

ARCHIT ORGANOSYS LIMITED

CIN: L24110GJ1993PLC019941

Annual Report 2013-2014

ARCHIT ORGANOSYS LIMITED

BOARD OF DIRECTORS

Shri Kandarp K. Amin
Smt. Archana K. Amin
Shri Bhupen Mehta
Shri Haresh Shah
Shri Dipesh Kotak
Shri Sanjay Kothar

BANKERS

Union Bank of India,
S.S.I. Branch,
Ashram Road, Ahmedabad - 380 014.

AUDITORS

G. K. Choksi & Co.
Ahmedabad

REGISTERED OFFICE

Plot No. 25/9/A & B, Phase-III,
G.I.D.C. Naroda,
Ahmedabad 382 330.

WORKS

Plot No. 25/9/A,
Phase-III,
G.I.D.C. Naroda,
Ahmedabad 382 330.

ARCHIT ORGANOSYS LIMITED

CIN: L24110GJ1993PLC019941

REDG OFF: PLOT No 25/9-A, PHASE-III, G.I.D.C. NARODA, AHMEDABAD – 382330

PHONE: 91-79- 22821154 E-MAIL: share@architorg.com Website : www.architorg.com

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Monday, 29th September, 2014 at 11.00 a.m. at Royal Inn Restaurant 1st Floor, Nirman Complex, Opposite Havmore Restaurant, Stadium Road, Nawrangpura, Ahmedabad – 380009 to transact the following business:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 Statement of Profit and Loss and Cash Flow for the year ended on that day together with the Directors' Report and the Auditors' Report thereon.
- (2) To appoint a Director in place of Smt. Archana Amin (holding DIN: 00038985) who retires by rotation and being eligible, offers herself for re-appointment.

To appoint Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s. G. K. Choksi & Co., Chartered Accountants, (Firm Reg. no. 101895W), Ahmedabad be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

- (4) To consider and if thought fit to pass the following resolution with or without modification(s), as an **ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under(including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and clause 49 of Listing Agreement, Shri Haresh K. Shah (holding DIN 00133704), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to determination by retirement by rotation and be valid for a term of 5 (five) consecutive years for a term up to March 31, 2019.

- (5) To consider and if thought fit to pass the following resolution with or without modification(s), as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under(including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and clause 49 of Listing Agreement, Shri Dipesh K. Kotak (holding DIN 02531949), Director of the Company, who retires by rotation at the ensuing Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to determination by retirement by rotation and be valid for a term of 5 (five) consecutive years for a term up to March 31, 2019.

- (6) To consider and if thought fit to pass the following resolution with or without modification(s), as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and clause 49 of Listing Agreement, Shri Sanjay M. Kothari (holding DIN 01429539), Director of the Company, who has submitted

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a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to determination by retirement by rotation and be valid for a term of 5 (Five) consecutive years, up to March 31, 2019.

- (7) To consider and if thought fit to pass the following resolution with or without modification(s), as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, if any and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013 and clause 49 of Listing Agreement, Shri Bhupendra V. Mehta (holding DIN 00133677), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, whose period of office shall not be liable to determination by retirement by rotation and be valid for a term of 5 (Five) consecutive years, up to March 31, 2019.

- (8) To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196 and 197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded, for re-appointment of Shri Kandarp K. Amin as a Whole-time Director of the Company designated as Chairman and Whole-time Director for a period of 3 years with effect from 1st April, 2014 on the following terms & conditions:

(A) **SALARY** : ₹ 1,10,000/- per month with suitable breakup as per the policy of the Company. He shall be entitled for annual increment of an amount not exceeding ₹ 25,000/- per month. The first annual increment will fall due on 1st April, 2015.

(B) **PERQUISITES:**

- i) **Provident Fund:** The Company shall pay an amount as per the Company's Rules as applicable.
- ii) **Gratuity:** The Company shall pay gratuity as per the Company's rules.
- iii) **Encashment of leave** at the end of tenure.

(C) **OTHER PERQUISITES:**

- i) **Medical Reimbursement:** Expenses incurred for self and his family subject to a ceiling of one month salary per year which can be carried forward for 3 years.
- ii) **Leave Travel Concession:** For self and family once in a year within such limit as may be approved by the Board of Directors from time to time.
- iii) **Bonus / Ex-gratia Payments:** The Company shall pay as per rules of the Company.
- iv) The Company shall pay the residence telephone expenses, however the long distance personal call shall be billed by the Company.
- v) He shall be entitled to the benefits under all other schemes, privileges and amenities as are granted to the senior executives of the Company in accordance with the Company's practice, rules regulation in force from time to time.

RESOLVED FURTHER THAT he shall be liable to retire by rotation pursuant to applicable provisions of Companies Act, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above, however in any case, the total remuneration shall not exceed the limit as specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to enhance, enlarge, alter, or vary the scope and quantum of remuneration and perquisites of Shri Kandarp K. Amin which revision should be in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/or the Rules and Regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time without further reference to the Company in General Meeting.

- (9) To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 196 and 197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded, for re-appointment of Smt. Archana K. Amin as a Whole-time Director of the Company for a period of 3 years with effect from 1st April, 2014 on the following terms & conditions:

(A) **SALARY** : ₹ 1,25,000/- per month with suitable breakup as per the policy of the Company. She will be entitled for annual increment of an amount not exceeding ₹ 25,000/- per month. The first annual increment will fall due on 1st April, 2015.

(B) **PERQUISITES:**

- i) **Provident Fund:** The Company shall pay an amount as per the Company's Rules as applicable.
- ii) **Gratuity:** The Company shall pay gratuity as per the Company's rules.
- iii) **Encashment of leave at the end of tenure.**

(C) **OTHER PERQUISITES:**

- i) **Medical Reimbursement:** Expenses incurred for self and her family subject to a ceiling of one month salary per year which can be carried forward for 3 years.
- ii) **Leave Travel Concession:** For self and family once in a year within such limit as may be approved by the Board of Directors from time to time.
- iii) **Bonus / Ex-gratia Payments:** The Company shall pay as per rules of the Company.
- iv) The Company shall pay the residence telephone expenses, however the long distance personal call shall be billed by the Company.
- v) She shall be entitled to the benefits under all other schemes, privileges and amenities as are granted to the senior executives of the Company in accordance with the Company's practice, rules regulation in force from time to time.

RESOLVED FURTHER THAT she shall be liable to retire by rotation pursuant to applicable provisions of Companies Act, 2013.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, she shall be paid remuneration by way of salary and perquisites as specified above, however in any case, the total remuneration shall not exceed the limit as specified in Schedule V of the Companies Act, 2013."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to enhance, enlarge, alter, or vary the scope and quantum of remuneration and perquisites of Smt. Archana K. Amin which revision should be in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/or the Rules and Regulations made there under and/or such guidelines as may be announced by the Central Government from time to time without further reference to the Company in General Meeting."

- (10) To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:**

RESOLVED THAT in supersession of the resolution passed by the Company at the Annual General Meeting held in the year 2009 with respect to the borrowing powers of the Board of Directors, consent of the Company be and is hereby accorded pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), to the Board of Directors of the Company for borrowing any sum or sums of money for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, banks, financial institutions or from any others by way of advances, deposits, loans, debentures or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in-trade (including raw materials, stores, spare-parts and components in stock or in transit), work in process and debts and advances notwithstanding that the sum or sums of money so borrowed together with money, if any, already borrowed by the Company (apart from the temporary loans obtained from Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up share capital of the Company and its free reserves which have not been set apart for any specific purpose and that the total amount up to which the money may be borrowed at any one time shall not exceed ₹ 100.00 Crores (Rupees One Hundred Crores only) on account of the principal amount.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolution.

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- (11) To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:
RESOLVED THAT in supersession of the earlier resolution passed by the Company in the General meeting of the Company with respect to the mortgaging and / or charging by the Board of Directors, consent of the Company be and is hereby accorded pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), to the Board of Directors of the Company to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable or immovable properties, both present and future, of the Company, wherever situate, and/or whole or substantially the whole of the undertaking or undertakings of the Company and/or conferring power to enter upon and take possession of the assets of the Company together with power to take over the management of the business and concern of the Company in certain events of default, in favour of any financial institution/s, any other institutions, banks, bodies corporate, agents, trustees or any other person for securing any loan obtained/to be obtained (in foreign currency and/or rupee currency), monies borrowed/to be borrowed and debentures or any other securities issued/to be issued together with interest, compound interest and/or additional interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and other monies payable by the Company to the lender/s with such ranking or in such form and manner as the Board of Directors may agree for the purpose of securing the deposits accepted, the monies borrowed or debentures or other securities issued, as the case may be.
RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolution.

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.**
- The Proxies in order to be valid must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
- Members are requested to notify the change, if any in their registered address.
- The Register of Members and Share Transfer Book of the Company shall remain closed from Thursday, 25th September, 2014 to Monday, 29th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
- Members are requested to bring their copy of Annual Report to the meeting.
- The annual accounts, the reports and all other documents required under the law to be annexed thereto will be available for inspection during working hours at the Registered Office of the Company on any working day prior to the date of the Annual General Meeting.
- Members desiring to seek information on Annual Accounts to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
- Information required to be furnished under the Listing Agreement, as required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed, are given below:

Name of Director	Date of Birth	Date of Appointment	Qualification and Expertise	Shareholding in the Company
*Smt. Archana K. Amin	11/12 /1959	30/09/1999	B.sc (Chemistry) Procurement, Export Business and Production planning	5,88,218
Shri Haresh K. Shah	18 /12 /1959	01/04/2004	B. Com Accounts, Finance related matters	NIL
Shri Dipesh K. Kotak	08 /02 /1984	16/03/2009	B.Com.Accounting and commercial matters	NIL
Shri Sanjay M. Kothari	07/08/1963	01/04/2011	B.A., L.L.B. Legal Matters	2,000
Shri Bhupendra V. Mehta	31 / 03 /1957	01/04/2004	B.sc Marketing Field	NIL

* Smt. Archana K. Amin, Whole Time Director is wife of Shri Kandarp K. Amin, Chairman and Whole Time Director of the Company.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participant. Members holding shares in physical form shall submit their PAN details to the Company.
11. Copies of the Annual Report 2014 along with Notice convening AGM are being sent by electronic mode to all the members whose email addresses are registered with the Company/DP. For members who have not registered their email addresses, physical copies are being sent by the permitted mode.
12. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 e-voting facility is being provided to the members.

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

SECTION A - E-VOTING PROCESS:

1. Open your web browser during the voting period and log on to the e-Voting Website: www.evotingindia.com.
2. Click on "Shareholders" to cast your vote(s).
3. Select the Electronic Voting Sequence Number (EVSN) i.e. "1409044024" along with "COMPANY NAME" i.e. "ARCHIT ORGANOSYS LIMITED." from the drop down menu and click on "SUBMIT".
4. Please enter User ID-
 1. For account holders in CDSL :- Your 16 digits beneficiary ID
 2. For account holders in NSDL :- Your 8 Character DP ID followed by 8 Digits Client ID,
 3. Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:
 1. Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.
For members who have not updated their PAN with the Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
 2. Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format#
 3. Enter your Dividend Bank details (Account Number) recorded in the demat account or registered with the Company for the demat account#

Any one of the details i.e. DOB or Dividend Bank details should be entered for logging into the account. If Dividend Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cutoff date (record date) i.e. 22nd August, 2014 in the Dividend Bank details field.
8. After entering these details appropriately, click on "SUBMIT" tab.
9. First time user holding shares in demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password can also be used by the D-mat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
10. Click on the EVSN of the Company i.e. 1409044024 to vote.
11. On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired YES or NO and click on submit.
12. Click on the Resolution File Link if you wish to view the Notice.
13. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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14. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING

INSTRUCTIONS.

1. The e-Voting period commences on Wednesday September 24, 2014 (9.00 a.m.) and ends on Thursday September 25, 2014 (6.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cutoff date of 22nd August, 2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
2. The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company.
3. Mr. Umesh G. Parikh (Membership No. 2413), Proprietor of M/s. Umesh Parikh & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.architorg.com and on the website of CDSL <https://www.evotingindia.co.in> within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.
5. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
6. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
7. Corporate and Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the 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 communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
9. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

CONTACT DETAILS:

Company	ARCHIT ORGANOSYS LIMITED
Registrar and transfer agent	LINK INTIME INDIA PVT. LTD
E-voting Agency	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com
Scrutinizer	Umesh G. Parikh (Proprietor of M/s. Umesh Parikh & Associates) Practicing Company Secretaries Email id: info@parikhdave.com

PLACE:
REGISTERED OFFICE
PLOT NO. 25/9/A & B, PHASE III,
G.I.D.C. NARODA, AHMEDABAD - 382 330
DATE: 14th August, 2014

**BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.**

**(KANDARP K. AMIN)
CHAIRMAN**

Explanatory Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013

For Item No. 4

Shri Haresh K. Shah has been appointed as a Non Executive and Independent Director on the Board of the Company w.e.f. 1st April, 2004.

