
AAKASH EXPLORATION SERVICES LIMITD

Annual Report 2017-18

AAKASH EXPLORATION SERVICES LIMITED

424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati Ahmedabad,
Gujarat - 380005

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*** Proxy Form & Attendance Slip**

CORPORATE INFORMATION

Our Company was originally incorporated as – Aakash Exploration Services Private Limited on January 17, 2007 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our company was converted into a Joint Stock Company from the Partnership firm M/s. Aakash Roadlines. M/s. Aakash Roadlines was formed on 30/05/2006 with the aim of carrying on the business of transportation hire, technical services and common carries. Our Company was subsequently converted in to a public company and consequently name was changed to – Aakash Exploration Services Limited (AESL) vide fresh certificate of incorporation dated November 8, 2017 issued by Registrar of Companies, Ahmedabad, Gujarat. The CIN of the Company is U23209GJ2007PLC049792.

Established in 2007, Aakash Exploration Services Limited is a company providing services for Oil and Gas Exploration with a fundamental vision of being a leader in providing services to Oil and Gas Field while achieving international standard of excellence.

OUR MANAGEMENT

THREE PILLARS OF THE COMPANY

Mr. Vipul Haria

Mr. Vipul Haria, aged 47 years old is Managing Director of Aakash Exploration Services Limited is a Commerce Graduate from Gujarat University in the year 1992. After passing out B.Com he joined the family business of Aakash Roadlines in 1997. He has experience of over 20 years in Oil filed industry. With his skills and technically sound personality, he was able to convert Aakash Roadlines into –Aakash Exploration Services Private Limited in 2007. He is the backbone of the company, currently looking after setting up the overall project infrastructure and team building. He looks after overall business including business development, project implementation of our company. Due to his vast experience and technical knowledge, the Company has flourished in all segment of oil enhancing recovery and cater to every need of customers.

Mr. Hemang Haria

Mr. Hemang Navin Haria, aged 45 years old is Chief Financial Officer of Aakash Exploration Services Limited is a Commerce Graduate from Gujarat University in the year 1993. He is entrepreneur by experience of over 18 years in oil and gas Industry. He is currently driving the company as an experienced sustainability and networking Director/Promoter through capabilities of effective coordination, management and

implementation, finance management, strategic planning, business leadership with a passion for improvement and establishment of the best oilfield service provider Company in India by connecting with diverse interest of public. He has a good grip of budgeting, planning, statutory knowledge. Due to his vision Aakash Roadlines converted into Aakash Exploration Services Private Limited in 2007. Due to his foresight the company became self-sufficient and day by day progressing.

Mr. Krunal Haria

Mr. Krunal Pravin Haria, aged 35 years old is a Whole Time Director of Aakash Exploration Services Limited is a Commerce Graduate from Mumbai University in the year 2003. After passing out B.Com he joined Aakash Roadlines in the year 2003. He has a vast experience of over 14 years of field and maintenance of Machinery & Equipments. With his rich expertise in machines, the company can execute tenders well in time, thus making Aakash Exploration Service Limited, a leading company as service provider in oil field sector in India.

Board of Director's and Key Managerial Personnel:

Name	Designation	Appointment Date	DIN/PAN
Vipul Navin Haria	Managing Director	14/12/2017	01690638
Krunal Pravin Haria	Wholetime Director	17/01/2007	01566988
Divyang Rameshchandra Patel	Independent Director	14/12/2017	08048091
Piyush Vasanji Savla	Independent Director	14/12/2017	08047095
Ami Nirav Shah	Independent Director	14/12/2017	08047071
Hemang Navin Haria	Chief Financial Officer	14/12/2017	01690627
Nikita Mahnot	Company Secretary & Compliance Officer	14/12/2017	CAYPM5238A

Committees:

Audit Committee	Divyang Rameshchandra Patel (Chairman)
	Piyush VasANJI Savla
	Hemang Navin Haria
Nomination & Remuneration Committee	Piyush VasANJI Savla (Chairman)
	Ami Nirav Shah
	Divyang Rameshchandra Patel
Shareholders/ Investors Grievance Committee	Divyang Rameshchandra Patel (Chairperson)
	Piyush VasANJI Savla
	Vipul Navin Haria
Internal Complaints Committee	Ami Nirav Shah (Presiding Officer)
	Krunal Pravin Haria
	Jayeeta Biswas
	Piyush Patel

About

We provide oilfield services at the production stage, when the survey of land and drilling processes are completed. For smooth and efficient production we have different equipments which are used such as Air Compressor, Coil Tubing Unit, Work Over Rig, SRP Unit, etc. Once the oil is produced it is transferred to refineries and further processed.

MAJOR MACHINERIES/EQUIPMENTS USED BY US IN THE PRODUCTION PPROCESS

We have following machineries to provide services in Oil & Gas industries:

- Mobile Work Over Rig
- Hot oil circulation unit
- Heating Unit
- Indirect bath heaters
- Mobile Sucker Rod Pumping Unit
- Utility Services for Return Lines
- Mobile Steaming Unit
- Mobile High Pressure Air Compressor
- Mobile High Pressure Pumping Unit
- Mobile LowPressure Pumping Unit
- FRAC/ Insulated Tank

Mobile Work Over Rig:



Heating Unit:



Mobile Sucker Rod Pumping Unit :



FRAC/ Insulated Tank:



OTHER CORPORATE INFORMATION

REGISTERED OFFICE

424-426, 4th Floor, Shukan Mall
Nr. Visat Petrol Pump, Sabarmati
Ahmedabad-380005
Gujarat, India.

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
4A9, Gundecha Onclave,
Kherani Road,
Sakinaka,
Mumbai - 400072,
Email: viren@skylinerta.com
Website: www.skylinerta.com

STATUTORY AUDITORS

M/s. Kunal B. Soni & Co.
Chartered Accountants
Ahmedabad

BANKERS

Axis Bank Limited
ICICI Bank Limited

Contact Details for Investors

HEMANG HARIA

32, Sharnam-7,
Opp. Satellite
Ahmedabad- 380001,
Gujarat, INDIA
Email: hemang@aakashexploration.com

LETTER TO SHAREHOLDERS

Dear Shareholders,

I Hemang Haria, Chief Financial Officer heartily welcome you all, having joined Aakash Exploration Services Limited family with your participation in our maiden public offer. It is my desire and wish that this association of ours, will strengthen our hands in to reach glorious heights.

We are fortunate and humbled by the response received for the Initial Public Offer (IPO) of the shares of Aakash Exploration Services Limited which was listed in the financial year 2018-19 on 27th April, 2018 on NSE SME Platform.

The support given to the IPO was very heartwarming and I would like to thank all the investors for showing confidence and trust in Management Capabilities of the “**AAKASH**” team, our philosophy of fairness and transparency and in our commitment to social initiatives to promote economic and social well-being of the society around us.

AAKASH EXPLORATION SERVICES LIMITED
(CIN: U23209GJ2007PLC049792)

NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the Members of the Company will be held on **29th September, 2018** at **11.30 A.M** at the 424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati, Ahmedabad, Gujarat - 380005 to transact the following business:

ORDINARY BUSINESS:

- i. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.
- ii. To appoint a Director in place of **Mr. Krunal P. Haria (DIN: 01566988)** who retires by rotation at this meeting and being eligible, offers herself for re-appointment.

Regd. office:

424-426, 4th Floor, Shukan Mall,
Nr. Visat Petrol Pump, Sabarmati,
Ahmedabad, Gujarat- 380005.

Date: 05/09/2018

Place: Ahmedabad

By Order of the Board of Directors
For, **Aakash Exploration Services Limited**

Hemang N. Haria
Chief Financial Officer
(DIN: 01690627)

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organization.

