

25th
Annual Report
2017-2018

HILLTONE SOFTWARE
& GASES LIMITED

CIN:L72200GJ1993PLC020620

ANNUAL REPORT F.Y 2017-18

BOARD OF DIRECTORS

Niket Shah	Managing Director
Hital Shah	Whole-time Director
Narendra Shah	Director
Dinesh Shah	Director
Parulben Shah	Women-Director

AUDITORS

M/s BPA & Company,
Chartered Accountants,
Ahmedabad.

COMPANY SECRETARY

Abira Mansuri(01.08.2018)

BANKERS

The Mehsana Urban Co Op Bank,
Mehsana.

REGISTERED OFFICE

B/4, K.B. Complex,
Dairy Road,
Mehsana,
(Gujarat) – 384 002
INDIA.

WORKS

SantejVadsar Road,
Santej, Ta: Kalol,
Dist: Gandhinagar
Gujarat

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

NOTICE

NOTICE is hereby given that **25th Annual General Meeting** of the Members of Hilltone Software and Gases Limited, will be held on Saturday, 29 September 2018 at 11.00 A.M. at , to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31 March 2018 and the reports of the Board of Directors' and Auditors' thereon; and
2. To appoint a Director in place of Mr. Hital M. Shah (DIN: 00279026), who retires by rotation and being eligible, has offered himself for reappointment.
3. Appointment of Statutory Auditor:

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

“RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder, K. C. Parikh & Associates, Chartered Accountant, Ahmedabad (FRN No. 107550W) be and are hereby appointed as the Statutory Auditor of the Company, in place of retiring auditor M/s BPA & Co. , Chartered Accountants (Firm Registration No.109685W), Ahmedabad, to hold the office from the conclusion of this Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

“RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorised for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Niket Mahendra Shah (DIN: 00278968) as a Managing Director of the Company, for a further period of 5 (five) years with effect from April 01, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Hital Shah (DIN: 00279026) as a Whole-time Director, designated as Executive Director of the Company, for a further period of 5 (five) years with effect from April 01, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To appoint Mr. Amitkumar Chandrakantbhai Trivedi (DIN: 08204344) as an Independent Director with effect from 22nd August, 2018 for a period of Five years

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

“RESOLVED THAT Mr. Amitkumar Chandrakantbhai Trivedi (DIN: 08204344), who was appointed as an Additional Director (Independent) of the Company w.e.f. 22nd August, 2018 in accordance with the provisions of Sections 149, 152 and 161 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and holds office as such upto the date of ensuing Annual General Meeting of the Company, be and is hereby appointed as a Independent Director of the Company to hold office as such for a period of 5 years i.e. upto 21st August, 2023, who shall not be liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution**

"RESOLVED that pursuant to the provisions of section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provision if any, Mr. Anil Shobha ram kumar, be and is hereby appointed as Chief Financial officer of the Company with the effect from 1st April, 2018 for the period of 2 years who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, proposing his candidature for the office as Chief Financial Officer of the company upon such terms and conditions as agreed between Board of directors and Mr. Anil Shobha ram kumar."

For and on behalf of Board of Directors

Place : Mehsana
Date : 04 September 2018

Niket M. Shah
Managing Director

Registered Office:
B/4, K B Complex, Dairy Road,
Mehsana Gujarat

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. A member entitled to attend and vote at the Annual General Meeting of the Company may appoint a proxy to attend and vote on a poll on his behalf and proxy need not be member of the Company. The instrument appointing a proxy must be deposited with the Company at its registered office not less than 48 hours before the time for holding the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

3. Corporate members intending to send their authorised representative to attend meeting are requested to send the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Annual General Meeting.
4. Members/proxies/authorised representatives are requested to bring their attendance slip along with their copy of Annual Report in the meeting.
5. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the Attendance Slip for attending the Meeting.
6. 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
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. The Register of Members and Share Transfer Book of the Company will be closed from Saturday, 22 September 2018 to Saturday, 29 August 2018 (both days inclusive) for the purpose of Annual General Meeting.
10. Members holding shares in electronic form are requested to intimate immediately for any change in their address or bank mandates to their Depository Participants with whom they are maintaining their dematerialised accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or contact our Registrar and Transfer Agent i.e. MCS Share Transfer Agent Limited.