Shri Haresh K. Shah aged about 55 years, is a Commerce Graduate. He is a Chairman of the Audit Committee and Nomination and Remuneration Committee.

Shri Haresh K. Shah, retires at the ensuing Annual general Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Shri Haresh K. Shah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Haresh K. Shah as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Haresh K. Shah fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Haresh K. Shah as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Haresh K. Shah as an Independent Director. In view of the same your Directors proposes to pass the above resolution as Ordinary Resolution.

Except Shri Haresh K. Shah being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

For Item No. 5

Shri Dipesh K. Kotak has been appointed as a Non Executive and Independent Director on the Board of the Company w.e.f. 16th March, 2009.

Shri Dipesh K. Kotak aged about 30 years, is Commerce Graduate. He is a Member in Audit Committee of the Company.

Shri Dipesh K. Kotak, retires at the ensuing Annual general Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Shri Dipesh K. Kotak being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Dipesh K. Kotak as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Dipesh K. Kotak fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Dipesh K. Kotak as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Dipesh K. Kotak as an Independent Director. In view of the same your Directors proposes to pass the above resolution as Ordinary Resolution.

Except Shri Dipesh K. Kotak being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

For Item No. 6

Shri Sanjay M. Kothari has been appointed as an Independent Director on the Board of the Company w.e.f. 1st April, 2011.

Shri Sanjay M. Kothari aged about 51 years, holds a Bachelors degree in Arts and Law. He is a Director in various private Companies.

Shri Sanjay M. Kothari, is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Shri Sanjay M. Kothari, being eligible and offering himself for appointment, is

proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Sanjay M. Kothari as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Sanjay M. Kothari fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is Independent of the management. Copy of the draft letter for appointment of Shri Sanjay M. Kothari as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Sanjay M. Kothari as an Independent Director. In view of the same your Directors proposes to pass the above resolution as Ordinary Resolution.

Except Shri Sanjay M. Kothari being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

For Item No. 7

Shri Bhupendra V. Mehta has been appointed as an Independent Director on the Board of the Company w.e.f. 1st April, 2004.

Shri Bhupendra V. Mehta aged about 57 years, holds a Bachelors degree in Science. He is a Member in Audit Committee and Nomination and remuneration Committee.

Shri Bhupendra V. Mehta is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Shri Bhupendra V. Mehta, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019 and he would not be liable to retire by rotation during the aforesaid period.

A notice has been received from a member proposing Shri Bhupendra V. Mehta as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Bhupendra V. Mehta fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is Independent of the management. Copy of the draft letter for appointment of Shri Bhupendra V. Mehta as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Bhupendra V. Mehta as an Independent Director. In view of the same your Directors proposes to pass the above resolution as Ordinary Resolution.

Except Shri Bhupendra V. Mehta being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

For Item No. 8

In view of expiry of term of office of Shri Kandarp K. Amin, Whole-time Director of the Company, the Board of Directors of the Company has re-appointed him as the Whole-time Director of the Company on revised terms w.e.f. 1st April, 2014 for a term of three years.

During the tenure, he has continuously contributed to a great extent in the growth of the Company. Considering his experience, knowledge and contribution made, the Board of Directors has re-appointed him for a period of three years with effect from 1st April, 2014 on the terms of Remuneration which has been approved by the Remuneration Committee and mentioned in resolution.

In the opinion of the Board, Shri Kandarp K. Amin fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his re-appointment as Whole Time Director of the Company.

Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013; the approval of the members is being sought to the terms, conditions and stipulations for the re-appointment of Shri Kandarp K. Amin as Whole Time Director and the remuneration payable to him.

Your Directors recommend the resolution as embodied in the notice to pass as an Ordinary Resolution.

Except Shri Kandarp K. Amin being an appointee and Smt. Archana K. Amin being relative, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

For Item No. 9

In view of expiry of term of office of Smt. Archna K. Amin, Whole-time Director of the Company, the Board of Directors of the Company has re-appointed her as the Whole-time Director of the Company on revised terms w.e.f. 1st April, 2014 for a term of three years.

During the tenure, she has continuously contributed to a great extent in the growth of the Company. Considering her experience, knowledge and contribution made, the Board of Directors has re-appointed her for a period of three years with effect from 1st April, 2014 on the terms of Remuneration which has been approved by the Remuneration Committee and mentioned in resolution:

In the opinion of the Board, Smt. Archna K. Amin fulfills the conditions specified in the Companies Act, 2013 and rules made there under for her re-appointment as Whole Time Director of the Company.

Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013, the approval of the members is being sought to the terms, conditions and stipulations for the re-appointment of Smt. Archna K. Amin as Whole Time Director and the remuneration payable to her.

Your Directors recommend the resolution as embodied in the notice to pass as an Ordinary Resolution.

Except Smt. Archana K. Amin being an appointee and Shri Kandarp K. Amin being relative, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

For Item No. 10

The Company had approved by way of Ordinary resolution passed under section 293(1)(d) of the Companies Act, 1956 to borrow moneys in excess of the aggregate of the paid up capital of the Company and its free reserves, provided the sum or sums so borrowed and remaining outstanding at any point of time shall not exceed Rs. 50.00 Crores.

However, pursuant to the provisions of Section 180 (1)(c) of the Companies Act 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

Accordingly Section 293 (1) (d) under the Companies Act, 1956 has been now replaced by Section 180 (1)(c) of Companies Act, 2013 and it is necessary to pass fresh resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing moneys in excess of the aggregate of the paid up capital of the Company.

Your Directors recommend the passing of the proposed Special resolution.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution. The proposed resolution does not relate to or affect any other company.

For Item No. 11

The Company had passed the resolution under Section 293(1) (a) of the Companies Act, 1956 and had authorized the Board of Directors to mortgage and/ or charge all or any of the movable or immovable properties of the Company and/ or the whole or any part of the undertaking (s) of the Company in favour of the lenders to secure the financial assistance borrowed from time to time.

Section 180 (1) (a) of the Companies Act, 2013 requires that the consent of the Company be accorded by way of a special resolution for creating mortgages, charges, hypothecation and other encumbrances on all or any of the movable or immovable properties of the Company and/or the whole or any part of the undertaking (s) of the Company.

As Section 293 (1) (a) under the Companies Act, 1956 has been now replaced by Section 180 (1)(a) of Companies Act, 2013, it is necessary to pass fresh resolution under Section 180(1)(a) of the Companies Act, 2013 for creating mortgages, charges, hypothecation and other encumbrances on all or any of the movable or immovable properties of the Company.

Your Directors recommend the passing of the proposed Special resolution.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution. The proposed resolution does not relate to or affect any other company.

**PLACE:
REGISTERED OFFICE
PLOT NO. 25/9/A & B, PHASE III,
G.I.D.C. NARODA, AHMEDABAD - 382 330
DATE: 14th August, 2014**

**BY ORDER OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED.**

**(KANDARP K. AMIN)
CHAIRMAN**

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Annual Report together with the audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS:

The operating results of the Company for the year ended 31st March, 2014 are briefly indicated below:

	2013-2014	(₹ in lacs) 2012-2013
Profit / (loss) Before Depreciation and Taxation	118.64	99.72
Depreciation	29.90	32.63
Profit / (Loss) before Taxation	88.74	67.09
Provision for taxation - For Current Tax	27.00	35.01
Provision for taxation - For Deferred Tax	2.15	(7.20)
MAT credit Entitlement	0.00	(11.10)
Profit / (Loss) after Taxation	59.59	51.01

DIVIDEND

In order to plough back resources, your directors do not recommend any payment of dividend for the financial year.

PERFORMANCE OF THE COMPANY & FUTURE PROSPECTS.

During the year under review, revenue from operation increased to ₹ 5056.66 lacs from ₹ 3910.16 lacs in the previous year, at a growth rate of 29.32%. Further details are given in management discussions and analysis report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT.

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges Management Discussions & Analysis Report is attached as part of this Annual Report.

DEPOSITS

The Company has not accepted any deposits within the meaning of Section 58 A of the Companies Act, 1956.

DIRECTORS

Smt. Archana K. Amin, whole time director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Your Directors recommended her re-appointment.

Mr. Haresh K. Shah and Mr. Dipesh K. Kotak, Directors of the Company, who retire by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956 are being appointed as Independent Directors at this meeting for the term of five consecutive years pursuant to the provisions of the Companies Act 2013.

Pursuant to the provisions of the Companies Act 2013, Mr. Sanjay M. Kothari and Mr. Bhupendra V. Mehta, whose period of offices are liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956 are being appointed as Independent Directors at this meeting for the term of five consecutive years.

Notices under section 160 of the Companies Act, 2013 have been received from the members signifying their intention to propose candidature of aforesaid Directors as Independent Directors.

Necessary resolutions have been proposed for their re-appointment in the ensuing Annual General Meeting. The Board has recommended their reappointment for consideration of shareholders.

CORPORATE GOVERNANCE REPORT

Your Company has complied with the Corporate Governance practice mandated by Clause 49 of the Listing Agreement. A report on the same is given separately.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, the Directors Confirm that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- 2) appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- 3) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the accounts have been prepared on going concern basis.

INSURANCE

The Company has taken adequate insurance to cover its assets.

LISTING

The Company's Securities are listed with the Stock Exchanges at Ahmedabad and Mumbai. The Company has paid the listing fees for the year 2014-2015 to both the Stock Exchanges.

EMPLOYEES

As there are no employees drawing remuneration more than the limit prescribed under Section 217(2A) of the Companies Act, 1956, and the Companies (Particulars of Employees) Rules, 1975, as amended, from time to time, statement under section 217(2A) is not required.

STUTORY AUDITORS:

The Company's Auditors **M/s. G. K. Choksi & Co.**, Chartered Accountants, will retire at the ensuing Annual General Meeting but being eligible offers themselves for re-appointment. The Members are requested to appoint auditors for the current year and fix remuneration.

AUDITORS' OBSERVATIONS:

With regard to the observation of auditors regarding:-

1. Non provision of the option loss including interest, the management is of the opinion that the said liability is of contingent nature and for the same, legal matter is pending at DRT Mumbai. In view of the same, it is not recognized as the liability and hence no provision has been made for the option loss and interest thereon.
2. The Company is yet to initiate the process of obtaining confirmation from suppliers who have registered themselves under Micro, Small and Medium Enterprises Development Act, 2006. In the absence of relevant information, the balance due to micro, small and medium enterprises and interest paid and payable under MSMED Act, 2006 could not be complied with and disclosed.
3. The Company is in process of preparing / compiling the records of Fixed Assets including the quantitative and situation of fixed assets. Once the records have been compiled, the management would verify the fixed assets physically, however the company has a regular programme of verification which is reasonable having regard to the size of the company and nature of its business

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

Particulars to be given in respect of the above activity under the Companies (Disclosure of Particulars in report of Directors) Rules, 1988 is given in the Annexure to this report.

ACKNOWLEDGEMENT:

The Board is thankful to its bankers for their continued support and assistance, which has played important role in progress of the Company.

Your Directors places on records the contribution of employees of the Company at all levels and other business associates for their commitment, dedication and respective contribution to the Company's operations during the year under review.

Place:

Registered Office

Plot No. 25/9/A & 25/9/B, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330

Date: 14th August, 2014

**FOR AND ON BEHALF OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED**

**(KANDARP K. AMIN)
CHAIRMAN**

ARCHIT ORGANOSYS LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

(A) Conservation of energy:

a) Energy conservation measures are taken:

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy. The office area is designed in such a way that during day time not much artificial lighting is necessary in the office.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy and other raw materials.