A person can act as proxy on behalf of Members not exceeding fifty(50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
6. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice

8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21st September 2018 to Saturday 29th September, 2018 (both days inclusive).
9. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission /transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to M/s. Skyline Financial Services Pvt. Ltd. 4A9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai - 400072, in case of holdings in physical form, mentioning your correct reference folio number.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact M/s. Skyline Financial Services Pvt. Ltd. 4A9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai - 400072, for assistance in this regard.
11. Electronic copy of the Annual Report for FY 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose unless any member has requested for a Physical copy of the same.
12. The Annual Report 2017-18 of the Company circulated to the Members of the Company, will be made available on the Company's website at **www.aakashexploration.com** and also on the website of the respective Stock Exchanges at **www.nseindia.com**.
13. Members of the Company had approved the appointment of M/s Bimal Shah Associates, (Membership No. – 042372, FRN No. – 0101505W) Chartered Accountants as the Statutory Auditors of the Company which is valid till 16th AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.
14. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.

16. The route map showing directions to reach the venue of the 12th AGM is annexed as per requirement of SS-2 on General Meetings.

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for appointment/re-appointment at Annual general Meeting are as follows:

Name	Krunal P. Haria
DIN	01566988
Designation	Non Executive Director
Date of Birth	26/05/1982
Date of Appointment	17/01/2007
Qualifications experience in specific functional area	Commerce Graduate from Mumbai University. Vast experience in oil fields sector
Directorship held in other companies*	NIL
Membership / Chairmanships of Committee in other Public Companies	NIL
Relationships between directors <i>inter se</i>	Relative of Other Directors
Number of shares held in the Company	5,49,900

DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the **Annual Report** of your Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2018.

I. FINANCIAL RESULTS:

The financial performance of the Company for the year ended 31st March, 2018 is summarized below:

(In Rupees)

Particulars	Year ending on 31 st March, 2018	Year ending on 31 st March, 2017
Sales	409,615,786	33,58,46,495
Other Income	2,661,556	21,83,430
Total Income	412,277,342	338,029,925
Less: Expenditure	332,834,850	269734541
Profit/Loss before interest, depreciation and tax	79,442,492	68295384
Less: Interest	13,713,869	13032934
Less: Depreciation & Amortization cost	33,209,496	38706771
Profit/ (Loss) before Tax	32,519,127	16555679
Less: Tax Expense	9,166,079	57,02,026
Profit/ (Loss) after Tax	23,353,048	1,08,53,653

II. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Your directors are pleased to inform that for the year under review, your company has been able to achieve a net turnover of Rs. 40.96 Crores in the year 2017-18as compared to Rs. 33.58 Crores in the year 2016-17.

III. DIVIDEND:

No dividend is being recommended by the Directors for the year ending on 31st March, 2018 as the Board of Directors wants to plough back the profit in the business.

IV. TRANSFER TO RESERVES

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

V. CHANGE IN THE NATURE OF THE BUSINESS:

During the year, there is no change in the nature of the business of the Company.

VI. CHANGE IN THE SHARE CAPITAL OF THE COMPANY:

During the year under review, there is no increase or decrease in the Share Capital of the Company.

VII. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

VIII. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

IX. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force). Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

X. MATERIAL CHANGES AND COMMITMENT:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relates on the date of this report.

XI. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the period under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

XII. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

XIII. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees or made any investments covered under the provisions of section 186 of the Companies Act, 2013 during the financial period under review.

XIV. STATE OF COMPANY'S AFFAIR :

During the year under review, your company has not made any default in repayment of any of its term loans, have met generally all its obligation in time including its tax liabilities.

XV. RELATED PARTY TRANSACTIONS:

During the year no contracts or arrangements were made with related parties falling under the purview of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

XVI. PARTICULARS OF EMPLOYEES:

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees of the company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2016-17.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as “Annexure-A”.

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

[A] Consumption Of Energy & Technology Absorption:

The details as required under Section 134 (3) (m) of the Companies Act, 2013, in respect of Conservation of Energy, Technology Absorption are provided in “Annexure-B” of this report.

[B] Foreign Exchange Earning & Outgo :

During the year, the total foreign exchange used was Rs. Nil and the total foreign exchange earned was Rs. Nil

XVIII. APPOINTMENT OF SKYLINE FINANCIAL SERVICES PRIVATE LIMITED AS THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY:

The Company has appointed Skyline Financial Services Private Limited
As its Registrar and Share Transfer Agent and passed the following resolution:

“RESOLVED THAT the Company appoints Skyline Financial Services Private Limited as the Registrar & Transfer Agent (RTA) for the Depository upon such terms and conditions as may be approved.”

XIX. DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Composition of Board

Name of Directors	Designation	Category	No. of Board Meeting held during the year	No. of Board Meeting attended during the year
Mr. Vipul Navin Haria	Managing Director	Promoter Executive	8	8
Krunal Pravin Haria	Whole Time Director	Promoter Executive	8	8
Divyang Rameshchandra Patel	Director	Non- Executive	8	3
Piyush Vasanti Savla	Director	Non-Executive Independent	8	3
Ami Nirav Shah	Director	Non-Executive Independent	8	3
Mr. Hemang Navin Haria	Director	Promoter Executive	8	8
Nikita Mahnot	Company Secretary & Compliance Officer	Compliance Officer		

- (1) Mr. Divyang Rameshchandra Patel was appointed as on 14/12/2017.
- (2) Mr. Piyush Vasanji Savla was appointed as on 14/12/2017.
- (3) Mr. Ami Nirav Shah was appointed as on 14/12/2017.
- (4) Ms. Nikita Mahnot was appointed as on 14/12/2017.

ii. Appointment

During the year the following directors were appointed :

- (1) Mr. **DIVYANG RAMESHCHANDRA PATEL** (DIN:08048091) has been appointed as an Independent Director of the Company w.e.f 14/12/2017.
- (2) Mr. **PIYUSH VASANJI SAVLA** (DIN:08047095) has been appointed as an Independent Director of the Company w.e.f 14/12/2017.
- (3) Mr. **AMI NIRAV SHAH** (DIN:08047071) has been appointed as an Independent Director of the Company w.e.f 14/12/2017.

During the year following KMP were appointed:

- (1) Ms. **Nikita Mahnot** has been appointed as a Compliance Officer of the company w.e.f 14/12/2017

iii. Change in Designation

During the year change in designation of the following persons were made:

- (1) Mr. **Vipul Haria** has been appointed as a Managing Director of the company w.e.f 14/12/2017
- (2) Mr. **Hemang Haria** has been appointed as a Chief Financial Officer of the company w.e.f 14/12/2017

iv. Retirement by rotation and subsequent re-appointment:

Mr. Krunal P. Haria (DIN: 01566988) is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company and being eligible have offered herself for reappointment. Appropriate resolutions for there-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 12th AGM of your Company.

v. Declaration of Independence:

Mr. DIVYANG RAMESHCHANDRA PATEL (DIN: 08048091) is the existing independent directors of the company and the company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

Mr. PIYUSH VASANJI SAVLA (DIN: 08047095) is the existing independent directors of the company and the company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

Mr. AMI NIRAV SHAH (DIN: 08047071) is the existing independent directors of the company and the company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

vi. Evaluation of Board's Performance:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out.

XX. NUMBER OF MEETINGS OF THE BOARD

The Company had conduct 8 (Eight) Board meetings during the financial year 2017-18 under review on:

- 1st July, 2017, 15th September 2017, 4th October, 2017, 20th November 2017, 12th December 2017, 1st January 2018, 2nd February 2018, 12th February 2018.

XXI. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of our Company confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2018 and of the profit and loss of the Company for the financial year ended 31st March, 2018;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

XXII. EXTRACT OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure "C"** and is attached to this Report.

XXIII. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:

[A] AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013.

The audit committee was constituted in the board meeting held on 1st January, 2018. The composition of the Audit Committee is in conformity with the provisions of the said section.