11. Members are requested to contact our Registrar and Transfer Agent for any queries related to shares and other inquiry at the following address:

MCS Share Transfer Agent Limited

Unit:Hilltone Software and Gases Limited

201, Shatdal Complex, 2nd Floor,Opp. Bata Show Room,
Ashram Road, Ahmedabad – 380 009
Phone: (079) 26582878, Fax No : (079) 26581296
E-mail: mcssta@gmail.com

- Please quote Folio no. / DP ID & CL ID for any communication for your shareholding.
- Bring the copy of Annual Report at the meeting.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN to the Company or contact our Registrar and Transfer Agent i.e. MCS Share Transfer Agent Limited..

13. Pursuant to Regulation 36 (3) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, the details of Directors seeking appointment / re-appointment in the Annual General Meeting to be held on Saturday, 29 September 2018 is attached as per Annexure A

14. Any member desiring any clarification / explanation in respect of the information given in this annual report is requested to submit query to the Company at least seven days in advance before the meeting so as to enable the management to keep information ready.

15. Pursuant to Regulations 36 of SEBI (LODR) Regulations, 2015, the soft copies of Annual Report 2017-18 is being sent through electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2017-18 are being sent by the permitted mode.

The Companies Act, 2013 has also recognised serving of documents to any Member through electronic mode. Your email addresses made available by the Depository for your respective Depository Participant accounts as part of the beneficiary position downloaded from the Depositories from time to time will be deemed to be your registered email address for serving notices / documents including those covered under Sections 101 and 136 of the Companies Act, 2013 read with Section 20 of the Companies Act, 2013 and the underlying rules relating to transmission of documents in electronic mode. In light of the requirements prescribed by the aforesaid circulars, for those Members whose Depository Participant accounts do not contain the details of their email address, printed hard copies of the Notice of Annual General Meeting and Annual Report for the year ended 31 March 2018 would be dispatched.

16. Members may also note that the Notice of the 25st AGM and the Annual Report 2017-18 will be available on the Company's website www.hilltonegases.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at secretarial.hilltone@gmail.com.

17. With a view towards using natural resources responsibly and to support the "Green Initiative", we request Members to update their email address, with their Depository Participants to enable the Company to send the Annual Report and other communications electronically.

18. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules

2015, and Regulations 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its members, facility to exercise their rights to vote on resolutions proposed to be passed at the 25th Annual General Meeting (AGM) by electronic means. The members may cast their votes using electronic system from a place other than the venue of the meeting ("remote e-voting") through the remote electronic voting service facility arranged by National Securities Depository Limited.

The facility for voting through ballot papers will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper.

Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for remote e-voting are annexed to the Notice.

For and on behalf of Board of Directors

Place : Mehsana
Date : 04 September 2018
Registered Office:
B/4, K B Complex, Dairy Road,
Mehsana Gujarat

Niket M. Shah
Managing Director

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

Item No. 3

This explanatory statement is provided, though strictly not required, as per Section 102 of the Act.

BPA & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 109685W), who were appointed as a statutory auditor of your Company and whose term expires on this Annual General Meeting as per section 139(2) after completion of two terms of five years.

The Audit Committee has considered the qualifications and experiences of the proposed statutory auditor and has recommended their appointment. The Board of Directors has also considered and recommends appointment of M/S K.C Parikh & Associates, Chartered Accountants, as statutory auditor for a period of five years in place of the BPA & Co., Chartered Accountants subject to approval of shareholder of the company in 25th Annual General Meeting of the Company. Written consent of the proposed auditor together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

Accordingly, Appointment of statutory auditor as per the proposal contained in the resolution set out at Item No. 3 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the aforesaid Ordinary Resolution save and except to the extent of their directorship/ shareholding in any such body corporate as may be applicable

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4

The meeting of board of directors of the company held on 01.04.2018 on the recommendation of nomination and remuneration committee, subject to the approval of the members, approved terms and conditions of Mr. Niket Shah, Managing Director:

- a. Salary: Rs.50,000/- per month.
- b. Perquisites and Amenities.
 1. Car and Telephone: Provision of car used for companies business and telephone expenses will not be considered as perquisites.
 2. Mobile: cost of mobile instrument and its bill will be paid by the Company.
- c. Other Terms and Conditions:

He shall not be entitled to sitting fees for attending the meeting of Board of Directors or any committees thereof.