Company is continuously monitoring and making effort for optimum utilization of equipments which ensures to conserve energy during routine operations itself. There is no specific investment plan for energy conservation.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Impact of the measures mentioned here in above in point (a) and (b) certainly reduces the energy consumption and consequent impact on the cost of production of services.

d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure:

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. POWER & FUEL CONSUMPTION	Current year	previous year	
1. Electricity			
a) Purchase Units KWH (in lacs)	7.38	6.68	
Total amount (₹ In Lacs)	48.62	43.46	
Rate/Unit (₹ per KWH)	6.60	6.50	
b) Own Generation :			
Units (in lacs)	N.A.	N.A.	
Total amount (₹ in lacs)	N.A.	N.A.	
Rate/Unit (₹)	N.A.	N.A.	
2. Coal & Lignite	N.A.	N.A.	
3. Furnace Oil	N.A.	N.A.	
4. Other (integral generation)	N.A.	N.A.	
B. Consumption per unit of production			
	Standards (if any)	Current year 1	Previous year 2
Products (with details) unit	—	—	—
Electricity	—	0.91	0.90
Furnace oil	—	—	—
Coal (specify quality)	—	—	—
Other (specify)	—	—	—

(B) Technology Absorption:

The efforts made in technology absorption are mentioned below in Form-B

FORM – B

Form for disclosure of particulars with respect to absorption

RESEARCH AND DEVELOPMENT (R & D):

1. Specific areas in which (R & D) carried out by the Company.

Company is continuously carrying out R & D activities in the areas of new product/process development, improvement in existing process.

These efforts have resulted in improvement in production process, better quality, stability and bio invisibility.

2. Benefits derived as a result of the above R & D.

Production processes have improved resulting in better productivity

3. Future plan of action.

The Company has nothing to report under this clause

4. Details of R & D Expenditure.

Expenditure charged to respective primary heads of accounts

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION.

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:-

Company has always been making best effort towards technology absorption, adaptation and innovation to improve the quality.

2. Benefits derived as a result of the above efforts e.g. product, improvements, cost reduction, product development, Import substitution etc. :

It improves the quality of company's products being manufactured and reduces the cost of production.

3. Details of Technology imported (during the last 5 years).

a. Technology imported: N.A.

b. Year of import: N.A.

c. Has technology been fully absorbed? : N.A.

d. If not absorbed, areas where this has not taken place, reasons there for and future plan of action: N.A.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to exports:

The company is concentrating on continuous quality and product improvement.

The company is also planning to increase its presence in the global market and also to explore new market and also to explore new market for its activities.

2. Total foreign exchange used and earned.

	<u>Current year</u>	<u>Previous year</u>
Earnings :	₹ 1581.37 Lacs	₹ 2039.16 lacs
Out go :	₹ 899.74 Lacs	₹ 686.95 lacs

Place:

Registered Office

Plot No. 25/9/A & 25/9/B, Phase III,
G.I.D.C. Naroda, Ahmedabad - 382 330

Date: 14th August, 2014

**FOR AND ON BEHALF OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED**

**(KANDARP K. AMIN)
CHAIRMAN**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The Company is primarily engaged in the business of manufacturing and sale of various chemical products.

The Company has capacity to withstand in the market and face the stiff competition prevailing in the chemical business market. The financial year 2013-14 has been good for our Company.

Opportunities and Outlook

The Company is optimistic about its growth prospectus in the future. The Company has been concentrating on building brand image in the market.

The Company is facing stiff competition from various chemicals companies in domestic market. However, Company is well positioned to leverage the opportunities to manage the challenges that have arisen in domestic market.

Outlook

The Company expects to increase its market share in the existing market by increasing its product range through new product launches, especially in pharma industry, expanding its geographical coverage in more regions and undertaking large job contracts. We are cautiously optimistic of our prospects and believe that the year will go a long way in stabilizing our growth path. The Company also concentrates on adding new products to its existing product range. The Company also puts more efforts in R & D activities, reduction in process cycles, and improvement in existing process etc. The company is also diversifying in to pharma line, by importing bulk drugs and marketing in local market, apart from that the company is also looking to acquire a new unit of pharma formulation which will help the company to diversify its wings in the ever growing pharmaceutical industry. This would also help the Company to perform better in coming years.

Risk and Concerns

Company is facing competition from various small-scale manufacturers in certain products. Manufacturing cost and administrative costs are also increasing day by day. But Company is equipped to meet the challenges by better marketing tactics, and effective management of cost and expenses.

The Company is also required to follow and maintain the norms laid down by Gujarat Pollution Control Board (GPCB) for discharge of its effluents. The Company is adhering to the norms laid down by GPCB and has spent a large amount of funds on changing the old machinery and erecting new machines which adhere to the new stringent laws of GPCB.

Internal Control Systems and their adequacy

The Company has an adequate system of Internal Control relating to purchase of stores, raw materials, plant & machineries, equipments & various components and for the sale of goods commensurate with the size and nature of business of the Company.

The system of Internal Control of the Company is adequate keeping in mind the size and complexity of your Company's business. Systems are regularly reviewed to ensure effectiveness.

Financial Performance

Financial Performance with respect to Operational Performance is discussed in the main part of the Report. Operational expenditures have also increased because of the increased financial commitments.

Material Developments in Human Resources / Industrial Relations

The Chemical industry is knowledge driven, considering this aspect we continue to build our team with high quality talent. The Company is putting thrust on providing training both in-house and outside. The key personnel are technically qualified and fully trained to run chemical plants.

Company has developed in house quality products of SMCA powder in to crystal form for the first time in Indian market. This product is developed by Mr. Archit Amin, who has studied in U.S.A. This will fetch goods business in export markets with better profitability.

The Company maintains cordial & harmonious relation with its employees.

New Product Developing

We have developed a new product in adhesives & sealants used for residential & commercial buildings with technical know how & knowledge from German technician.

SECRETARIAL COMPLIANCE CERTIFICATE

To,
The Members,
ARCHIT ORGANOSYS LIMITED.
Plot No. 25/9-A & B, Phase-III,
GIDC Naroda,
Ahmedabad - 382 330

We have examined the registers, records, books and papers of ARCHIT ORGANOSYS LIMITED, as required to be maintained under the Companies Act, 1956 (the Act), and Companies Act, 2013 (to the extent of sections made effective from 12th September, 2013), and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31-03-2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and to the best of our knowledge and belief, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act, and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Gujarat.
3. The Company, being a Public Limited Company, has minimum prescribed share capital and comments on the maximum number of members during the year under review are not required.
4. The Board of Directors duly met 7 times on (1) 19-04-2013 (2) 18-05-2013 (3) 14-08-2013 (4) 16-09-2013 (5) 14-11-2013 (6) 12-02-2014 and (7) 21-03-2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
The Audit Committee duly met on (1) 18-05-2013 (2) 14-08-2013 (3) 14-11-2013 and (4) 12-02-2014 in respect of which meeting proper notice was given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 8th August, 2013 to 12th August, 2013 and necessary compliance of section 154 of the Act has been made during the year under review.
6. The Annual General Meeting for the financial year ended on 31-03-2013 was held on 12-08-2013 after giving notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Companies Act, 1956 and section 185 of the Companies Act, 2013 (made effective from 12th September, 2013).
The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act, in respect of the contracts falling within the purview of section 297 of the Act, during the year under review.
11. The Company has obtained necessary approvals from the Board of Directors and members pursuant to section 314 of the Act wherever applicable and approval of Central Government was not required to be obtained.
12. The Company has not issued any duplicate share certificate during the year under review.
13. During the year under review:
 - (i) the Company has delivered all the certificates on lodgment thereof for transfer /transmission of shares in accordance with the provisions of the Act and there was no allotment of Shares or securities.
 - (ii) the Company has not deposited any amount in a separate Bank Account as no dividend was declared.
 - (iii) the Company was not required to post warrants to any members of the Company as no dividend was declared.
 - (iv) the Company has not transferred any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no amounts outstanding;
 - (v) the Company has duly complied with the requirements of section 217 of the Act.

ARCHIT ORGANOSYS LIMITED

14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the year under review.
15. The Company's Paid-up Share Capital being less than the prescribed limit of Rs. 5 Crores, it is not required to appoint any Managing Director / Whole-time Director / Manager and accordingly provisions of Section 269 of the Act, are not applicable. However company has appointed Shri Kandarp Amin and Smt. Archana Amin as Whole Time Directors.
16. The Company has not appointed any sole-selling agents during the year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the year under review.
18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the year under review.
20. The Company has not bought back any shares during the year under review.
21. As there were no preference shares or debentures issued, there was no redemption of preference shares or debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the year under review.
24. The amounts borrowed by the Company from financial institutions / banks, during the period under review are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act has been passed on 30-12-2009 in duly convened Annual General meeting.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the year under review and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under review.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year under review.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year under review, for offences under the Act.
32. The Company has not received any money as security from its employees during the year under review.
33. The Company has not constituted any separate provident fund of employees or any class of employees as envisaged under section 418 of the said Act.

**FOR UMESH PARIKH & ASSOCIATES
COMPANY SECRETARIES
(UMESH PARIKH)**

**Proprietor
C. P. No.: 2413**

**Date: 14th August, 2014
Place: Ahmedabad**

ANNEXURE "A"

List of Registers as maintained by the Company:

1. Register of Transfer under Section 108
2. Register of Charges under Section 143
3. Register of Members under Section 150
4. Index of Members under Section 151
5. Minutes book of General Meetings, Board meetings and committee meetings u/s 193
6. Books of accounts under Section 209
7. Register of Contracts under Section 301
8. Register of General notice of directors under Section 301(3)
9. Register of Directors etc. under Section 303
10. Register of Directors' Shareholding under Section 307
11. Register of renewed and duplicate Share Certificate

ANNEXURE "B"

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities for and during the financial year ended on 31-03-2014.

Sr. No.	FORM NO./ RETURN Under COMPANIES ACT 1956/ 2013	FILED UNDER SECTIONS OF COMPANIES ACT 1956/ 2013	DESCRIPTION	DATE OF FILING	WHETHER FILED WITHIN PRESCRIBED TIME YES/ NO	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEE PAID YES/NO
1.	66	383A	Secretarial Compliance Certificate for the financial year ended 31-03-2013.	04-09-2013	Yes	N.A
2.	23	149(2A) and 314	Special resolution passed at the Annual General Meeting held on 12 th August, 2013 for commencing/ undertaking the activity mentioned in Clause 7 (c) of Other Object Clause of MOA and for payment of remuneration to the relative of Directors.	11-09-2013	Yes	N.A.
3.	20A	149	Declaration as required u/s 149(2A) for 11-09-2013 Commencing/Undertaking new activity.	11-09-2013	Yes	N.A.
4.	23AC/ACA XBRL	220	Annual Report for the financial year ended 31-03-2013,	11-09-2013	Yes	N.A.
5.	Form I XBRL	233B(4), 600(3)(b)	For Filing XBRL documents in respect of Cost Audit Report and Other documents with the Central Government for the year ended 31 st March, 2013.	27-09-2013	N.A.	N.A.
6.	20B	159	Annual Return made up to 12-08-2013	10-10-2013	Yes	N.A.
7.	MR 1	196(4)	For re-appointment of Shri Kandarp Amin as a Whole-time Director of the Company at the Board Meeting held on 21 st March, 2014.	28-06-2014	No	Yes
8.	MR 1	196(4)	For re-appointment of Smt. Archana Amin as a Whole-time Director of the Company at the Board Meeting held on 21 st March, 2014.	28-06-2014	No	Yes

CORPORATE GOVERNANCE REPORT

(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)

The Securities and Exchange Board of India (SEBI) has introduced a code of corporate governance for listed companies which is implemented through the listing Agreements with the Exchanges with which the Company is listed. The Company has complied with the corporate governance requirements set out in Clause 49 of the listing Agreement.

1) Company's Philosophy on Code of Corporate Governance.

The Company believes that good corporate governance leads to corporate growth and long term gain in shareholders value. The Company is committed to maintain the highest standard of corporate governance in its conducts towards shareholders, employees, customers, suppliers and other stakeholders.

Our focus on sustainable growth, productivity improvement, commitment to quality and safety in operations is unrelenting.

2) Board of Directors.

Composition:

The Board of directors consists of Six Directors, of whom Shri Kandarp K. Amin and Smt. Archana K. Amin are Whole - Time Directors of the Company. The composition of Board of Directors is in compliant with the requirement of Clause 49 (IA) i.e. more than 50 % of Directors are non-executive Directors.

The detailed composition of the Board and other related information is given in the table below.