➤ **Composition:**

The details of composition of Audit Committee are as follows:

Sr. No.	Name	Designation	Position In Committee
1.	Divyang Rameshchandra Patel	Non Executive-Independent Director	Chairman
2.	Piyush Vasanti Savla	Non Executive-Independent Director	Member
3.	Hemang Navin Haria	Executive Director	Member

➤ **Terms of reference:**

The broad terms of reference of the Audit Committee are as under:

- Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- Discussions with Internal Auditor on any significant findings and follow up there on.

[B] NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee was constituted in the meeting held on 1st January, 2018. The composition of the Committee is in conformity with the provisions of the said section.

➤ **Composition**

The details of composition of Nomination and Remuneration Committee are as follows:

Sr. No.	Name	Designation	Position In Committee
1.	Piyush Vasanji Savla	Non-Executive - Independent Director	Chairman
2.	Ami Nirav Shah	Non Executive- Independent Director	Member
3.	Divyang Rameshchandra Patel	Non Executive- Independent Director	Member

➤ **Terms of reference:**

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

The Board has on the recommendation of Nomination and Remuneration Committee framed a policy on director's appointment and remuneration of Directors including criteria for determining qualification, positive attributes, independence of directors and remuneration for directors, Key Managerial Personnel and other employees. The policy is annexed to this report as "**Annexure-D**"

[C] Shareholders/ Investors Grievance Committee:

The Stakeholders Relationship Committee of Directors was constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013.

The Stakeholders Relationship Committee was constituted in the meeting held on 1st January, 2018. The composition of the Committee is in conformity with the provisions of the said section

➤ **Composition:**

The details of composition of Nomination and Remuneration Committee are as follows:

Sr. No.	Name	Designation	Position In Committee
1.	Divyang Rameshchandra Patel	Non Executive-Independent Director	Chairman
2.	Piyush Vasanji Savla	Non-Executive - Independent Director	Member
3.	Vipul Navin Haria	Managing Director	Member

➤ **Details of Investor's grievances/ Complaints:**

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2017 are NIL.

➤ **Compliance Officer :**

Ms. Nikita Mahnot is the Compliance Officer of the Company for the above purpose.

[D] Shareholders/ Investors Grievance Committee:

Name	Designation in the Committee
Ami Nirav Shah	Presiding Officer
Krunal Pravin Haria	Member
Jayeeta Biswas	Member
Piyush Patel	Member

XXIV. AUDITORS:

[A] Ratification of Statutory Auditors:

M/s Bimal Shah Associates, (Membership No. – 042372, FRN No. – 0101505W) Chartered Accountants, Ahmedabad were appointed as Statutory Auditors at the Extra Ordinary General Meeting held on 11th April, 2017 to hold office till the conclusion of 05th Annual General Meeting and further was re-appointed in the Annual General Meeting held on 29th September, 2017 from the conclusion of Fifth (5th) Annual General Meeting till the conclusion of Tenth (10th) Annual General Meeting of the company. (subject to ratification of their appointment at every AGM).

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by MM/s. S.N Shah & Associates, Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March, 2018 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

[B] Cost Auditor:

As the cost audit is not applicable to the Company, therefore the Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

[C] Internal Auditor

The Company has appointed the M/s Panchal Dosi & Associates, Chartered Accountants, Ahmedabad as Internal Auditor pursuant to the provision of section 138 of Companies Act, 2013 read with rule 13 of The Companies (Accounts) Rule, 2014 and other applicable provisions (including any modification or enactment thereof), if any, of the Companies Act, w.e.f. 26th May, 2018 for the financial year 2017-18 & 2018-19.

[D] Secretarial Auditor:

The Company has appointed Mr. Anand Khandelwa, Company Secretary having CP No. 5841 and Membership No. FCS 5803 as Secretarial Auditor to conduct secretarial audit for FY 2018-19 pursuant to the provisions of Section 204 of the Companies Act, 2013.

XXV. CORPORATE GOVERNANCE

Our Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

XXVI. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

XXVII. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on the company. Therefore the company has not constituted CSR committee.

XXVIII. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations is given as an "Annexure-E" to this report.

XXIX. RISK MANAGEMENT:

The Company does not have any Risk Management Policy or any statement concerning development and implementation of risk management policy of the company as the elements of risk threatening the Company's existence are very minimal.

XXX. COMPANY'S POLICY RELATING TO PAYMENT OF REMUNERATION TO DIRECTORS:

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in "Annexure - F" forming part of the Annual Report.

XXXI. LISTING:

The Equity Shares of the Company are listed on National Stock Exchange (EMERGE) from 27th July 2018 onwards. The company has paid listing fees to the Stock Exchange for the

applicable year. further the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR.

XXXII. GENERAL:

- a. Your Company has not issued any equity shares with differential rights as to dividend, voting or otherwise; and
- b. Your Company does not have any ESOP scheme for its employees/Directors.

XXXIII. APPRECIATION:

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hardwork, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

By Order of the Board of Directors
For, **Aakash Exploration Services Limited**

Date: 05/09/2018
Place: Ahmedabad

Hemang N. Haria
Chief Financial Officer
(DIN: 01690627)

“Annexure A”

**PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013
READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF
MANAGERIAL PERSONNEL) RULES, 2014**

- i) Company has paid following Managerial Remuneration during the Year :-

Name of Directors	Designation	Amount
Krunal P Haria	Whole Time Director	7,20,000
Hemang N Haria	Chief Financial Officer	24,00,000
Vipul N Haria	Managing Director	36,00,000
Total	67,20,000	67,20,000

“ANNEXURE - B”

CONSERVATION OF ENERGY

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is given here below and forms part of the Directors' Report.

➤ **The steps taken for conservation of energy:**

In line with the Company's commitment towards conservation of energy, the company continues with its efforts aimed at improving energy efficiency through improved operational and maintenance practices.

The steps taken in this direction are as under:

- a) Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.
- b) Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.
- c) Various on-going measures for conservation of energy include

- (i) Use of energy efficient lighting and better use of natural lighting,
- (ii) Reduction of energy loss, and

(iii) Replacement of outdated energy intensive equipment.

- d)** The Company has not specific Research and Development Department. However, the Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.

The Company has derived benefits of product development, cost reduction and better quality as a result of the above efforts.

The research and development is an on-going exercise and suitable efforts will continue to be made in future.

➤ **The capital investment on energy conservation equipment's :**

Capital Investment made in the year towards energy conservation: NIL

TECHNOLOGY ABSORPTION :

i. The efforts made towards technology absorption: N.A.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

The Company has not specific Research and Development Department. But there are some manpower who are continuously engaged in research & development. The Company carries out research and development in several areas including material & process developments towards efficiency improvements, quality improvements, waste reduction etc. Apart from process improvements, the research and development also aims at finding equivalent substitutes of various inputs and packaging materials to have cost savings without compromising quality.

The Company has derived benefits of product diversification, cost reduction and better quality as a result of the above efforts. The research and development is an on-going exercise and suitable efforts will continue to be made in future.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.

a) The details of technology imported: N.A.

b) The year of import: N.A

c) Whether the technology been fully absorbed: N.A

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

iv. The expenditure incurred on Research and Development: N.A.

