friday, the 30th September, 2016

Member's Name: _____ Proxy's Name: _____

Member's/ Proxy's Signature

- Note:** 1. please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.

ELECTRONIC VOTING PARTICULARS

EVEN of Rachana Capital and Securities Limited (E-voting Event Number)	User ID	Password
105572		

- Notes:** 1) Each equity share of the Company carries one vote.
2) Please read carefully the instructions printed overleaf before exercising the vote.

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PROXY FORM

Form No. MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: L67120GJ1992PLC017397

Name: Rachana Capital and Securities Limited

Regd. Office: 903, D Tower, Kalpvruksh Apartment, Gotri, Vadodara - 390021

Website: www.rcasl.com

Email Id: rachnacapital@gmail.com

Name of the member (s) :

Registered Address :

E. Mail Id :

Folio No./Client Id :

DP ID :

I/We, being the member(s) holding _____ shares of the 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 on my/our

Behalf at the 24th Annual General Meeting of the Company, to be held on the 30th September, 2016 at 11.00 A.M at 903, D Tower, Kalpvruksh Apartment, Gotri, Vadodara - 390021 and at any adjournment thereof in respect of the following resolutions as are indicated below:

Sr No.	Ordinary Business	Tick Appropriately
1.	Consider and adopt the Audited Financial Statements containing Balance Sheet for the year ended 31 st March, 2016, the statement of Profit & Loss Account and Cash Flow for the year ended 31 st March, 2016 and Reports of the Boards' and Auditors' thereon.	For/Against

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2.	Re-appointment of Mr. Dipeshbhai Ravjibhai Patel, who retires by rotation	For/Against
3.	To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration, and if thought fit to pass, with or without modification(s)) the following resolution as an Ordinary Resolution:	For/Against

Signed this ____ day of ____ 2016

Signature of
Proxy holder(s)
Affix Re.1
Revenue
stamp

Signature of shareholder

Signature of Proxy Holder(s)

Notes:

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. This form of Proxy in ended; to be effective should be duly completed deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. Please put a **(v)** in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. This is only optional.