The Company will reimburse Mr. Niket Shah expenses incurred by him for entertainment travelling and other expenses in connection with the business of the company.

However personal long distance calls and use of car for the purpose shall be billed by the Company.

The confirmation of terms and conditions and appointment of Mr. Niket Shah will be in accordance with Section 196, 197 and other applicable provisions if any, read with provision of schedule V of the Companies Act, 2013 without requiring approval of Central Government.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5

The meeting of board of directors of the company held on 01.04.2018 on the recommendation of nomination and remuneration committee, subject to the approval of the members, approved terms and conditions of Mr. Hital Shah, Executive Director.

- d. Salary: Rs.50,000/- per month.
- e. Perquisites and Amenities.
 - 3. Car and Telephone: Provision of car used for companies business and telephone expenses will not be considered as perquisites.
 - 4. Mobile: cost of mobile instrument and its bill will be paid by the Company.
- f. Other Terms and Conditions:

He shall not be entitled to sitting fees for attending the meeting of Board of Directors or any committees thereof.

The Company will reimburse Mr. Hital Shah expenses incurred by him for entertainment travelling and other expenses in connection with the business of the company.

However personal long distance calls and use of car for the purpose shall be billed by the Company.

The confirmation of terms and conditions and appointment of Mr. Hital Shah will be in accordance with Section 196, 197 and other applicable provisions if any, read with provision of schedule V of the Companies Act, 2013 without requiring approval of Central Government.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

Mr. Amitkumar Chandrakantbhai Trivedi (DIN: 08204344), was appointed as an Independent Director (Additional Director) of the Company w.e.f. 22nd August, 2018 for a period of 5 (five) years i.e. till 21st August, 2023. Mr. Amitkumar Chandrakantbhai Trivedi aged 37 years is Graduate and has 10 year and more experience in Administration. Pursuant to the provisions of Section 161 of the Companies Act, 2013, he holds office as such upto the date of ensuing Annual General Meeting

In terms of provisions of Section 149 and 152 of the Companies Act, 2013, which became effective from 1st April, 2014, an Independent Director of a Company can be appointed for a term of 5 consecutive years and shall not be liable to retire by rotation.

Mr. Amitkumar Chandrakantbhai Trivedi have given the requisite declarations pursuant to Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013

In the opinion of the Board, Mr. Amitkumar Chandrakantbhai Trivedi proposed to be appointed as Independent Directors fulfill the conditions specified in the Act and the rules made thereunder and are independent of the management.

Brief resume of the Independent Directors proposed to be appointed as stipulated under the Listing Regulations is given in the annexure to the Notice as Annexure A.

Except, Mr. Amitkumar Chandrakantbhai Trivedi none of the Directors of your Company or their relatives are concerned or interested in the said resolution. The Board recommends the Ordinary Resolution as set out at item no. 6 of the Notice for approval of the shareholders of the Company.

ITEM No. 7

Mr. Anil Shobha Ram Kumar was appointed as Chief Financial officer by the Board of Director in accordance with the provisions of Section 203 of the Companies Act, 2013 and as per Article of Association of the Company.

In this regard the Company has received request in writing from a member of the company proposing his candidature for re- appointment as Chief Financial Officer of the Company in accordance with the provisions of Section 203 and all other applicable provisions of the Companies Act, 2013.

The statement giving the details of Mr. Anil Shobha Ram Kumar seeking the re-appointment as Chief Financial Officer annexed in the notes of the notice convening Annual General Meeting.

The Board feels that presence of Mr. Anil Shobha Ram Kumar on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 7 for adoption.

Brief resume of the Mr. Anil Sharma as stipulated under the Listing Regulations is given in the annexure to the Notice as Annexure A.

None of the Directors except Mr. Anil Shobha Ram Kumar are concerned or interested in passing of this resolution. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulation, 2015 with the Stock exchange.