Board meetings:

During the year, Seven Board Meetings were held on 19-04-2013, 18-05-2013, 14-08-2013, 16-09-2013, 14-11-2013, 12-02-2014 and 21-03-2014.

The composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship and committee Memberships are given below:

Sr.	Name of Director	Category of Directorship	No. of Board Meetings attended companies	Attendance at last AGM	No. of other Directorship (including in private at the year end)	*No. of Committee Membership/ Chairmanship in other domestic companies at the year end
1.	Shri Kandarp Amin	Chairman and Whole Time Director	7	Yes	-	-
2.	Smt. Archana Amin	Whole Time Director	7	Yes	1	-
3.	Shri Bhupendra Mehta	Independent Non-Executive Director	6	Yes	-	-
4.	Shri Haresh Shah	Independent & Non-Executive Director	6	Yes	-	-
5.	Shri Dipesh Kotak	Independent & Non-Executive Director	7	No	-	-
6.	Shri Sanjay Kothari	Independent & Non-Executive Director	5	Yes	4	-

Note:

*Under this column, membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee is considered.

The Company did not have any pecuniary relationship or transactions with the non-executive directors during the period under review. None of Directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

The Board meets at least once a quarter and interval between two meetings was not more than four months.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure. Among others, this includes:

1. Operating plans, capital budget and updates and reviews thereof,
2. Quarterly results of the company and business segments,
3. Opportunities of expansion, new projects, acquisition ,
4. Proposal for diversification, investments, disinvestments, restructuring,
5. Compliance of listing requirements,
6. Minutes of committee meetings.

Shareholding of Non-Executive Directors as on 31st March, 2014 is as follows:

Name of the Directors	Number of Equity Shares
Shri Bhupendra Mehta	NIL
Shri Haresh Shah	NIL
Shri Dipesh Kotak	NIL
Shri Sanjay Kothari	2000

3) **Audit Committee**

As required under Section 177 of the Companies Act, 2013 and Section 292A of the erstwhile Companies Act, 1956, read with the provisions of Clause 49 of the listing agreement, the Board has constituted an audit Committee consisting of 3 (Three) Independent Directors – Shri Haresh K. Shah, Shri Bhupendra V. Mehta and Shri Dipesh K. Kotak as the members.

The composition of Committee and the qualifications are in compliance with the provisions of the Companies Act, 2013 and Clause 49 of Listing Agreement. During the year, 4 (four) Committee Meetings were held on 18-05-2013, 14-08-2013, 14-11-2013 and 12-02-2014 which were attended by all committee members.

The functions of Audit Committee are as outlines in the Companies Act, 2013 and the Listing Agreement. Broadly the same are (i) oversee the financial reporting process (ii) recommend the appointment/re-appointment of auditors, (iii) decide the audit fees, discuss the nature and scope of audit and ascertain area of concern, (iv) review the annual and quarterly financial statements, (v) review the changes in accounting policies etc (vi) review the adequacy of internal audit functions and discuss with them significant findings, (vii) review the disclosure of related party transactions, (viii) Compliance with listing and other legal requirements relating to financial statements (IX) to oversee the working of vigil mechanism, Etc.

The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The interval between two meeting convened was not more than four months. The audit committee adheres to the SEBI guidelines in terms of quorum of its meetings, functioning, role and powers as also those set out in erstwhile Companies Act, 1956 and the Companies Act, 2013.

4) **Nomination and Remuneration Committee**

After closure of the year, pursuant to the provisions of the Companies Act, 2013, the Remuneration Committee has been re-named as Nomination and Remuneration Committee.

The Company's Nomination and Remuneration Committee consists of three Independent Directors. The members of the committee are Shri Haresh Shah, Shri Bhupendra Mehta and Shri Dipesh Kotak.

The terms of reference of the Nomination and Remuneration Committee are as outlined in the Companies Act, 2013 and the Listing Agreements

The Committee is inter alia authorised to identify persons who are qualified to become Directors, appointment of senior Management, evaluation of Directors performance, recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and granting of Stock options to senior Managerial Personnel.

Accordingly Committee reviews the remuneration package of the Whole time Directors of the Company and recommends suitable remuneration package / revision to the Board, in accordance with the guidelines laid out by the statute.

During the year, one meeting of the Committee was held on 21st March, 2014, which was attended by all committee members.

Details of remuneration paid for the year ended 31-03-2014.

Name	Position held During the period	Salary and Allowances Rs. in lacs	Perquisites Rs. in Lacs	Total Remuneration ₹ in Lacs
Shri. Kandarp K Amim	Chairman & Whole-time Director	12.00	NIL	12.00
Smt. Archana K. Amin	Whole -time Director	12.00	NIL	12.00

The Company has not paid sitting fees to any Directors.

5) Stakeholders Relationship Committee

Pursuant to the provisions of the Companies Act, 2013, the Shareholders/ Investors Grievances cum Share Transfer Committee has been re-named as Stakeholders Relationship Committee.

The Board of Directors of the Company has constituted Stakeholders Relationship Committee which looks in to matter of redressing investor / shareholders grievances.

The members of the committee are Shri Kandarp K. Amin, Shri Bhupendra Mehta and Shri Haresh Shah.

As a measure of good corporate governance and to focus on the Shareholders' grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee deals with issue of duplicate share certificates, redressing of shareholders and investors complaints and Grievances like transfer of shares, non-receipts of Balance-sheet. All the meetings of the committee were attended by all members.

6) Code of Conduct

The Company's code of conduct has been complied with by all the members of the Board and selected employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulation, 1992. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

7) General Body Meetings

Annual General Meetings and Extra Ordinary General Meeting held in last three years were as under :-

Annual General Meeting:

Financial Year ended	Date	Time	Venue
31-03-2013	12-08-2013	11.00 a.m.	25/9/A, Phase III, GIDC Industrial Estate Naroda, Ahmedabad – 382 330
31-03-2012	17-09-2012	10.30 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330
31-03-2011	02-09-2011	11.30 a.m.	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330

No Extra Ordinary General Meeting was held during the year.

No Special Resolutions were put through postal ballot last year. At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

8) Disclosures

In preparation of financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

Related party transactions during the year have been disclosed as required under applicable Accounting Standard. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have any conflict with the Company's interest.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

No strictures / penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matters related to the capital market during last 3 years.

The Company's code of conduct has clearly laid down procedures for reporting unethical behavior, actual or suspected fraud or violation of the ethics policies. No employee of the company was denied access to the Audit Committee.

9) Means of Communication

1. The Company has published its quarterly results in Western Times, Gujarati and English Edition.
2. The Management Discussion & Analysis forms part of the Annual Report, which is posted to all the members of the Company.

10) General Shareholder Information

Day, Date, time and venue of AGM	Monday, 29th September, 2014 at 11.00 a.m. at Royal Inn Restaurant 1st Floor, Nirman Complex, Opposite Havmore Restaurant, Stadium Road, Navrangpura, Ahmedabad – 380009.
Dates of Book Closure	Thursday, 25th September, 2014 to Monday, 29th September, 2014 (both days inclusive)
Listing on Stock Exchanges	The Stock Exchanges at Mumbai & Ahmedabad.
Listing Fees	Company has paid fees to both Stock Exchanges as per listing agreement.
ISIN No.	INE078I01011
Stock Exchange's Script Code	Mumbai Stock Exchange : No. 524640 Ahmedabad Stock Exchange : No. 53641
Registered Office	25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.
Dividend Payment Date	Not Applicable
Compliance Officer	Mr. Mahesh J. Shah
Registrar and Share Transfer Agent	LINK INTIME INDIA PVT. LTD. 303, Shopper's Plaza, - V, Opp Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380009

11) Share price on BSE Ltd. was Rs. 10.55 Per Share as on 27th March, 2013

The equity shares of the company were been thinly traded and details of high low are given as under:

Sr.No.	Month	High (₹)	Low (₹)
*1.	April '13	—	—
2.	May '13	12.90	11.75
3.	June '13	11.55	10.46
4.	July '13	11.75	11.50
5.	August '13	12.25	12.13
*6.	September '13	—	—
7.	October '13	12.00	10.00
8.	November '13	10.00	10.00
9.	December '13	12.40	09.75
10.	January '14	11.80	09.63
11.	February '14	09.60	09.60
12.	March '14	11.10	10.08

* shares have not been traded in respective months.

ARCHIT ORGANOSYS LIMITED

12) Financial Calendar 2014-2015 (tentative)

Annual General Meeting	Last week of September, 2015
Results for quarter ending June 30, 2014	on or before 14 th August, 2014
Results for quarter ending September 30, 2014	on or before 14 th November, 2014
Results for quarter ending December 31, 2014	on or before 14 th February, 2015
Results for year ending March 31, 2015	on or before 31 st May, 2015

13) Distribution of Shareholding as on 31-03-2014

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Up to 500	2817	81.87	9,27,369	30.41
501 - 1000	451	13.11	3,52,100	11.54
1001 - 2000	134	3.89	1,96,199	6.43
2001 - 3000	10	0.29	25,800	0.85
3001 - 4000	3	0.09	9,800	0.32
4001 - 5000	12	0.35	58,100	1.90
5001-10000	6	0.17	38,180	1.25
10001 and above	8	0.23	14,42,452	47.30
Total	3441	100.00	30,50,000	100.00

14) Pattern of Shareholding as on 31-03-2014

Sr.No	Category	No. of Shares	(%)
1.	NRI	58,000	1.91
2.	Financial Institutions/Banks	Nil	N.A.
3.	Mutual Funds	Nil	N.A.
4.	Promoters group	13,54,377	44.41
5.	Body Corporate	1,00,900	3.31
6.	Others	15,36,723	50.37
	Total	30,50,000	100.00

15) Dematerialisation of Shares, Registrar & Transfer Agent & Share Transfer System.

(i) Share Transfer System

The process of transfer / transmission / transposition etc. of equity shares in physical form including dispatch of the share certificates is completed within a period of 15 days if the documents are in order in all respects.

(ii) Dematerialisation of shares, Registrar & Transfer system:

The equity shares of the Company are available for dematerialization through National securities depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

LINK INTIME INDIA PRIVATE LIMITED, having its office at 211, Sudarshan Complex, Navrangpura, Ahmedabad-380009 as Registrar and Share Transfer Agents being a Common Agency for Physical and Electronic modes.

17,00,200 equity shares comprising of 55.75 % of the total equity shares of the Company are in dematerialised form as on 31-03-2014.

(iii) Investors Correspondence:

All shareholders queries are sent to the Company at its Registered office at Plot No. 25/9/A, Phase III, G.I.D.C. Naroda, Ahmedabad - 382 330 or to the Registrar & Transfer Agent as aforementioned address.

16) Secretarial Audit for Reconciliation of Capital:

As stipulated by SEBI, Practising Company Secretaries carry out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where shares of the Company are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

17) Mandatory/ Non-Mandatory Requirements

During the financial year 2013-14, the Company

- (a) Duly complied with all the mandatory requirements of the revised Clause 49 of the Listing Agreement.
- (b) The company did not adopt any of the non- mandatory requirements of Clause 49 of the Listing Agreement other than constituting the Remuneration Committee.

18) Location

The Company's plant is located at 25/9/A, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382 330.

19) Declaration for Compliance of Code of conduct

Code of conduct for Board members and Senior Management personnel was approved at the Board meeting in the month of January 2006.

Company has obtained confirmation for the compliance of code of conduct from all the Board members and senior Management Personnel of the Company on an annual basis. The senior Management Personnel covers all the employees in the cadre of General Manager.

This is a declaration as required by Circular No. SEBI / CFD/DIL/CG/1/2004/12/10 dated 29th October 2004 – annexure – I – Clause I (D) (II).

20) CEO/CFO Certification

The CEO and CFO of the company give annual certification on the financial reporting and internal controls to the Board in term of Clause 49 of listing Agreement.

Place : Ahmedabad
Date: 14th August, 2014

**FOR AND ON BEHALF OF THE BOARD
FOR ARCHIT ORGANOSYS LIMITED
KANDARP K. AMIN
CHAIRMAN & WHOLE-TIME DIRECTOR**

AUDITORS' CERTIFICATE

To,
The Members,
ARCHIT ORGANOSYS LIMITED

We have examined the compliance of conditions of Corporate Governance by **ARCHIT ORGANOSYS LIMITED** for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

For G. K. Choksi & Co.
Chartered Accountants
(SANDIP PARIKH)
Partner
Membership No. 40727

Place: Ahmedabad
Date: 14th August, 2014

CERTIFICATION BY CHAIRMAN AND CHIEF- FINANCIAL OFFICER

To,
The Board of Directors
ARCHIT ORGANOSYS LIMITED.
Plot No 25/9-A & B, Phase-III, GIDC Naroda,
Ahmedabad – 382 330.