“Annexure-C”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	U23209GJ2007PLC049792
2.	Registration Date	17/01/2017
3.	Name Of The Company	AAKASH EXPLORATION SERVICES LIMITED
4.	Category / Sub-Category Of The Company	Public limited/ Limited by shares
5.	Address Of The Registered Office And Contact Details	424-426, 4TH FLOOR, SHUKAN MALL NR. VISAT PETROL PUMP, SABARMATI AHMEDABAD Gujarat 380005
6.	Whether Listed Company	Yes
7.	Name, Address And Contact Details Of Registrar And Transfer Agent, If Any	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED 4A9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai – 400072 Tel. No. - +91-22-28511022 / 62215779 Website: www.skylinerta.com Email: viren@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities Contributing 10 % or more of the total turnover of the company shall be stated)

Sr No.	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the company
1.	Manufacture of refined petroleum Products	1920	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2017)				No. of Shares held at the end of the year (31/03/2018)				% Change during the year —
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	4950000	4950000	100	4950000	-	4950000	100	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI									
f) Any other...									
Sub-total (A) (1):-	-	4950000	4950000	100	4950000	-	4950000	100	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter	-	4950000	4950000	100	4950000	-	4950000	100	-

(A)=(A)(1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
i) Non Resident Repatriates	-	-	-	-	-	-	-	-	-
ii) Non Resident Non Repatriates	-	-	-	-	-	-	-	-	-
iii) Clearing Members	-	-	-	-	-	-	-	-	-

Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4950000	4950000	100	4950000	-	4950000	100	-

(ii) Shareholding of Promoters (including promoter group)

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares Of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total Shares	% change in share holding during the year
1	Vipul N. Haria	2540000	51.31		2539900	51.31	-	
2	Navinchandra V. Haria	-	-		100	0.00	-	
3	Bijal Vipul Haria	160000	3.23		160000	3.23	-	
4	Hemang N. Haria	1700000	34.34		1699900	34.34	-	
5	Urvi Hemang Haria	-	-		100	0.00	-	
6	Sneha Krunal Haria	-	-		100	0.00	-	
7	Krunal P. Haria	550000	11.11		549900	11.11	-	
	Total	4950000	100.00		4950000	100.00	-	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Increase/ Decrease in the Share holding	Reason	Cumulative Shareholding	
		No. of shares	% of total shares of the			No. of shares	% of total shares of the company
1.	Vipul N. Haria	2540000	51.31	(100)	Sale	2539900	51.31
2.	Hemang N. Haria	1700000	34.34	(100)	Sale	1699900	34.34

3.	Krunal N. Haria	550000	11.11	(100)	Sale	549900	11.1
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V. INDEBTEDNESS

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

Borrowings		
Particulars	As at 31.03.2018 Rs.	
<u>Secured</u>		
Bonds / debentures		
Term loans from Banks		
a. ICICI BANK - Mahindra XUV (Secured against Hypothecation of Motor Car)		-
a. ICICI Bank Loan-Beetle (Secured against Hypothecation of Motor Car)	15,58,517	
c. HDFC BANK LOAN - REXTON (Secured against Hypothecation of Motor Car)		-
b. Axis Bank(Hydraulic Mobile Crane) (Secured against Hypothecation of Commercial Vehicle)	10,73,813	
e. (Secured against Mortgage of Residential Property)	0	-
c. Axis Bank Loan-10 Tanker (Secured against Hypothecation of Commercial Vehicle)		-
d. Axis Bank Loan-5 MPU (Secured against Hypothecation of Commercial Vehicle)		-
h. (Secured against Hypothecation of Commercial Vehicle)	0	-
i. (Secured against Mortgage of Residential Property)	0	-
j. HDFC Bank Term Loan-(82551405) (Secured against Hypothecation of Commercial Vehicle)		-
k. ICICI Bank-Term Loan- 4702 (Secured against Hypothecation of Commercial Vehicle)		-

l.	HDFC BANK LOAN - [Horse-2] Heating (Secured against Hypothecation of Commercial Vehicle)	-
e.	ICICI BANK - TERM LOAN	131,21,490
-	Hypothecation of entire of Company's Stock and Book Debt, both present and future	
-	Hypothecation of movable Fixed Asset of the company HOC Unit and Work Over Rig, which financed by Term Loan	
-	Personal Guarantee of Mr. Vipul N. Haria, Mr. Krunal P Haria, Mr. Hemang Haria, Mrs. Urvi H. Haria, Mr. Pravin Haria	
-	Equitable Mortgage on Property Situated at 424-426, Shukan Mall, Motera, Ahmedabad.	
-	Equitable Mortgage on Property Situated at A/21, Sharnam 11, Opp. Karnavati Club, Satellite, Ahmedabad.	
-	Equitable Mortgage on Property Situated at Unit 334, Kalhar Blues, Sanand, Viramgam Road, Ahmedabad.	
f.	ICICI BANK - 1 LP BOILER (Secured against Hypothecation of Commercial Vehicle)	-
g.	DHFL-HOME LOAN (Secured against Mortgage of Residential Property)	65,66,193
h.	HDFC BANK TERM LOAN(3012) (Secured against Mortgage of Residential Property)	-
i.	HDFC Bank Term Loan-(82551405) (Secured against Mortgage of Residential Property)	314,16,378
j.	ICICI Bank-Term Loan- 4702	
Total Secured Long Term Borrowings		537,36,391

“Annexure D”

Nomination and Remuneration Policy

INTRODUCTION

In pursuance to the Company’s policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, key managerial personnel and employees of the Company, to harmonise the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on Nomination and Remuneration of directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC”) and approved by the Board of Directors of the Company.

CONSTITUTION OF COMMITTEE

The Board of Directors of the Company has constituted the “Nomination and Remuneration Committee” consisting of following members in accordance with the provisions of Section 178 of the Companies Act, 2013.

Name of the Director	Designation in the Committee	Nature of Directorship
Piyush Vasanji Savla	Chairman	Non-Executive - Independent Director
Ami Nirav Shah	Member	Non Executive-Independent Director
Divyang Rameshchandra Patel	Member	Non Executive-Independent Director

OBJECTIVE

The key objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) Formulate the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management
- d) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage
- f) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.

- g) To develop a succession plan for the Board and to regularly review the plan.

DEFINITIONS

“Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means

- a) Chief Executive Officer or the Managing Director or the Manager;
- b) Whole-time director;
- c) Chief Financial Officer;
- d) Company Secretary; and
- e) Such other officer as may be prescribed.

“Senior Management” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIORMANAGEMENT

A. Appointment criteria and qualifications

I. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

II. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

III. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

B. Term / Tenure

➤ Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a

time. No reappointment shall be made earlier than one year before the expiry of term.

➤ **Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

C. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

D. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

E. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission

etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

While determining the remuneration of Executive Directors and Key Managerial Personnel, the Committee shall consider following factors:

- i) Industry standards, if the data in this regard is available.
- ii) The job description.
- iii) Qualification and experience level of the candidate.

The remuneration payable to the Executive Directors, including the value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013. They shall not be eligible for any sitting fees for attending any meetings.

The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/Shareholders from time to time, presently the Company is not paying any sitting fee. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings.

DUTIES IN RELATION TO NOMINATION MATTERS

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Determining the appropriate size, diversity and composition of the Board;
- d) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- e) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- f) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- g) Recommend any necessary changes to the Board; and

DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

REVIEW AND AMENDMENTS:

- I. The NRC or the Board may review the Policy as and when it deems necessary.
- II. The NRC may issue guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.

This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.

Regd. office:

424-426, 4th Floor, Shukan Mall,
Nr. Visat Petrol Pump, Sabarmati,
Ahmedabad, Gujarat- 380005.

Date: 05/09/2018

Place: Ahmedabad

By Order of the Board of Directors
For, **Aakash Exploration Services Limited**

Hemang N. Haria
Chief Financial Officer
(DIN: 01690627)

“ANNEXURE-E”

MANAGEMENT DISCUSSION & ANALYSIS REPORT

i) **Industry Structure and Development**

The Management team comprising one of the Director is looking after day to day management of the company.

ii) **Opportunities and Threats**

There is a considerable scope of growth in the business for which the management will puts all efforts to increase the business of the company.

iii) **Internal Control system and their adequacy**

The Company has a proper and adequate system of internal control and ensures that all assets are safeguard and protected against from unauthorized use or disposition, which has been looked after by Ritesh Patel, Managing Director of the Company.

iv) **Financial performance with respect to operational performance**

The Financial performance of the Company for the year **2017-18** is described in the Directors' Report under the head overview of Company's financial performance.

v) **Human Resources/ Industrial Relations**

Relation between management and the employees at all level remained healthy and cordial throughout the year. The management and the employees are dedicated to achieve the corporate objectives and the targets set before the company.

vi) **Cautionary Statement**

Statement in this management Discussion and Analysis describing the company's objectives, projections, estimated and expectations are “forward looking statements” Actual results might differ, materially from those anticipated because of changing ground realities.