For and on behalf of Board of Directors

Place : Mehsana
Date : 04 September 2018

Niket M. Shah
Managing Director

Registered Office:
B/4, K B Complex, Dairy Road,
Mehsana Gujarat

Annexure A

Additional Information on directors recommended for appointment/re-appointment as required under Regulation 36 (3) of the SEBI (Listing and Obligation Disclosure Requirements) Regulations 2015 , Companies Act 2013 and Secretarial Standard at ensuing Annual General Meeting are as follows:

Name	Niket M. Shah	Hital M. Shah	Amitkumar C Trivedi	Anil Shobha Ram Kumar Sharma
Director Identification Number (DIN)/PAN	00278968	00279026	08204344	AZJPK1966P
DOB	03/05/1969	13/12/1973	26/09/1980	05/07/1967
Qualification	B.A (Economics)	B.com	B.E.D	Diploma Mechanical
Expertise in specific area	Production,Accounts,ad ministration	Marketing	Administration	Technical Department, Finance, Taxation.
Date of First appointment on the Board of the Company	08/11/1993	08/11/1993	22/08/2018	NIL
Shareholding in the Company (Only In case the Director to be appointed is a Non- Executive Director)	N.A	N.A	NIL	NIL
List of Directorship held in other companies	KRUHAD AIROGAS PRIVATE LIMITED	NIL	NIL	NIL
Names of Listed Entities in which the person holds membership of Committees of the Board	NIL	NIL	NIL	NIL
Relationship with other Directors/Key Managerial Personnel	Brother of Mr. Hital M. Shah Husband of Mrs. Parul M. Shah	Brother of Mr. Niket M. Shah	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel



Hilltone Software
& Gases Limited

Hilltone Software and Gases Limited

HILLTONE SOFTWARE AND GASES LIMITED

CIN: U72200GJ1993PLC020620

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).**

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or (<http://www.hilltonegases.com>).

The e-voting period commences on September 26, 2018 (9:00 am) and ends on September 28, 2018 (5:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date** of 22nd September, 2018. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or secretarial.hilltone@gmail.com .

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :

- a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a. Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. "[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at rupawala_ca@yahoo.co.in to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

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

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

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

Other information:

- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

Contact Details :

Company

1 B/4, K B Complex, Dairy Road, Mehsana Gujarat 384002
Phone: (02762) 255282
Email: hilltonegases@yahoo.com

Registrar and Transfer Agent

MCS Share Transfer Agent Limited

201, Shatdal Complex, 2nd Floor, Opp. Bata Show Room,
Ashram Road, Ahmedabad – 380 009
Phone: (079) 26582878
E-mail: mcssta@gmail.com

E-Voting Agency

National Securities Depository Limited

Scrutiniser

E-mail: evoting@nsdl.co.in
Mr. D A Rupawala

Practicing Chartered Accountant
E-mail: rupawala_ca@yahoo.co.in

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

BOARD REPORT

To
The Members,
HILLTONE SOFTWARE AND GASES LIMITED

Your Directors have pleasure in submitting their Twenty-Fifth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

1. FINANCIAL RESULTS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements for the Financial Year ended on 31 March 2018 are the Company's' first Ind AS compliant annual financial statements with comparative figures for the year ended on 31 March 2017 also under Ind AS. The transition date of Ind AS is 1 April 2016.

The disclosure and effects of first time adoption of Ind AS are provided in the Notes of the Financial Statements.

The Company's financial performance for the year under review along with previous years figures are given hereunder:

PARTICULARS	(In Rs)	
	<u>2017- 2018</u>	<u>2016- 2017</u>
Total Income including other income	36,334,186	38,481,168
Profit before financial cost, depreciation and taxation	2,322,608	3,959,755
Less: Financial Cost	283,387	312,995
Less : Depreciation	438,863	443,488
Less: Provision of taxation		-
Current Tax (Net)	304948	20,673
Deferred Tax/MAT Entitlement	(304948)	(20,673)
Profit for the year	1,600,358	3,203,272
Other Comprehensive Income	-	-

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Company was able to achieve Sales including other income of Rs. 356.71 Lacs as compared to Rs. 363.04 Lacs for the Previous Year.

The Net Profit after making the provision for Depreciation and Taxation stood at Rs. 16.00 Lacs as against Rs. 32.03 Lacs for the previous year.

During the year company has incurred total Capital Expenditure of Rs1,59,137/-

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

3. SHARE CAPITAL

The paid up Equity Share capital of the Company is Rs.40003000/-. During the year under review, the company has neither issued any shares with differential voting rights nor granted any stock Option nor any sweat Equity Shares.