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and all Notes on Accounts, as well as Cash Flow Statements as at 31st March, 2014 and certify that to the best of our knowledge and belief :
 - (i) These Statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - (ii) These Statements read together present a true and fair view of the Company's Affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. No transactions have been entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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 of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
4. We do further certify that there had been :
 - (i) no significant changes in internal control during the year;
 - (ii) no significant changes in accounting policies during the year; and
 - (iii) no instances of significant fraud, of which we are aware during the period.

Place: Ahmedabad
Dated: 14th August, 2014

Chairman

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
ARCHIT ORGANOSYS LIMITED,
Ahmedabad.

Report on the Financial Statements

We have audited the accompanying financial statements of **ARCHIT ORGANOSYS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

- (i) *The company had entered into derivative contract for sale of foreign currency with HDFC Bank Ltd. in financial year 2008-2009 which has resulted into loss to the tune of ₹ 1,97,52,367/- against which the sum of ₹ 55,06,598/- has already been paid to HDFC Bank Ltd. and charged to Statement of Profit and Loss in the aforesaid financial year. Consequent upon adjustment of fixed deposits amounting to ₹ 23,64,200/- against the balance loss of ₹ 1,42,45,769/- the liability on account of aforesaid loss, as per bank statement provided up to 31st January, 2013 stands to ₹ 1,47,07,069/- including interest, which has not been provided for by the company. Such non provision of liability has resulted into non compliance of Accounting Standard 29 issued by Institute of Chartered Accountants of India and also resulted into understatement of current liabilities. Since the interest/charges, if any, for the period from 1st February, 2013 to 31st March, 2014 has not been intimated to company, the impact thereof on profit for the year under review could not be ascertained.*
- (ii) *The company has not yet compiled the requisite information, related to suppliers who have registered themselves under the Micro, Small And Medium Enterprises Development Act, 2006. In the absence of relevant information the requisite disclosures are not made in the financial statements.*
Had the observations made by us in Para (i) above been considered, the loss for the year would have been ₹ 87,47,430/- as against reported profit of ₹ 59,59,639/-, current liabilities would have been ₹ 15,75,03,305/- as against reported current liabilities of ₹ 14,27,96,236/-.

Qualified Opinion

in our opinion and to the best of our information and according to the explanations given to us, *except for the matter described in the basis for Qualified Opinion paragraph*, the 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 the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) *Except for the matter described in the basis for Qualified Opinion paragraph*, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March, 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For G. K. Chokai & Co.
Chartered Accountants

[Firm Registration No. 101895W]
(SANDIP PARIKH)

Partner

Membership No. 40727

Place: Ahmedabad

Date: 28th May, 2014

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Report of even date to the members of ARCHIT ORGANOSYS LIMITED)

- 1 (a) *The Company is in the process of compiling and updating fixed assets records so as to show full particulars, including quantitative details and situation of fixed assets..*
- (b) *We were informed that the fixed assets were not physically verified by the Management at the end of the year however the company has a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its business. Since the fixed assets records are still under compilation no comparison with the book records have yet been made. In the absence of such comparison opinion as to discrepancies if any can not be given.*
- (c) The Company has not disposed of any substantial part of its fixed assets during the year as would affect its going concern status.
- 2 (a) In our opinion, physical verification of inventory (excluding inventory lying with third parties) has been conducted by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management *needs to be strengthened* in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the Company is maintaining proper records of inventory. No material discrepancy was noticed on physical verification of the inventory.
- 3 (a) The Company has not granted any loans, secured or unsecured to any companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act, 1956. Accordingly clause 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the order are not applicable.
- (b) (i) The Company has taken interest free unsecured loans from four parties and interest bearing unsecured loan from one party covered in the register maintained u/s.301 of the Companies Act, 1956. The balance outstanding on account of these loans as at the end of the year was ₹ 2,00,00,000/- and the maximum balance outstanding during the year were ₹ 3,05,16,105/-.
- (ii) The terms and conditions of the above loans are prima facie not prejudicial to the interest of the Company.
- (iii) As per the information and explanations given to us, principal amount and interest thereon has been repaid whenever they fall due for payment.

- 4 In our opinion and according to information and explanation given to us; the internal control system *needs to be strengthened* so as to commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets. However there is adequate internal control system with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal controls.
- 5 (a) According to information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the act have been entered in the register required to be maintained under that section.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or other relevant provisions of the act.
- 7 In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business;
- 8 We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 9 (a) In our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues and the company had no arrears of such outstanding dues as at 31st March, 2014 for a period more than six months from the date they became payable.
(b) According to the information and explanations given to us, the Company does not have any disputed outstanding statutory dues as at 31st March, 2014.
- 10 The company does not have accumulated losses at year end. However, had the effect of qualification reported *in the basis for Qualified Opinion paragraph* of Independent Auditor's report been taken in to consideration, there would have been cash loss to the tune of ₹ 28,42,763/- for the year under review. Similarly, there would have been cash loss to the tune of ₹ 47,35,007/- in the immediately preceding year.
- 11 According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or bank.
- 12 As per the information and explanations given to us, the Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute applicable to Chit fund, Nidhi or Mutual Benefit Funds/Societies are not applicable to the company.
- 14 According to the information and explanation given to us, the company does not deal or trade in shares, securities, debentures and other investments.
- 15 In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year.
- 16 In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.
- 17 In our opinion and according to the information and explanations given to us, the Company has not used any funds, raised on short term basis, for long term investment.
- 18 The company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 The Company has not issued any debentures during the year under review.
20. The company has not raised any money by public issues during the year under review.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

For G. K. Choksi & Co.
Chartered Accountants
[Firm Registration No. 101895W]
(SANDIP PARIKH)
Partner
Membership No. 40727

Place: Ahmedabad
Date: 28th May, 2014

BALANCE SHEET AS AT 31ST MARCH 2014

[Amount in ₹]

Particulars	Notes	As at 31st March 2014	As at 31st March 2013
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	3 03 47 850	3 03 47 850
Reserves and Surplus	3	<u>1 69 62 486</u>	<u>1 10 02 847</u>
		4 73 10 336	4 13 50 697
Non-Current liabilities			
Long term borrowings	4	1 50 35 967	1 80 00 000
Deferred tax liabilities (Net)	5	52 17 472	50 02 369
Long term provisions	6	<u>9 42 483</u>	<u>9 66 737</u>
		2 11 95 922	2 39 69 106
Current liabilities			
Short term borrowings	7	5 83 41 886	5 29 47 536
Trade payables	8	8 21 60 755	4 31 49 661
Other current liabilities	9	18 25 162	25 99 784
Short term provisions	10	<u>4 68 433</u>	<u>66 764</u>
		14 27 96 236	9 87 63 745
Total		<u>21 13 02 494</u>	<u>16 40 83 548</u>
ASSETS			
Non-Current assets			
Fixed assets			
Tangible assets	11	5 18 62 741	4 94 29 500
Intangible assets	12	<u>1 380</u>	<u>8 166</u>
		5 18 64 121	4 94 37 666
Long term - loans and Advances	13	10 54 654	4 57 654
Current Assets			
Inventories	14	1 01 24 602	1 29 52 262
Trade receivables	15	13 66 32 639	8 88 00 706
Cash & cash equivalents	16	53 37 068	36 42 209
Short term - Loans & advances	17	61 06 496	86 49 437
Other current assets	18	<u>1 82 914</u>	<u>1 43 614</u>
		15 83 83 719	11 41 88 228
Total :		<u>21 13 02 494</u>	<u>16 40 83 548</u>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

SANDIP A. PARIKH

Partner

Mem. No. 40727

Place : Ahmedabad

Date : 28th May, 2014

FOR AND ON BEHALF OF THE BOARD

KANDARP K. AMIN

Chairman &

Whole time Director

ARCHANA K. AMIN

Director

Place : Ahmedabad

Date : 28th May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

[Amount in ₹]

Particulars	Notes	2013-2014	2012-2013
INCOME			
Revenue from operations	19	50 56 65 948	39 10 16 356
Less : Excise duty		1 57 88 840	70 19 322
		<u>48 98 77 108</u>	<u>38 39 97 034</u>
Other Income	20	33 74 763	93 39 707
Total Revenue		49 32 51 871	39 33 36 741
EXPENSES			
Cost of materials consumed	21	18 10 57 904	14 35 70 749
Purchase of Stock-in-Trade	22	19 44 42 834	12 84 87 236
Changes in inventories	23	8 16 511	(1 62 124)
Employee benefits expenses	24	1 46 41 374	1 24 08 152
Finance costs	25	74 41 954	95 03 970
Depreciation and amortization expenses		29 89 564	32 63 036
Manufacturing and other expenses	26	8 29 86 988	8 95 56 696
Total Expenses		48 43 77 129	38 66 27 715
Profit/(Loss) before Tax		88 74 742	67 09 026
Tax Expenses			
Current Tax		27 00 000	35 00 766
(Includes Tax for earlier years ₹ NIL (P.Y. ₹ 766/-))			
MAT Credit Entitlement		0	(11 63 989)
Deferred Tax		2 15 103	(7 28 954)
		<u>29 15 103</u>	<u>16 07 823</u>
Profit/(Loss) for the year		59 59 639	51 01 203
Earnings per equity share:			
Basic and diluted	27	1.95	1.67

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date
FOR G. K. CHOKSI & CO.
 [Firm Registration No. 101895W]
 Chartered Accountants

SANDIP A. PARIKH
 Partner
 Mem. No. 40727

Place : Ahmedabad
 Date : 28th May, 2014

FOR AND ON BEHALF OF THE BOARD

KANDARP K. AMIN
 Chairman &
 Whole time Director

ARCHANA K. AMIN
 Director

Place : Ahmedabad
 Date : 28th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	[Amount in ₹]	
	2013-2014	2012-2013
A. Cash flow from operating activities:		
Profit/(Loss) for the year before taxation and exceptional items	88 74 742	67 09 026
Adjustments for		
Income Tax Expenses	0	(766)
Depreciation and Amortization	29 89 564	32 63 036
Profit/(Loss) on sale of Fixed Assets	91 629	27 79 928
Interest Income	(9 71 465)	(7 63 810)
Interest Expenses	74 41 954	95 03 970
Operating profit before working capital changes	<u>1 84 26 424</u>	<u>2 14 91 384</u>
Adjustments for :		
Trade Receivable	(4 78 31 934)	2 86 01 580
Short Term Loans and Advances	19 45 941	(25 43 473)
Inventories	28 27 659	29 91 549
Trade payables	3 90 11 094	(1 82 13 387)
Other Current Liabilities	(7 79 257)	(52 92 632)
Cash generated from operations	<u>1 35 99 927</u>	<u>2 70 35 021</u>
Direct taxes Refund/(paid)	(23 17 950)	(25 95 729)
Net cash from operating activities [A]	<u>1 12 81 977</u>	<u>2 44 39 292</u>
B. Cash flow from investing activities		
Purchase of fixed assets	(57 19 208)	(22 62 722)
Sale of Fixed Assets	2 11 562	8 60 000
Interest received	9 32 165	8 71 876
Net cash used in investing activities [B]	<u>(45 75 481)</u>	<u>(5 30 846)</u>
C. Cash flow from financing activities		
Procurement/(Repayment) of long/ short term borrowings	24 30 317	(3 42 57 352)
Calls in Arrears Received	0	1 000
Interest paid	(74 41 954)	(95 03 970)
Net cash flow from financial activities [C]	<u>(50 11 637)</u>	<u>(4 37 60 322)</u>
Net Increase/(Decrease) in cash and cash equivalents [A+B+C]	16 94 859	(1 98 51 876)
Cash and cash equivalents opening	36 42 209	2 34 94 085
Cash and cash equivalents closing	53 37 068	36 42 209
Components of cash and cash equivalent		
Balances with scheduled banks	5 00 014	2 96 985
Fixed Deposits	44 75 344	30 08 781
Cheques on Hand	62 927	-
Cash in hand	1 82 299	2 21 230
Other Bank balances	1 16 484	1 15 213
	<u>53 37 068</u>	<u>36 42 209</u>

Explanatory Notes to Cash Flow Statement

- The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Securities and Exchange Board of India & as Accounting Standard 3 as Prescribed by the Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

SANDIP A. PARIKH

Partner

Mem. No. 40727

Place : Ahmedabad

Date : 28th May, 2014

FOR AND ON BEHALF OF THE BOARD
KANDARP K. AMIN

Chairman &

Whole time Director

ARCHANA K. AMIN

Director

Place : Ahmedabad

Date : 28th May, 2014

1. Significant Accounting Policies

(a) Basis of preparation of financial statements

- (i) The financial statements of the company have been prepared and presented in accordance with the generally accepted accounting principle under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the companies act, 1956 read with general circular 15/2013 dated 13th September, 2013, issued by Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- (ii) The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

(b) Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ determined.