By Order of the Board of Directors

For, **Aakash Exploration Services Limited**

Date: 05/09/2018

Place: Ahmedabad

Hemang N. Haria
Managing Director
(DIN: 01690627)

INDEPENDENT AUDITORS' REPORT

To the Members of
Aakash Exploration Services Limited

Report on the Financial Statements

01. We have audited the accompanying financial statements of Aakash Exploration Services Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2018, 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, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

02. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

03. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
04. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
05. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

06. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.
07. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

08. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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, of the state of affairs of the company as at 31st March, 2018; and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

09. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by section 143(3) of the Act, we report that:
- a) we have sought and 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 it appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the Directors as on 31st March, 2018 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, KUNAL B SONI & CO.
Chartered Accountants
(FRN 136852W)

Place: Ahmedabad
Date: 03.09.2018

(KUNAL B SONI)
Proprietor
M. No. 155975

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 9 of our Report of even date]

01. a) The Company has maintained proper records showing full particulars including quantitative details and location of all its fixed assets on the basis of available information.
b) We are informed that the Company has a regular programme of physical verification of its fixed assets in a phased manner over a period of three years. Accordingly, the physical verification of part of the fixed assets has been carried out by the Management during the year and no material discrepancies have been noticed on such verification.
c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company.
02. The inventory has been physically verified at reasonable intervals during the year by the Management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification, between physical stocks and books records, were not material in relation to the operations of the company and have been properly dealt with in the books of account.
03. As explained to us, the company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
a) In our opinion and according to the information and explanations given to us, the terms of the loan are not, prima facie, prejudicial to the interest of the company.

b) No Schedule of repayment of principal and payment of interest has been stipulated.

c) There is no such overdue amount in respect of loans granted to party covered in the register maintained under section 189 of the Companies Act, 2013 and hence no further comments are required to be given under this clause.
04. In our opinion and according to the information and explanations given to us, the company has not given loans, not made investments and not provided guarantees and securities.

05. 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 73 to 76, or any other relevant provisions of the Companies Act and the rules framed thereunder.
06. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
07. a) According to information and explanations given to us, the company is generally regular in depositing with Appropriate Authorities undisputed statutory dues including Income Tax, Provident fund, Employees State Insurance, VAT/Sales tax, Excise-duty, Custom Duty, Service Tax, Goods and Service Tax and other material statutory dues applicable to it though there has been slight delay in few caes. According to the information and explanations given to us, there were no undisputed amounts payable in respect of such dues which were outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us there are no any disputed dues which have not been deposited, of income Tax, VAT/Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess as at 31st March, 2018 and therefore no further information is required to be furnished under this clause.
08. Based on our audit procedures and on the information and explanations given by the management, the Company has not defaulted in repayment of the dues to any bank and financial institutions. The Company has not issued debentures during the year.
09. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence reporting under clause 3(xv) of the Order is not applicable to the Company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, KUNAL B SONI & CO.
Chartered Accountants
(FRN 136852W)

Place: Ahmedabad
Date: 03.09.2018

(KUNAL B SONI)
Proprietor
M. No. 155975

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 10(f) of our Report of even date]

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Aakash Exploration Services Limited (the "Company"), as of 31st March, 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For, KUNAL B SONI & CO.
Chartered Accountants
(FRN 136852W)

Place: Ahmedabad
Date: 03.09.2018

(KUNAL B SONI)
Proprietor
M. No. 155975

Aakash Exploration Services Limited

Balance Sheet as at 31st March, 2018

PARTICULARS	Note No.	Rs.	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
I EQUITY AND LIABILITIES				
1 Shareholders' funds				
a. Share capital	03	49,500,000		49,500,000
b. Reserves and surplus	04	143,626,450		120,273,402
c. Money received against share warrants		-		-
			193,126,450	169,773,402
2 Share application money pending allotment			-	-
3 Non-current liabilities				
a. Long-term borrowings	05	162,545,004		95,028,865
b. Deferred tax liabilities (net)	06	-		-
c. Other long-term liabilities		-		-
d. Long-term provisions		-		-
			162,545,004	95,028,865
4 Current liabilities				
a. Short-term borrowings	07	29,866,096		28,069,679
b. Trade payables	08	15,711,281		12,382,168
c. Other current liabilities	09	33,363,628		25,941,393
d. Short-term provisions	10	11,218,518		7,014,506
			90,159,523	73,407,746
TOTAL			445,830,977	338,210,013
II ASSETS				
1 Non-current assets				
a. Fixed assets				
i. Tangible assets	11	179,158,469		192,121,708
ii. Intangible assets	12	701		1,157
iii. Capital work-in-progress		-		-
iv. Intangible assets under development		-		-
v. Fixed assets held for sale		-		-
		179,159,170		192,122,865
b. Non-current investments	13	5,900		5,900
c. Deferred tax assets (net)	06	7,821,779		8,287,858
d. Long-term loans and advances	14	22,213,963		11,672,521
e. Other non-current assets		-		-
			209,200,812	212,089,144
2 Current assets				
a. Current investments		-		-
b. Inventories		-		-
c. Trade receivables	15	187,737,392		88,498,495
d. Cash and bank balances	16	9,271,143		30,396,936
e. Short-term loans and advances	17	39,621,630		7,225,438
f. Other current assets		-		-
			236,630,165	126,120,869
Significant Accounting Policies	02			
TOTAL			445,830,977	338,210,013

See accompanying notes forming part of the financial statements

As per our report of even date

For, KUNAL B SONI & CO.

Chartered Accountants

(FRN 136852W)

For and on behalf of the Board

(KUNAL B SONI)

Proprietor

M. No. 155975

Place: Ahmedabad (HEMANG N. HARIA)

Date: 03.09.2018 Director

(VIPUL N. HARIA)

Director

Aakash Exploration Services Limited

Statement of Profit and Loss for the year ended 31st March, 2018

PARTICULARS	Note No.	For the year ended	
		31.03.2018	31.03.2017
		Rs.	Rs.
I. Revenue from operations (gross)	18	409,615,786	335,846,495
Less: Excise duty		-	-
Revenue from operations (net)		409,615,786	335,846,495
II. Other income	19	2,661,556	2,183,430
III. Total revenue (I + II)		412,277,342	338,029,925
IV. Expenses			
a. Cost of materials consumed	20	47,618,292	38,120,262
b. Purchases of stock-in-trade		-	-
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
d. Employee benefits expense	21	130,606,172	107,150,449
e. Finance costs	22	13,713,869	13,032,934
f. Depreciation and amortisation expense	23	33,209,496	38,706,771
g. Other expenses	24	154,610,386	124,463,830
Total expenses		379,758,215	321,474,246
V. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)		32,519,127	16,555,679
VI. Exceptional items		-	-
VII. Profit / (Loss) before extraordinary items and tax (V - VI)		32,519,127	16,555,679
VIII. Extraordinary items		-	-
IX. Profit / (Loss) before tax (VII - VIII)		32,519,127	16,555,679
X. Tax expense:			
a. Current Tax		8,700,000	6,110,000
b. Deferred Tax		466,079	(407,974)
		9,166,079	5,702,026
XI. Profit / (Loss) for the period from continuing operations (IX - X)		23,353,048	10,853,653
XII. Profit / (Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV)		23,353,048	10,853,653
XVI. Earnings per equity share			
a. Basic		4.72	2.19
b. Diluted		-	2.17

Significant Accounting Policies

02

See accompanying notes forming part of the financial statements

As per our report of even date

For, KUNAL B SONI & CO.