4. DIVIDEND

In view of carried forward loss the Directors do not recommended any dividend for the year under review.

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.

5. FINANCE :

Cash and Cash equivalent as at March 31, 2018 was Rs.1,260,913. The company continues to focus on adjusting management of its working capital, Receivable, purchases and other working capital parameters were kept under strict check through continuous monitoring.

6. FIXED DEPOSIT

The company has not invited, accepted or renewed any fixed deposit from the public during the year. No amount on account of principal or interest on fixed deposit was outstanding as on the date of Balance sheet. However the company has accepted deposit form Directors, Shareholders and relatives pursuant to Rule 2(1)(c)(xiii) of the Companies (Acceptance of Deposits) Rules, 2014.

7. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has established adequate internal financial control systems to ensure reliable financial reporting and compliance with laws and regulations. All resources are put to optimal use and adequately protected against any loss.

Internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

The Company also has appointed an external firm of Chartered Accountants to supplement the efficient Internal Audit.

8. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment and Resignation of Directors

During the F.Y 2017-18, there is no appointment and resignation was done under review.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

From the close of the F.Y 2017-18 till the date of this report :

- a) Mr. Narendra Bhogilal Shah, Non Executive Director of the Company ,has tendered his resignation with effect from close of business hours of 1st August,2018 ,
- b) Mr. Amit Kumar Trivedi were appointed as additional director (non executive& Independent) on the Board of the Company w.e.f. 22nd August,2018 to hold office till the conclusion of the this Annual General Meeting and subject to the your appointment, for appointment as an Independent Director to hold office for a term upto 5 years consecutive years from the 25th AGM and
- c) Mr. Dinesh Bhogilal Shah, Non Executive Director Independent director of the Company ,has tendered his resignation with effect from close of business hours of 4th September,2018

Retirement by Rotations

In accordance with the provisions of section 152 (6) of the Act and in terms of the Articles of Association of the Company, Mr. Hital Shah, Director (DIN - 00279026) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The board recommends his re-appointment.

Profile of Directors Seeking Appointment / Re-appointment

As required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting are annexed to the notice convening 25th Annual General Meeting.

Training of Independent Directors

To familiarise the new inductees with the strategy, operations and functions of our Company, the executive directors / senior managerial personnel make presentations to the inductees about the Company's strategy, operations, product and service offerings, organisation structure, finance, human resources, technology, quality and facilities. Further, the Company has devised a Familiarisation Program for Independent Directors as per Regulation 46 (2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the same has been placed on the website of the Company at:

<http://hilltonegases.com/pdf/codesandpolicies/Familiarization%20of%20Independent%20Director.pdf>

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013. The terms and conditions of the Independent Directors are incorporated on the website of the Company as per Regulation 46(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 at:

<http://hilltonegases.com/pdf/codesandpolicies/Terms%20and%20Condition%20of%20Appointment%20of%20Independent%20Director.pdf>

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

Key Managerial Personnel

Ms. Abira Idris Mansuri is appointed as Company Secretary and Compliance officer at the board meeting held on 01.08.2018 with effect from 01.08.2018.

Mr. Niket Shah, Managing Director and Mr. Anil Shobha Ram Kumar are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 for F.Y 2017-18.

Evaluation of Performance of the Board, its Committees and Individual Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015,the Board had adopted a formal mechanism for evaluating its own performance and as well as that of its committee and individual Directors, including the chairperson of the Board. The Exercise was carried out through a structured evaluation process covering the various aspects of the Board's functioning such as composition of board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the independent Directors was carried out by Board, except the independent Director being evaluated and the chairperson and the non independent Directors was carried out by the independent Directors.

Board of Director Meetings

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly, half yearly and annual financial results of the Company. Additional Board meetings are convened to discuss and decide on various business policies, strategies and other businesses.

During the year under review, the Board of Directors of the Company met Six times: 1st April,2017, 29th May, 2017, 14th August,2017, 11 November,2017 , 26th March,2018 and 12 February,2018

Committees of Board of Directors

Your Company has several Committees which have been established as part of best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders' Grievances and Relationship Committee

a. AUDIT COMMITTEE

The composition of the Audit Committee is in alignment with the provisions of Section 177 of the companies Act, 2013 read with the Rules issued there under and Regulation18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

MEETING AND ATTENDENCE

During the Financial Year ended 31st March, 2018, the Audit Committee met Four times in a year as follows and the requisite Quorum was present .