(c) Fixed Assets

Fixed Assets are stated at their original cost net of cenvat including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

At the balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

(d) Borrowing Costs

Borrowing Costs that are directly attributable to acquisition of qualifying assets are capitalized for the period until the asset is ready for intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Depreciation

- (i) Depreciation on Fixed Assets is provided on Straight Line Method at rates and in the manner specified in Schedule XIV of the Companies Act, 1956
- (ii) Depreciation on additions/deletion is provided on pro rata basis.
- (iii) Lease hold land is amortised over the period of lease.
- (iv) Intangible assets being Computer and Laboratory Software are amortized over a period of its useful life i.e. three years estimated by the Management.

(f) Inventories

- (i) Stock in trade comprising of raw materials (including goods in transit) and finished goods are valued at the lower of cost or net realizable value after making such provisions as required on account of damage, unserviceable and obsolete stocks. Value of raw material does not include excise duty, countervailing duty paid to the extent of which CENVAT credit is available. Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.
- (ii) Work-in-process is valued at cost to the extent of stage of completion.
- (iii) Stores, spares, consumable and packing materials are charged to profit and loss account as and when they are procured and stock of such items as at the end of the year is accounted at cost.

(g) Revenue Recognition

- (i) Revenue in respect of domestic sale of products is recognised when the risks and rewards of ownership are passed on to the customers, which is upon dispatch of products. Sales are stated at contractual realizable values, net of excise duty, sales tax and trade discount.

- (ii) Export Sales are recognised on the date of dispatch of products from the factory and shown on C.I.F. basis.
 - (iii) Revenue from services is recognised upon rendition of the services.
 - (iv) Export Incentives are accounted for on accrual basis.
- (h) Foreign Currency Transactions**
- (i) Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.
 - (ii) In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognized in the Profit and Loss Account.
The difference in translation and realised gains and losses on foreign exchange transactions, other than those relating to imported fixed assets are recognised in the Profit and Loss Account. Further in respect of transaction covered by forward exchange contract, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Profit and Loss account over the period of the contract
- (i) Retirement Benefits**
- (i) Contributions to provident fund are made at predetermined rates to Government Authority and charged to profit and loss account.
 - (ii) Gratuity liabilities is accounted for on the basis of actuarial valuation.
- (j) Excise/Custom Duty**
- Excise duty has been accounted based on both payments made in respect of goods cleared from factory premises and provision made for manufactured goods lying unsold at year-end in factory premises.
- (k) Taxation**
- (i) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.
 - (ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
 - (iii) MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed at each balance sheet and written down or written up to reflect the amount that is reasonably certain to be realized.
- (l) Provisions, Contingent Liabilities and Contingent Assets**
- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTES FORMING PART OF ACCOUNTS

[Amount in ₹]

Particulars	As at 31st March, 2014	As at 31st March, 2013
2 Share Capital		
(a) Authorised		
33,00,000 (P.Y. 33,00,000) Equity Shares of ₹ 10/- each	3 30 00 000	3 30 00 000
(b) Issued, Subscribed and fully Paidup		
30,50,000 (P.Y. 30,50,000) Equity Shares of ₹ 10/- each Fully Paid up	3 05 00 000	3 05 00 000
Less: Calls In Arrears	1 52 150	1 52 150
	<u>3 03 47 850</u>	<u>3 03 47 850</u>

Note :

During the period of five financial years immediately preceeding the Balance Sheet date, the company has not:

- (i) allotted any fully paidup equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) brought back any equity shares

(c) Reconciliation of number of shares

Particulars	Number of Equity Shares	
	2013-2014	2012-2013
At the beginning of the year	30 50 000	30 50 000
Add		
Shares issued for Cash or Right Issue or Bonus	0	0
Exercise of Share Option under ESOS / ESOP	0	0
Shares issued in Business Combination	0	0
	<u>30 50 000</u>	<u>30 50 000</u>
Less		
Shares bought back / Redemption etc.	0	0
As the end of the year	<u>30 50 000</u>	<u>30 50 000</u>

(d) Rights, Preferences and Restrictions

The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

Equity Shares : The Company has only class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

(e) Details of Shareholdings**Shareholders holding more than 5% shares**

Partiuculars	Number of Equity Shares		Percentage (%)	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Kandarp K.Amin	7 02 694	6 89 907	23.04	22.62
Archana K. Amin	5 88 218	5 88 218	19.29	19.29

- (f)** The Company has calls in arrears / unpaid calls amounting to ₹ 1,52,150/- in respect of 78000 equity shares, however it does not have any outstanding calls in due from directors and officers of the company. The company has not forfeited any shares at balance sheet date.

ARCHIT ORGANOSYS LIMITED

Particulars	[Amount in ₹]	
	As at 31st March, 2014	As at 31st March, 2013
3 Reserves and surplus		
General Reserves	1 50 000	1 50 000
Surplus / (Deficit) In Statement of Profit and Loss		
Balance as per previous financial statements	1 08 52 847	57 51 644
Add : Profit for the year	59 59 639	51 01 203
Balance available for appropriation	1 68 12 486	1 08 52 847
Less : Appropriations	0	0
Net Surplus / (Deficit)	<u>1 68 12 486</u>	<u>1 08 52 847</u>
	<u>1 69 62 486</u>	<u>1 10 02 847</u>
4 Long term borrowings		

Particulars	Non-current portion		Current maturities	
	2013-2014	2012-2013	2013-2014	2012-2013
Secured				
Vehicle Loan				
BMW India Finance Services Pvt. Ltd.	22 99 888	0	7 63 921	0
	<u>22 99 888</u>	<u>0</u>	<u>7 63 921</u>	<u>0</u>
Unsecured				
From Directors	1 35 00 000	1 80 00 000	0	0
	<u>1 57 99 888</u>	<u>1 80 00 000</u>	<u>7 63 921</u>	<u>0</u>
Less:				
Amount disclosed under the head "Other Current Liabilities"	7 63 921	0	0	0
	<u>1 50 35 967</u>	<u>1 80 00 000</u>	<u>7 63 921</u>	<u>0</u>

Nature of Security

The Vehicle loans amounting to ₹ 30,63,809/- (P.Y. ₹ NIL) are secured by Vehicles

Terms of Repayment of Loans
Secured Loan

BMW India Finance Services Pvt. Ltd.

Loan is repayable in monthly installments of ₹ 80,075/- commencing from February, 2014 and last installment falls due on December, 2016

Unsecured Loan

It is repayable on or after September, 2015, rate of interest 13.5% (P.Y. NIL)

Particulars	[Amount in ₹]	
	As at 31st March, 2014	As at 31st March, 2013
5 Deferred tax liabilities (Net)		
The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year.		
Deferred Tax Liabilities		
Difference of book depreciation and tax depreciation	55 42 738	53 29 139
Deferred Tax Assets		
Disallowance u/s. 43(b) under income tax act, 1961	3 25 266	3 26 770
	<u>3 25 266</u>	<u>3 26 770</u>
Net Deferred Tax Liability / (Asset)	<u>52 17 472</u>	<u>50 02 369</u>
6 Long term provisions		
For Employee Benefits		
Gratuity	9 42 483	9 66 737
	<u>9 42 483</u>	<u>9 66 737</u>

[Amount in ₹]

Particulars	As at 31st March, 2014	As at 31st March, 2013
7 Short term borrowings		
Loans repayable on demand		
Secured		
Working Capital Loan		
From Banks	4 39 91 886	4 66 77 536
Unsecured		
From Directors	65 00 000	62 70 000
Intercompany Deposit	78 50 000	0
	<u>5 83 41 886</u>	<u>5 29 47 536</u>
Nature of Security		
Secured		
1 The Working Capital Loans amounting to ₹ 4,39,91,886/- (P.Y. ₹ 4,66,77,536/-) are secured by Hypothecation of Book Debts, Bills, stock not older than 120 Days. Further it is secured by Factory Land and Building at plot no. 25/9/A and 25/9/B and FDR. Further it is secured by personal guarantee of Directors.		
8 Trade payables		
For Goods and Services		
Related party (Refer Note No. 33)	3 32 368	24 849
Others	<u>8 18 28 387</u>	<u>4 31 24 812</u>
	<u>8 21 60 755</u>	<u>4 31 49 661</u>
Note :		
The company is yet to initiate the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). In the absence of relevant information relating to the suppliers registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, the balance due to Micro, Small and Medium Enterprises at year end and interest paid or payable under MSMED Act, 2006 during the year could not be compiled and disclosed.		
9 Other current liabilities		
Current Maturities of Long Term Debt	7 63 921	0
Other Payables		
Statutory dues	4 31 572	14 24 645
Others	<u>6 29 669</u>	<u>11 75 139</u>
	<u>10 61 241</u>	<u>25 99 784</u>
	<u>18 25 162</u>	<u>25 99 784</u>
10 Short term provisions		
Employee Benefits		
Gratuity	60 033	40 414
Others		
For Taxation (Net of advance tax)	4 08 400	26 350
Total :	<u>4 68 433</u>	<u>66 764</u>

11 Tangible Assets

Description of Assets	[Amount in ₹]									
	Gross Block at Cost				Depreciation			Net Book Value		
	As at April 01, 2013	Additions during the year	Deletions/Adjustment during the year	As at March 31, 2014	Up to March 31, 2013	For the Adjustment year	Deletions/Adjustment during the year	Up to March 31, 2014	As at March 31, 2014	As at March 31, 2013
Land :										
Freehold Land	60 89 590	-	-	60 89 590	-	-	-	-	60 89 590	60 89 590
Leasehold Land	38 84 035	16 89 530	-	55 73 565	5 85 851	48 113	-	6 33 964	49 39 601	32 98 184
	99 73 625	16 89 530	-	1 16 63 155	5 85 851	48 113	-	6 33 964	1 10 29 191	93 87 774
Factory Buildings	1 53 65 391	-	-	1 53 65 391	39 44 804	5 13 204	-	44 58 008	1 09 07 383	1 14 20 587
Plant and Machinery	3 35 70 823	10 15 000	3 35 000	3 42 50 823	1 04 52 744	16 34 426	41 228	1 20 45 942	2 22 04 681	2 31 17 879
Furniture and Fixtures	9 89 370	19 900	-	10 09 270	2 95 810	63 580	-	3 59 390	6 49 880	6 93 580
Vehicles	61 56 948	28 49 950	-	90 06 898	20 40 757	6 39 059	-	26 79 816	63 27 082	41 16 191
Office Equipments	6 32 781	90 523	10 500	7 12 804	1 07 370	41 273	1 083	1 47 560	5 65 244	5 25 411
Computers	2 64 482	54 305	-	3 18 787	96 384	43 123	-	1 39 507	1 79 280	1 68 098
Total :	6 69 53 220	57 19 208	3 45 500	7 23 26 928	1 75 23 720	29 82 778	42 911	2 04 64 187	5 18 62 741	4 94 29 500
Previous Year	7 39 69 577	22 62 722	92 79 079	6 69 53 220	1 99 07 337	32 55 536	56 39 153	1 75 23 720	4 94 29 500	

12 Intangible Assets

Description of Assets	[Amount in ₹]									
	Gross Block at Cost				Depreciation			Net Book Value		
	As at April 01, 2013	Additions during the year	Deletions/Adjustment during the year	As at March 31, 2014	Up to March 31, 2013	For the Adjustment year	Deletions/Adjustment during the year	Up to March 31, 2014	As at March 31, 2014	As at March 31, 2013
Accounting Software	45 900	-	-	45 900	37 734	6 786	-	44 520	1 380	8 166
Total :	45 900	-	-	45 900	37 734	6 786	-	44 520	1 380	8 166
Previous Year	1 38 896	-	92 996	45 900	1 23 230	7 500	92 996	37 734	8 166	

Particulars	[Amount in ₹]	
	As at 31st March, 2014	As at 31st March, 2013

13 Long term loans and advances

(Unsecured, considered good unless otherwise stated)

Capital Advances	6 00 000	0
Security Deposits	4 54 654	4 57 654
Total :	10 54 654	4 57 654

The amount dues by :

Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

14 Inventories

(As taken, valued and certified by the Management)

Raw Materials	13 66 048	34 71 909
Stock in Progress	59 08 648	32 23 928
Finished Goods	10 08 216	39 44 178
Stock-in-Trade	13 69 110	19 34 379
Packing Materials	3 53 300	2 34 963
Consumable Stores	1 19 280	1 42 905
	1 01 24 602	1 29 52 262

Inventory items have been valued considering the significant accounting policy no (f) disclosed in Note no. 1 to these financial statement.