Chartered Accountants

(FRN 136852W)

For and on behalf of the Board

(KUNAL B SONI)

Proprietor

M. No. 155975

Place: Ahmedabad (HEMANG N. HARIA)

Date: 03.09.2018 Director

(VIPUL N. HARIA)

Director

Aakash Exploration Services Limited
Cash Flow Statement for the year 2017-18

Particulars	31.03.2018 Rs.	31.03.2017 Rs.
A. <u>Cash flow from operating activities</u>		
Net profit before taxation, and extraordinary items	32,519,127	16,555,679
<i><u>Adjustments for:</u></i>		
Depreciation	33,209,496	38,706,771
Interest income	(1,244,681)	(1,280,135)
Interest expense	13,713,869	13,032,934
Dividend Income		
Operating profit before working capital changes	78,197,811	67,015,249
<i><u>Movements in working capital</u></i>		
(Increase)/Decrease in Trade Receivables	(99,238,897)	(23,957,638)
(Increase)/Decrease in inventories	-	
(Increase)/Decrease other Receivables	(42,754,694)	10,307,234
(Decrease)/Increase in current liabilities	16,751,777	7,255,286
Cash (used in)/generated from operations	(47,044,003)	60,620,131
Taxes paid (net of refunds)	(8,882,940)	(6,865,089)
Cash flow before extraordinary items	(55,926,943)	53,755,042
Extraordinary item		-
Net cash (used in)/ from operating activities (A)	(55,926,943)	53,755,042
B. <u>Cash flows from investing activities</u>		
Purchase of fixed assets	(20,245,801)	(60,367,872)
Interest received	1,244,681	1,280,135
Net cash (used in)/ from investing activities (B)	(19,001,120)	(59,087,737)

Aakash Exploration Services Limited
Cash Flow Statement for the year 2017-18

Particulars	31.03.2018 Rs.	31.03.2017 Rs.
C. Cash flows from financing activities		
Proceeds from issuance of share capital	-	(500,000)
Proceeds from long-term borrowings	67,516,139	7,588,941
Repayment of long-term borrowings	-	-
Interest paid	(13,713,869)	(13,032,934)
Dividends paid	-	-
Tax on dividend paid	-	-
Net cash introduced from /(used in) financing activities (C)	53,802,270	(5,943,993)
Net (decrease)/increase in cash & cash equiv. (A+B+C)	(21,125,793)	(11,276,688)
Cash and cash equivalents at the beginning of the year	30,396,936	41,673,624
Cash and cash equivalents at the end of the year	9,271,143	30,396,936
	(21,125,793)	(11,276,688)

As per our report of even date

For, KUNAL B SONI & CO.

Chartered Accountants

(FRN 136852W)

For and on behalf of the Board

(KUNAL B SONI)

Proprietor

Place: Ahmedabad

(HEMANG N. HARIA)

(VIPUL N. HARIA)

M. No. 155975

Date: 03.09.2018

Director

Director

01. Company Overview

Aakash Exploration Services Limited ('the company'), incorporated under the Companies Act, 1956 vide CIN -U23209GJ2007FLC049792 having its registered office at 424-426, Shukan Mall, B/h Visat Petrol Pump Ahmedabad-380005 Gujarat and engaged in Oilfield Services to ONGC and Others for production of Mineral Oil

02. Significant accounting policies

2.01 Basis for Preparation of Financial Statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.02 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.03 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.04 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.05 Depreciation and amortisation

Depreciation, on fixed assets, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, on Written Down Value (WDV) method. Depreciation on additions during the year is provided on prorata time basis.

2.06 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Other income

Interest income is accounted on accrual basis.
All other income is recognised on accrual basis.

2.07 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.08 Foreign currency transactions and translations

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date. Gains/losses arising on account of realisation/settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the Profit and Loss Account.

2.09 Government grants and subsidies

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

2.10 Employee benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

Post- Employment Benefits

Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

2.11 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.12 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.13 Impairment of assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

2.14 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 recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

03. Share Capital

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000
<u>Issued</u>				
Equity shares of Rs. 10 each	4,950,000	49,500,000	4,950,000	49,500,000
<u>Subscribed and fully paid up</u>				
Equity shares of Rs. 10 each	4,950,000	49,500,000	4,950,000	49,500,000
Total Share Capital	4,950,000	49,500,000	4,950,000	49,500,000

Reconciliation of Share Capital

Equity shares of Rs. 10 each

i	outstanding at the beginning of the year	4,950,000	49,500,000	5,000,000	50,000,000
ii	Issued during the year	-	-	-	-
iii	bought back during the year	-	-	50,000	500,000
iv	outstanding at the end of the year	4,950,000	49,500,000	4,950,000	49,500,000

Details of shares held by each shareholder holding more than 5% shares

Equity shares of Rs. 10 each

Sr. No.	Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
		Number	%	Number	%
1	Vipul Haria	2,539,900	51.31	2,540,000	51.31
2	Hemang Haria	1,699,900	34.34	1,700,000	34.34
3	Krunal Haria	549,900	11.11	550,000	11.11
4	Bijal haria	160,000	3.23	160,000	3.23

04. Reserves and surplus

Particulars	As at	As at
	31.03.2018	31.03.2017
	Rs.	Rs.
<u>Securities premium account</u>		
Opening balance	56,990,500	-
Add : Premium on shares issued during the year	-	56,990,500
Less : Utilised during the year	-	-
Issuing bonus shares	-	-
Writing off preliminary expenses	-	-
Buy back of shares	-	-
Others (give details)	-	-
Closing balance	<u>56,990,500</u>	<u>56,990,500</u>

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
Opening balance	63,282,902	52,429,249
Add: Profit / (Loss) for the year	23,353,048	10,853,653
Closing balance	86,635,950	63,282,902
Total Reserves and surplus	<u>143,626,450</u>	<u>120,273,402</u>

05. Long-term borrowings

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<u>Secured</u>		
Bonds / debentures	-	-
Term loans from Banks		
a. ICICI Bank Loan-Beetle (Secured against Hypothecation of Motor Car)	1,558,517	-
b. Axis Bank(Hydraulic Mobile Crane) (Secured against Hypothecation of Commercial Vehicle)	1,073,813	-
c. Axis Bank Loan-10 Tanker (Secured against Hypothecation of Commercial Vehicle)	-	1,200,570
d. Axis Bank Loan-5 MPU (Secured against Hypothecation of Commercial Vehicle)	-	1,456,112

Aakash Exploration Services Limited
Notes forming part of the financial statements (2017-18)

e. ICICI BANK - TERM LOAN	13,121,490	6,426,449
- Hypothecation of entire of Company's Stock and Book Debt, both present and future		
- Hypothecation of movable Fixed Asset of the company HOC Unit and Work Over Rig, which financed by Term Loan		
- Personal Guarantee of Mr. Vipul N. Haria, Mr. Krunal P Haria, Mr. Hemang Haria, Mrs. Urvi H. Haria, Mr. Pravin Haria		
- Equitable Mortgage on Property Situated at 424-426, Shukan Mall, Motera, Ahmedabad.		
- Equitable Mortgage on Property Situated at A/21, Sharnam 11, Opp. Karnavati Club, Satellite, Ahmedabad.		
- Equitable Mortgage on Property Situated at Unit 334, Kalhar Blues, Sanand, Viramgam Road, Ahmedabad.		
f. ICICI BANK - 1 LP BOILER (Secured against Hypothecation of Commercial Vehicle)	-	-
g. DHFL-HOME LOAN (Secured against Mortgage of Residential Property)	6,566,193	8,541,242
h. HDFC BANK TERM LOAN(3012) (Secured against Mortgage of Residential Property)	-	28,327,179
i. HDFC Bank Term Loan-(82551405) (Secured against Mortgage of Residential Property)	31,416,378	-
	53,736,391	45,951,552
Total Secured Long Term Borrowings	53,736,391	45,951,552
<u>Unsecured</u>		
Loans and advances from related parties	88,586,696	49,077,313
Long-term maturities of finance lease obligations	-	-
Other loans and advances	20,221,917	-
Total unsecured Long Term Borrowings	108,808,613	49,077,313
Total Long-term borrowings	162,545,004	95,028,865

Installments falling due in respect of all the above secured term loans upto 31.03.2018 have been grouped under "Current maturities of long-term debt" (Refer Note 08.)