Breakup of Inventories

Raw Material		
Acetic Acid	3 26 893	18 01 124
Chlorine	2 13 280	6 38 454
Others	8 25 875	10 32 331
	13 66 048	34 71 909

[Amount in ₹]

Particulars	As at 31st March, 2014	As at 31st March, 2013
Stock in Process		
Mono Chlorine Acetic Acid	59 08 648	32 23 928
Finished goods		
Mono Chlorine Acetic Acid	47 089	29 45 504
Sodium Mono Chloride Acetic Acid	2 89 546	2 86 772
EDTA Tetra Sodium	0	1 41 388
Hydro chlorine Acid	236	258
Mother Liquor of MCA	6 71 345	5 70 256
	<u>10 08 216</u>	<u>39 44 178</u>
Stock-in-Trade		
Ethyle Acetate	6 34 582	6 76 984
Pyridine	6 67 845	0
Others	66 683	12 57 395
	<u>13 69 110</u>	<u>19 34 379</u>
15 Trade Receivable		
Unsecured, Considered good		
Debts outstanding for the period exceeding six months	53 71 665	16 00 906
Others	13 12 60 974	8 71 99 800
	<u>13 66 32 639</u>	<u>8 88 00 706</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL
16 Cash and Cash Equivalents		
Balances with scheduled banks		
Current / Cash Credit accounts	5 00 014	2 96 985
Cheques on Hand	62 927	0
Fixed Deposits		
With maturity of less than 3 months	44 75 344	30 08 781
Cash in hand	1 82 299	2 21 230
Other Bank balances		
With maturity for more than 3 months but less than 12 months	1 16 484	1 15 213
Total :	<u>53 37 068</u>	<u>36 42 209</u>
Note : The Fixed Deposits with a maturity of less than 3 months includes ₹ 25,50,000/- (P.Y. ₹ 12,32,050/-) deposit placed as a margin money.		
17 Short-term loans and advances (Considered good unless otherwise stated)		
Advances to Employees	4 72 132	3 90 332
Others		
Balances with /from revenue authorities	49 62 375	47 01 191
Prepaid Expenses	6 50 684	3 12 293
Security Deposits	0	0
Other Recoverable	21 305	32 45 621
	<u>56 34 364</u>	<u>82 59 105</u>
Total :	<u>61 06 496</u>	<u>86 49 437</u>
The amount dues by :		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

ARCHIT ORGANOSYS LIMITED

		[Amount in ₹]	
Particulars	As at 31st March, 2014	As at 31st March, 2013	
18 Other Current assets			
Interest accrued on fixed deposits	1 82 914	1 43 614	
	<u>1 82 914</u>	<u>1 43 614</u>	
			[Amount in ₹]
Particulars	2013-2014	2012-2013	
19 Revenue from operations			
Sale of Products			
Manufactured Goods	29 86 16 199	24 72 08 567	
Stock-in-Trade	20 67 50 385	14 26 96 935	
Other Operating Revenue			
Export Incentives	2 99 364	11 10 854	
	<u>50 56 65 948</u>	<u>39 10 16 356</u>	
Breakup of sales of product Manufactured (net of Excise)			
Sodium monochloride Acetate	6 55 12 394	7 24 35 530	
Mono Chlorine Acetic Acid	19 79 98 624	15 87 79 261	
EDTA Tetra - Sodium	14 50 000	14 19 150	
Hydro Chlorine Acid	6 17 887	16 36 575	
Others	1 72 48 454	59 18 729	
	<u>28 28 27 359</u>	<u>24 01 89 245</u>	
Stock- in - Trade			
Ethyle Acetate	5 96 65 765	3 77 98 976	
Acetic Acid	14 77 753	29 28 290	
Others	14 56 06 867	10 19 69 669	
	<u>20 67 50 385</u>	<u>14 26 96 935</u>	
20 Other Income			
Interest Income			
From Banks	3 09 350	3 33 794	
From Others	6 62 115	4 30 016	
	<u>9 71 465</u>	<u>7 63 810</u>	
Foreign Exchange Fluctuation	0	12 03 570	
Lifting Charges of Chlorine	22 26 885	73 22 416	
Other Non-Operating Income			
Excess provision for income tax written back	1 68 918	0	
Miscellaneous	7 495	49 911	
	<u>1 76 413</u>	<u>49 911</u>	
	<u>33 74 763</u>	<u>93 39 707</u>	
21 Cost of Material Consumed			
Raw Materials	16 97 86 119	13 34 12 212	
Freight Charges, Inward Clearing and Commission	1 12 71 785	1 01 58 537	
	<u>18 10 57 904</u>	<u>14 35 70 749</u>	
Breakup of Raw Materials Consumed			
Acitic Acid	11 60 86 550	9 21 43 797	
Chlorine	1 66 73 025	12 26 970	
Others	3 70 26 544	4 00 41 445	
	<u>16 97 86 119</u>	<u>13 34 12 212</u>	
22 Purchase of Stock-in-Trade			
Purchase of stock-in-trade	19 44 42 834	12 84 87 236	
	<u>19 44 42 834</u>	<u>12 84 87 236</u>	

Particulars	[Amount in ₹]	
	2013-2014	2012-2013
23 Changes in Inventories		
Closing Stock	10 08 216	39 44 178
Finished Goods	59 08 648	32 23 928
Stock in Progress	13 69 110	19 34 379
Stock-in-Trade	<u>82 85 974</u>	<u>91 02 485</u>
Opening Stock	39 44 178	15 89 936
Finished Goods	32 23 928	34 86 639
Stock in Progress	19 34 379	38 63 786
Stock-in-Trade	<u>91 02 485</u>	<u>89 40 361</u>
	<u>8 16 511</u>	<u>(1 62 124)</u>
24 Employees Benefits Expenses	1 16 02 659	1 00 62 425
Salary, Wages and Bonus	7 43 689	7 81 979
Contribution to Provident and other funds	22 95 026	15 63 748
Staff Welfare and Training Expense	<u>1 46 41 374</u>	<u>1 24 08 152</u>
25 Finance Cost		
Interest on:		
Rupee Term loans	0	3 55 461
Other Interests	74 06 943	89 25 093
	<u>74 06 943</u>	<u>92 80 554</u>
Other Borrowing Cost	35 011	2 23 416
Other ancillary Cost	<u>35 011</u>	<u>2 23 416</u>
	<u>74 41 954</u>	<u>95 03 970</u>
26 Manufacturing and other Expenses		
Manufacturing Expenses		
Stores & Other Consumables	95 00 955	75 18 361
Power Fuel & Water Charges	85 09 457	82 64 662
Repairs and Maintenance:		
Plant, Machinery and Other Equipments	20 86 074	26 67 871
Buildings	26 80 333	89 24 259
Electrical	16 73 968	14 61 950
	<u>64 40 375</u>	<u>1 30 54 080</u>
Laboratory Expenses	68 341	2 20 304
Job Work Charges	4 30 250	1 39 700
Pollution Plant Treatment	15 600	15 600
Excise duty on Finished Goods (Net)	(3 22 966)	2 58 974
	<u>2 46 42 012</u>	<u>2 94 71 681</u>
Establishment Expenses		
Professional Fees	33 70 687	36 06 540
Insurance Charges	6 37 680	6 28 717
Travelling Expenses	36 73 145	15 54 862
Rent, Rates & Taxes	17 57 188	20 31 962
Other Repairs	3 58 376	7 24 216
Auditor's Remuneration	1 50 000	1 50 000
Interest to Suppliers	10 77 768	17 66 112
Miscellaneous Expenditure	51 01 925	55 90 375
Loss on Derivative Contract	0	23 64 200

Particulars	[Amount in ₹]	
	2013-2014	2012-2013
Loss on asset discarded	91 629	27 79 928
Sundry Balances Written off	4 63 834	1 99 454
Donation	1 12 002	1 64 500
	<u>1 67 94 234</u>	<u>2 15 60 866</u>
Foreign Exchange Fluctuation	32 37 972	0
Bad Debts	0	8 92 885
Selling and Distribution Expenses	<u>3 83 12 770</u>	<u>3 76 31 264</u>
	<u>8 29 86 988</u>	<u>8 95 56 696</u>
Auditor, Remuneration is made of :		
Statutory Audit Fees	1 28 000	1 28 000
Tax Audit Fees	22 000	22 000
	<u>1 50 000</u>	<u>1 50 000</u>
27 Earning per Share		
Net Profit/(Loss) for the year (Amount in ₹)	59 59 639	51 01 203
Number of equity shares (Weighted Average)	30 50 000	30 50 000
Nominal value of the share	10	10
Basic and diluted Earning per Share (₹)	1.95	1.67

28 Contingent Liabilities and Capital commitments

Particulars	[Amount in ₹]	
	As at 31st March, 2014	As at 31st March, 2013
Contingent Liabilities (See Note 30 below)		
- Claims not acknowledged by as debt	1,47,07,069	1,47,07,069
- Bank Guarantee	1,00,00,000	1,00,00,000
Capital Commitments		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
- Other commitments	NIL	NIL

- 29 The company had entered in to derivatives contracts (for sale of foreign currency) with HDFC bank Limited which have already been concluded in earlier years. The company had incurred loss on such contracts against which the sum of ₹ 78,70,798/- (including adjustment of fixed deposit amounting to ₹ 23,64,200/-) have already been paid and charged to Statement of Profit and Loss under the head "Loss on Derivative Contract". The company had also received summons / show cause notice from Mumbai Debt Recovery Tribunal in the month of May, 2009. In response to the same, based on legal advise, the company had filed its reply with appropriate authority. Pending final outcome, the management is of the opinion that the aforesaid liability is of contingent nature and therefore the company has not recognized as liability for the balance loss of ₹ 1,47,07,069/- including interest up to January, 2013.

30 Employee Benefits
(a) Defined contribution to Provident fund and Employee state insurance

The company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹ 2,89,648/- (P.Y. ₹ 3,95,460/-) as expense towards contributions to these plans.

(b) Defined Contribution Benefit Plans (Gratuity)

The following table sets out the status of the gratuity scheme non funded plan as at 31st March, 2014.