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

06. Deferred tax liability/ Asset

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
a <u>Tax effect of items constituting deferred tax liability</u>		
i Fixed assets:Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
ii On expenditure deferred in the books but allowable for tax purposes	-	-
Deferred tax liability	-	-
b <u>Tax effect of items constituting deferred tax Assets</u>		
i Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	-
ii Fixed assets:Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	7,821,779	8,287,858
Deferred tax asset	7,821,779	8,287,858
Net Deferred Tax Liability/ Asset	(7,821,779)	(8,287,858)

07. Short-term borrowings

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<u>Secured</u>		
Loans repayable on demand		
From Banks		
ICICI BANK-CC	29,866,096	28,069,679
<u>Security</u>		
- Hypothecation of entire of Company's Stock and Book Debt, both present and future		
- Hypothecation of movable Fixed Asset of the company HOC Unit and Work Over Rig, which financed by Term Loan		
- Personal Guarantee of Mr. Vipul N. Haria, Mr. Krunal P Haria, Mr. Hemang Haria, Mr. Pravin Haria		
- Equitable Mortgage on Property Situated at 424-426, Shukan Mall, Motera, Ahmedabad.		
- Equitable Mortgage on Property Situated at A/21, Sharnam 11, Opp. Karnavati Club, Satellite, Ahmedabad.		

Aakash Exploration Services Limited
Notes forming part of the financial statements (2017-18)

- Equitable Mortgage on Property Situated at Unit 334,
Kalhar Blues, Sanand, Viramgam Road, Ahmedabad.
- Equitable Mortgage on Property Situated at 17,
Sharnam 07, Opp. Jodhpur, Satellite, Ahmedabad.
- Equitable Mortgage on Property Situated at Plot No 30,
Jalmanjar, Sanand Kadi Road, Shedfa, Kadi, Mahesana.

	29,866,096	28,069,679
Total Secured Short Term Borrowings	29,866,096	28,069,679
Total Short-term borrowings	29,866,096	28,069,679

08. Trade payables

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Trade payables	15,711,281	12,382,168
Total Trade payables	15,711,281	12,382,168

Micro and small enterprises

The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. Since the relevant information is not readily available, no disclosures have been made in the Accounts.

09. Other current liabilities

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Current maturities of long-term debt	11,669,798	22,038,438
Other payables		
Statutory remittances	20,613,291	1,788,306
Payables on purchase of fixed assets	1,000,000	1,800,000
Payables for Expenses	80,539	51,526
Advances from customers	-	263,123
	21,693,830	3,902,955
Total Other current liabilities	33,363,628	25,941,393

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

10. Short-term provisions

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Provision for employee benefits	10,909,656	7,014,506
Provision for Gratuity	308,862	
Provision - Others		
Provision for tax (net of advance tax)	-	-
Provision for proposed equity dividend	-	-
Provision for tax on proposed dividends	-	-
	<u>-</u>	<u>-</u>
Total Short-term provisions	<u>11,218,518</u>	<u>7,014,506</u>

11. Tangible assets

Particulars	Gross block			
	Balance as at 01.04.2017 Rs.	Additions Rs.	Disposals Rs.	Balance as at 31.03.2018 Rs.
Buildings	16,185,001	-	-	16,185,001
Plant and Equipment	313,988,314	13,809,342	-	327,797,656
Vehicles	19,460,590	5,919,631	-	25,380,221
Office equipment	7,396,313	516,828	-	7,913,141
Total	<u>357,030,217</u>	<u>20,245,801</u>	<u>-</u>	<u>377,276,018</u>
Previous year	296,662,345	60,367,872	-	357,030,217

Particulars	Accumulated Depreciation			
	Balance as at 01.04.2017 Rs.	Depreciation for the year Rs.	Eliminated on disposal of assets Rs.	Balance as at 31.03.2018 Rs.
Buildings	3,813,923	1,174,139	-	4,988,062
Plant and Equipment	140,291,751	28,831,543	-	169,123,294
Vehicles	14,765,430	2,638,011	-	17,403,441
Office equipment	6,037,405	565,347	-	6,602,752
Total	<u>164,908,509</u>	<u>33,209,040</u>	<u>-</u>	<u>198,117,549</u>
Previous year	126,202,490	38,706,019	-	164,908,509

Particulars	Net Block	
	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Buildings	11,196,939	12,371,078
Plant and Equipment	158,674,361	173,696,562
Vehicles	7,976,780	4,695,160
Office equipment	1,310,389	1,358,908
Total Tangible assets	<u>179,158,470</u>	<u>192,121,708</u>
Previous year	<u>192,121,708</u>	<u>170,459,856</u>

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

12. Intangible assets

Particulars	Gross block			
	Balance as at 01.04.2017	Additions	Disposals	Balance as at 31.03.2018
	Rs.	Rs.	Rs.	Rs.
Other	8,600			8,600
Total	8,600	-	-	8,600
Previous year	8,600			8,600

Particulars	Accumulated Depreciation			
	Balance as at 01.04.2017	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31.03.2018
	Rs.	Rs.	Rs.	Rs.
Other	7,443	456		7,899
Total	7,443	456	-	7,899
Previous year	6,691	752	-	7,443

Particulars	Net Block	
	As at 31.03.2018	As at 31.03.2017
	Rs.	Rs.
Other	701	1,157
Total Intangible assets	701	1,157
Previous year	1,157	1,909

13. Non-current investments

Particulars	As at 31.03.2018	As at 31.03.2017
	Rs.	Rs.
Investment in equity instruments	5,900	5,900
Total Non-current investments	5,900	5,900

14. Long-term loans and advances

Particulars	As at 31.03.2018	As at 31.03.2017
	Rs.	Rs.
(Unsecured, considered good)		
Security deposits	22,213,963	11,672,521
Total Long-term loans and advances	22,213,963	11,672,521

15. Trade receivables

Particulars	As at 31.03.2018	As at 31.03.2017
	Rs.	Rs.
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	73,136,108	13,879
Other Trade receivables	114,601,284	88,484,616
Total Trade receivables	187,737,392	88,498,495

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

16. Cash and bank balances

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<i>Cash and cash equivalents</i>		
Balances with banks		
In current accounts	5,808,614	28,904,150
Cash on hand	3,462,529	1,492,786
	9,271,143	30,396,936
Total Cash and bank balances	9,271,143	30,396,936

17. Short-term loans and advances

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
(Unsecured, considered good)		
Loans and advances to related parties	-	-
Security deposits	394,983	198,600
Loans and advances to employees	93,156	61,500
Prepaid expenses	797,103	749,516
Balances with government authorities		
VAT credit receivable	121,304	-
Service Tax credit receivable	-	2,295,010
	121,304	2,295,010
Advance income tax (net of provisions)	2,356,160	2,173,220
Others	35,858,924	1,747,592
Total Short-term loans and advances	39,621,630	7,225,438

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

18. Revenue from operations

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<u>Gross</u>		
Sale of services	409,615,786	335,846,495
	409,615,786	335,846,495
Total Revenue from operations	409,615,786	335,846,495
<u>Sale of services comprise</u>		
Income From ONGC	99,110,274	36,307,327
Income From Others	310,505,512	299,539,168
Total - Sale of services	409,615,786	335,846,495