Particulars	[Amount in ₹]	
	2013-2014	2012-2013
Changes in the present value of obligation		
Present value of obligation (Opening)	14,06,973	10,63,162
Interest cost	1,16,075	90,369
Past service cost	NIL	NIL
Current service cost	2,11,009	1,54,655
Curtailment Cost / (Gain)	NIL	NIL
Settlement Cost / (Gain)	NIL	NIL
Benefits paid	NIL	NIL
Actuarial (Gain) / Loss	(1,46,648)	98,787
Present value of obligation (Closing)	15,87,409	14,06,973
Changes in the fair value of plan assets		
Present value of plan assets (Opening)	3,99,822	NIL
Expected return on plan assets	40,795	26,338
Actuarial Gain / (Loss)	NIL	NIL
Employers Contributions	1,44,276	3,73,484
Employees Contributions	NIL	NIL
Benefits paid	NIL	NIL
Fair Value of Plan Assets (Closing)	5,84,893	3,99,822
Percentage of each category of plan assets to total fair value of plan assets at the year end		
Bank Deposits	NIL	NIL
Debt Instruments	NIL	NIL
Administered by Life Insurance Corporation of India	100%	100%
Others	NIL	NIL
Reconciliation of the present value of defined benefit obligation and the fair value of assets		
Present value of funded obligation as at the year end	15,87,409	14,06,973
Fair value of plan assets as at year end	5,84,893	3,99,822
Funded (Asset) / Liability recognised in the balance sheet	9,42,483	10,07,151
Present value of unfunded obligation as at the year end	NIL	NIL
Unrecognised past service cost	NIL	NIL
Unrecognised Actuarial (Gains) / Losses	NIL	NIL
Unfunded net liability recognised in the balance sheet	NIL	NIL
Amount recognized in the balance sheet		
Present value of obligation as at the year end	15,87,409	14,06,973
Fair value of plan assets as at the year end	5,84,893	3,99,822
(Asset) / Liability recognized in the balance sheet	9,42,483	10,07,151
Expenses recognized in the profit & loss account		
Current service cost	2,11,009	1,54,655
Past service cost	NIL	NIL
Interest cost	1,16,075	90,369
Expected return on plan assets	(40,795)	(26,338)
Curtailment Cost / (Credit)	NIL	NIL
Settlement Cost / (Credit)	NIL	NIL
Net Actuarial (Gain) / Loss	(1,46,648)	98,787
Employee's Contribution	NIL	NIL
Total expenses recognized in the profit and loss A/c.	1,39,641	3,17,473
Principal actuarial assumption (Rate of Discounting)		
Rate of discounting	9.32%	8.25%
Expected return on plan assets	8.75%	9.00%
Rate of increase in salaries	6.00%	6.00%
Attrition Rate (Employees opting for early retirement)	2.00%	2.00%

ARCHIT ORGANOSYS LIMITED

The estimates of future salary increases take account of inflation, seniority, promotion and mortality assumption and other relevant factors such as demand and supply in the employment market, considered in actuarial valuation.

31 The Company operates within a solitary business segment i.e. dealing & manufacturing of chemicals, the disclosure requirements of Accounting Standard – 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India is not applicable.

32 Related Party Disclosures

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1	Krishna Orgochem	Enterprise over which key management personnel exercise significant influence
2	Adonis Lifecare Private Limited	
3	Kandarp K. Amin	Key Management Personnel (KMP)
4	Archana K. Amin	
5	Archit K. Amin	
6	Suchit K Amin	Relative of Key Management Personnel
7	Shimoli A. Amin	

(b) Transactions with related parties

Sr. No.	Particulars	Relationship	[Amount in ₹]	
			2013-2014	2012-2013
(i)	Managerial Remuneration			
-	Archanaben K. Amin	Key Management Personnel	12,00,000	12,00,000
-	Kandarp K. Amin	Key Management Personnel	12,00,000	12,00,000
-	Archit K. Amin	Relative of KMP	9,00,000	9,00,000
-	Suchit K Amin	Relative of KMP	9,00,000	3,00,000
-	Shimoli A. Amin	Relative of KMP	2,40,000	2,40,000
(ii)	Interest Expenses			
-	Archanaben K. Amin	Key Management Personnel	7,22,790	7,77,864
-	Kandarp K. Amin	Key Management Personnel	--	5,46,754
-	Krishna Orgochem	Enterprise over which key management personnel exercise significant influence	18,73,557	18,57,415
-	Adonis Lifecare Private Limited	Enterprise over which key management personnel exercise significant influence	4,54,552	--
(iii)	Rendering or Receiving of services			
-	Kandarp K. Amin	Key Management Personnel	7,80,000	7,80,000
-	Archanaben K. Amin	Key Management Personnel	8,40,000	8,40,000
(iv)	Unsecured loan (Taken During the year)			
-	Archanaben K. Amin	Key Management Personnel	7,22,790	24,39,864
-	Kandarp K. Amin	Key Management Personnel	--	36,48,200
-	Archit K. Amin	Relative of Key Management Personnel	--	5,00,000
-	Suchit K Amin	Relative of Key Management Personnel	--	3,50,000
-	Krishna Orgochem	Enterprise over which key management personnel exercise significant influence	87,73,557	2,34,72,549
-	Adonis Lifecare Private Limited	Enterprise over which key management personnel exercise significant influence	59,54,552	86,140

			[Amount in ₹]	
Sr. No.	Particulars	Relationship	2013-2014	2012-2013
(v) Unsecured loan (Repaid During the year)				
-	Archanaben K. Amin	Key Management Personnel	13,67,790	23,79,864
-	Kandarp K. Amin	Key Management Personnel	40,75,000	36,48,200
-	Archit K. Amin	Relative of Key Management Personnel	--	5,00,000
-	Suchit K Amin	Relative of Key Management Personnel	--	3,50,000
-	Krishna Orgochem	Enterprise over which key management personnel exercise significant influence	83,23,557	2,33,22,549
-	Adonis Lifecare Private Limited	Enterprise over which key management personnel exercise significant influence	59,54,552	1,67,152
(c) Outstanding Balances as on 31st March, 2014				
(i) Due by company				
As Unsecured Loan				
-	Archanaben K. Amin	Key Management Personnel	50,00,000	56,45,000
-	Kandarp K. Amin	Key Management Personnel	--	40,75,000
-	Krishna Orgochem	Enterprise over which key management personnel exercise significant influence	1,50,00,000	1,45,50,000
(ii) As Trade Payable				
-	Archanaben K. Amin	Key Management Personnel	88,197	--
-	Kandarp K. Amin	Key Management Personnel	88,197	--
-	Archit K. Amin	Key Management Personnel	68,604	--
-	Suchit K Amin	Relative of Key Management Personnel	67,614	24,849
-	Shimoli A. Amin	Relative of Key Management Personnel	19,756	--

33 Pursuant to Accounting Standard-29, Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March, 2014 is as follows :

Particulars	Provisions
	[Amount in ₹] Provision for Excise duty and other Expenses
Opening Balance	16,80,279
Additions	3,60,710
Payments	12,46,406
Reversals	4,33,873
Closing Balance	3,60,710

34 Balances of Trade Payables, Trade Receivable and Loans and Advances are subject to confirmations and reconciliation if any, by the respective parties.

35 Statement of Management

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- (b) Balance Sheet and Statement of Profit and Loss read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 1956 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

ARCHIT ORGANOSYS LIMITED

36 Additional information, to the extent applicable, required under para 5(8) of part-II of Schedule VI to the Companies Act, 1956.

(A) Composition of Raw Materials Consumption:	2013-2014		2012-2013	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Raw Material consumption				
Imported	8,69,57,176	51.22	6,97,31,461	52.27
Indigenous	8,28,28,943	48.78	6,36,80,751	47.73
Total :	<u>16,97,86,119</u>	<u>100.00</u>	<u>13,34,12,212</u>	<u>100.00</u>

(B) Value of Imports on CIF Basis:

Particulars	[Amount in ₹]	
	2013-2014	2012-2013
Raw Materials	8,61,99,380	6,57,05,567
Traded Goods	NIL	NIL

(C) Earning in Foreign Currency:

F.O.B. Value of Export	15,81,37,331	20,39,15,523
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(D) Expenditure in Foreign Currency (on payment basis):

Traveling	21,09,642	12,16,317
Commission	4,86,328	7,45,259
Legal Fees	11,78,896	10,27,530
Total :	<u>37,74,866</u>	<u>29,89,106</u>

37 Additional information, to the extent applicable, required under para 5(8) of part-II of Schedule VI to the Companies Act, 1956.

(A) Composition of Raw Materials Consumption:

Raw Material consumption	2013-2014		2012-2013	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	6,97,31,461	52.27	6,31,58,793	44.00
Indigenous	6,36,80,751	47.73	8,03,92,827	56.00
Total :	<u>13,34,12,212</u>	<u>100.00</u>	<u>14,35,51,620</u>	<u>100.00</u>

(B) Value of Imports on CIF Basis:

Particulars	[Amount in ₹]	
	2013-2014	2012-2013
Raw Materials	6,57,05,567	6,44,13,238
Traded Goods	NIL	NIL

(C) Earning in Foreign Currency:

F.O.B. Value of Export	20,39,15,523	12,80,70,892
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(D) Expenditure in Foreign Currency (on payment basis):

Traveling	12,16,317	11,73,379
Commission	7,45,259	10,71,792
Legal Fees	10,27,530	—
Total :	<u>29,89,106</u>	<u>22,45,171</u>

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP A. PARIKH
Partner
Mem. No. 40727

Place : Ahmedabad
Date : 28-05-2014

FOR AND ON BEHALF OF THE BOARD

KANDARP K. AMIN ARCHANA K. AMIN
Chairman & Director
Whole time Director

Place : Ahmedabad
Date : 28-05-2014

ARCHIT ORGANOSYS LIMITED

Registered Office: Plot No. 25/9-A, Phase-III, G.I.D.C. Naroda, Ahmedabad- 382330
 CIN : L24110GJ1993PLC019941
 Phone: 91-79- 22821154 E-Mail: chlochem@gmail.com

PROXY FORM

FORM NO. MGT-11

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule 2014)

CIN : L24110GJ1993PLC019941
 Name of the Company : ARCHIT ORGANOSYS LIMITED
 Registered Office : Plot No. 25/9-A, Phase-III, G.I.D.C. Naroda, Ahmedabad- 382330
 Name of the member(s) : _____
 Registered Address : _____

E-mail ID : _____
 Folio No./Client ID/DPID : _____
 I/We being the member(s) holding _____ shares of the above named Company, hereby appoint:
 1. Name : _____ Address : _____
 E-mail ID : _____ Signature : _____ or failing him
 2. Name : _____ Address : _____
 E-mail ID : _____ Signature : _____ or failing him
 Name : _____ Address : _____
 E-mail ID : _____ Signature : _____

AS my /our proxy to attend and vote (on a poll) for me/us and on my behalf at the Annual General Meeting of the Company to be held on Monday 29th September, 2014 at 11.00 a.m. at Royal Inn Restaurant, 1st Floor, Nirman Complex, Opposite Havmore Restaurant, Stadium Road, Navrangpura, Ahmedabad – 380009 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:	Special Business:
1. Adoption of Financial Statements, together with Directors' Report and the Auditors' Report for the year ended 31 st March, 2014.	4. Appointment of Shri Haresh K. Shah (holding DIN 00133704), as an Independent Director.
2. Re-Appointment of Smt. Archana Amin (holding DIN: 00038985) as a Director of the Company, who retires by rotation.	5. Appointment of Shri Dipesh K. Kotak (holding DIN 02531949), as an Independent Director.
3. Re-appointment of M/s: G. K. Choksi & Co., Chartered Accountants, Statutory Auditors of the Company and fix their remuneration.	6. Appointment of Shri Sanjay M. Kothari (holding DIN 01429539), as an Independent Director.
	7. Appointment of Shri Bhupendra V. Mehta (holding DIN 00133677), as an Independent Director.
	8. Re-appointment of Shri Kandarp K. Amin as a Whole time Director of the Company for a period of three years.
	9. Re-appointment of Smt. Archana K. Amin as a Whole time Director of the Company for a period of three years.
	10. Special resolution under Section 180 (1)(C) of the Companies Act, 2013 to borrow money upto Rs. 100.00 Crores or the aggregate of Paid up Capital or free reserves, whichever is higher.
	11. Special resolution under Section 180 (1) (A) of the Companies Act, 2013 to create charge on the movable and immovable properties of the Company.

Signed this _____ day of _____ of 2014

Signature of Shareholder _____

Signature of Proxy holder(S) _____

Affix
Re 1
revenue
stamp

Note : This form of proxy to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ARCHIT ORGANOSYS LIMITED

Registered Office: Plot No 25/9-A, Phase-III, G.I.D.C. Naroda, Ahmedabad- 382330
 CIN : L24110GJ1993PLC019941

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the Annual General Meeting of the Company being held at 11.00 a.m. at Royal Inn Restaurant 1st Floor, Nirman Complex, Opposite Havmore Restaurant, Stadium Road, Navrangpura, Ahmedabad – 380009.

Full name of the Member: _____
 Folio No. _____ DP ID No. _____ Client ID NO. _____
 No. of shares held : _____
 Full name of the Proxy : _____
 Member's /Proxy's Signature : _____

If undelivered please return to :

ARCHIT ORGANOSYS LIMITED

CIN: L24110GJ1993PLC019941

REDG OFF: PLOT No 25/9-A & B, PHASE-III, G.I..D.C. NARODA, AHMEDABAD – 382330

PHONE: 91-79- 22821154 E-MAIL: chlochem@gmail.com