19. Other income

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Interest income	1,244,681	1,280,135
Net gain on sale of Scrap Sale	-	-
long-term investments	-	-
Net gain on foreign currency transactions and translation (other than considered as finance cost)	999,921	902,731
Other non-operating income (net of expenses directly attributable to such income)	416,954	564
Total Other income	2,661,556	2,183,430
<u>Interest income comprises:</u>		
Interest from banks on Deposits	1,235,212	1,272,635
Interest income from JK Tyre Deposit	9,469	7,500
Total	1,244,681	1,280,135

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Other non-operating income comprises:		
Discount/kasar Vataav	416,954	564
Total	416,954	564

Aakash Exploration Services Limited
Notes forming part of the financial statements (2017-18)

20. Cost of materials consumed

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Purchases	47,618,292	38,120,262
	47,618,292	38,120,262
Total Cost of materials consumed	47,618,292	38,120,262

21. Employee benefits expense

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Salaries	121,541,824	100,736,154
Contributions to PF, ESI and other funds	8,606,918	5,117,592
Staff welfare expenses	457,430	1,296,703
Total Employee benefits expense	130,606,172	107,150,449

22. Finance costs

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<i>Interest expense on</i>		
Borrowings	12,145,888	12,271,477
Others	73,104	20,803
Other borrowing costs	1,494,877	740,654
Total Finance costs	13,713,869	13,032,934

23. Depreciation and amortisation expense

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
Depreciation and amortisation for the year on tangible assets	33,209,040	38,706,019
Depreciation and amortisation for the year on intangible assets	456	752
Total Depreciation and amortisation expense	33,209,496	38,706,771

Aakash Exploration Services Limited
Notes forming part of the financial statements (2017-18)

24. Other expenses

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<u>Other Direct Exps.</u>		
Power and fuel	102,748,803	89,111,366
Water Charges	4,664,687	2,416,253
Other Mfg. Exps.	1,432,541	2,559,337
<u>Other Direct Exps.</u>		
Hiring Charges	29,224,030	14,403,591
Import Exps	1,764,509	1,103,331
<u>Other Admin. Exps.</u>		
Repairs and maintenance - Others	1,355,163	1,079,592
Insurance	1,656,308	1,727,537
Rates and taxes	1,695,291	144,177
Communication Exps.	226,769	655,851
Travelling and conveyance	2,390,728	3,235,820
Printing and stationery	435,924	392,522
Vehicle Running & Maintenance Exps.	2,147,733	2,770,298
Donations	55,500	50,000
Legal and professional	2,467,287	1,418,827
Payments to auditors	30,000	20,000
Electric Exps	199,727	188,665
Security Charges	716,774	684,000
Other Miscellaneous expenses	1,398,612	2,096,103
<u>Other Selling & Marketing Exps.</u>		
Commission	-	401,560
Advertisement Exps.	-	5,000
Total Other expenses	<u>154,610,386</u>	<u>124,463,830</u>
Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
<i>Payments to the auditors comprises</i>		
As auditors	30,000	20,000
Total	<u>30,000</u>	<u>20,000</u>

Aakash Exploration Services Limited

Notes forming part of the financial statements (2017-18)

Key management personnel

Vipul Haria, Hemang Haria, Krunal Haria

Relatives of key management personnel

Navin Haria, Bijal Haria, Urvi Haria, Sneha Haria

Enterprises owned or significantly influenced by key management personnel or their relatives

Deval Energy Resources Private limited

Note : Related party relationship is as identified by the management and relied upon by the auditors.

b Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
- <u>Key management personnel</u>		
- <u>Salary (including sitting fees)</u>		
Krunal P Haria	720,000	720,000
Hemang N Haria	2,400,000	2,400,000
Vipul N Haria	3,600,000	3,600,000
Total	6,720,000	6,720,000
- <u>Interest expense</u>		
Krunal P Haria-HUF	625,870	590,176
Hemang N Haria-HUF	1,022,393	1,066,078
Vipul N Haria-HUF	1,374,976	1,119,797
Navin Haria-HUF	685,969	846,119
Total	3,709,208	3,622,170
- <u>Salary (including sitting fees)</u>		
Bijal Vipul Haria	1,200,000	1,200,000
Sneha Krunal Haria	600,000	600,000
Urvi H Haria	1,200,000	1,200,000
Navinchandra Haria	1,800,000	1,800,000
	4,800,000	4,800,000
- <u>Enterprises owned or significantly influenced by key management personnel or their relatives</u>		
- <u>Rent Exps.</u>		
Machinery Hiring Charges	12,559,801	-

c Balance as at the year end

Particulars	As at 31.03.2018 Rs.	As at 31.03.2017 Rs.
- <u>Key management personnel</u>		
- <u>Long-term borrowings(unsecured)</u>		
Krunal P Haria	435,958	998,987
Hemang N Haria	4,581,207	3,005,286
Vipul N Haria	11,737,971	5,442,712
Total	16,755,136	9,446,985

Aakash Exploration Services LimitedNotes forming part of the financial statements (2017-18)

- Relatives of key management personnel

- Long-term borrowings(unsecured)

Krunal P Haria-HUF	12,676,203	5,836,474
Hemang N Haria-HUF	24,924,925	15,470,292
Vipul N Haria-HUF	21,098,526	10,497,538
Navin Haria-HUF	13,131,906	7,826,024
Total	<u>71,831,560</u>	<u>39,630,328</u>

26. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For, KUNAL B SONI & CO.

Chartered Accountants

(FRN 136852W)

For and on behalf of the Board

(KUNAL B SONI)

Proprietor

Place: Ahmedabad

M. No. 155975

Date: 03.09.2018

(HEMANG N. HARIA)

Director

(VIPUL N. HARIA)

Director

AAKASH EXPLORATION SERVICES LIMITED**CIN: U23209GJ2007PLC049792****Reg office:** 424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati Ahmedabad Gujarat - 380005Contact No.-09825021894 [E-mail- hemang@aakashexploration.com](mailto:hemang@aakashexploration.com)**Form MGT-11 PROXY FORM**[Pursuant to Section 105 (6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**Annual General Meeting- Saturday 29th September, 2018 at 11.30 A.M**

CIN	:	U23209GJ2007PLC049792
Name of the Company	:	AAKASH EXPLORATION SERVICES LIMITED
Registered office	:	424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati Ahmedabad Gujarat - 380005
Name of the Member(s)	:	
Registered Address	:	
Email	:	
DP ID	:	
Folio No./ Client ID No.	:	

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

Name : _____ Address : _____

E-mail Id : _____

Signature: _____ Or falling him/her

Name : _____ Address : _____

E-mail Id : _____

Signature: _____ Or falling him/her

Name : _____ Address : _____

E-mail Id : _____

Signature: _____ Or falling him/her

(P.T.O)

_____ TEAR HERE _____

AAKASH EXPLORATION SERVICES LIMITED**CIN: U23209GJ2007PLC049792****Reg office:** 424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati Ahmedabad Gujarat - 380005Contact No.-09825021894 [E-mail- hemang@aakashexploration.com](mailto:hemang@aakashexploration.com)**ATTENDANCE SLIP**

Full name of the Member attending: _____

Name of Proxy : _____

I hereby record my presence at the Annual General Meeting being held on Saturday 29th day of September, 2018 at 11.30 AM at the registered office of the Company situated at 424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati Ahmedabad Gujarat - 380005

Regd. Folio No. _____

DP Id* _____

Client Id* _____

Member's/Proxy's**Signature**No. of Share held _____ **(To be signed at the time of handing over the slip)**

* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Saturday, 29th September, 2018 at 11.30 a.m. at the registered office of the Company situated at 424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati Ahmedabad Gujarat - 380005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. Particulars

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.

Signed this ____ day of _____ 2018

Signature of Member _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

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

ROUTE MAP FOR AGM



AAKASH EXPLORATION SERVICES LIMITED

424-426, 4th Floor, Shukan Mall Nr. Visat Petrol Pump, Sabarmati, Ahmedabad,
Gujarat - 380005