1) 29.05.2017 2) 14.08.2017 3) 10.11.2017 4) 12.02.2018

b. NOMINATION & REMUNERATION COMMITTEE

The composition of the Nomination & Remuneration Committee is in alignment with the provisions of Section 178 of the companies Act, 2013 read with the Rules issued there under and Regulation 19 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

MEETING AND ATTENDENCE

During the Financial Year ended 31st March, 2018, the Nomination & Remuneration Committee met Once in a year on 29th May 2017 and the requisite Quorum was present.

c. STAKEHOLDERS RELATIONSHIP COMMITTEE

The compliance with the provisions of Section 178 of the companies Act, 2013 read with the Rules issued there under and Regulation 20 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has constituted Stakeholders Relationship Committee. The Committee is entrusted with the responsibility of addressing the stakeholders' / investors' complaints with respect to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate shares, etc and other shareholders related queries, complaints, etc. There was no Stakeholders Relationship Committee meeting held during the year.

9. REMUNERATION AND NOMINATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of the board members. The Details of this policy is explained in the Corporate Governance Report.

10. DECLARATION BY INDEPENDENT DIRECTORS

All the independent Directors of your company have given their declarations, that they meet the criteria of independence as laid down under Section 149(6) of the Act and the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

11. AUDITORS

STATUTORY AUDITOR AND THEIR REPORT

BPA & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 109685W), who were appointed as a statutory auditor of your Company and whose term expires on this Annual General Meeting as per section 139(2) after completion of two terms of five years.

The Audit Committee has considered the qualifications and experiences of the proposed statutory auditor and has recommended their appointment. The Board of Directors has also considered and recommends appointment of M/S K.C Parikh & Associates, Chartered Accountants, as statutory auditor for a period of five years in place of the BPA & Co., Chartered Accountants subject to approval of shareholder of the company in 25th Annual General Meeting of the Company. Written consent of the proposed auditor together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

The Board has duly reviewed the Statutory Auditors' Report for the year ended on 31 March 2018 and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors as provided under section 134 of the Companies Act, 2013.

INTERNAL AUDITOR AND THEIR REPORT

K.C Parikh & Associates., Chartered Accountants, Ahmedabad, has been the internal auditor of the Company for the FY 2017-18. The Internal Auditor is appointed by the Board of Directors on the recommendation of the Audit Committee. The scope of internal audit is approved by the Audit Committee.

SECRETARIAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Nahidakhtar Vhora & Co. Company secretaries in practice having COP no. 13187 to undertake the Secretarial Audit of the Company for the FY 2017-18. The Secretarial Audit Report for the FY 2017-18 is annexed to this Directors' Report as **Annexure-D**. The Board of Directors has duly reviewed the Secretarial Auditors' Report and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/clarification by the Board of Directors as provided under section 134 of the Act.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

COST AUDITORS

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company Hence, the Board of Directors of your company had not been appointed Cost Auditor for obtaining Cost Compliance Report of the company for the financial year 2016-17.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

13. EXTRACTS 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 MGT-9 and is attached to this Report. - Annexure A.

14. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into by the Company during the financial year were in the ordinary course of business and on arms' length basis. There is no materially significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All related party transactions are periodically placed before the audit committee for its approval. The Company does not have contracts or arrangements with its related parties under Section 188(1) of the Companies Act, 2013, which are not on arms' length basis or material in nature. Your Directors draw attention of the shareholders to Note No.31 of the financial statement which sets out related party disclosures.

15. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- 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 systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

A statement giving details of conservation of energy, technology absorption in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure B to this Report.

As there was no manufacturing activity during the year, the information on conversion of energy and technology absorption is not applicable to your company.

17. IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS (IND AS):

The Securities Exchange Board Of India vide its circular dated 5th July, 2016 has implemented the applicability of Indian Accounting Standards (Ind- As) in accordance with the Companies (Indian Accounting Standard) Rules, 2015 which was notified on 16th February, 2015 by Ministry of Corporate Affairs.

Pursuant to the applicability criteria of the said circulars and notifications, the Company has implemented and complied up with the Indian Accounting Standards (Ind-As) for the Financials of F.Y 2017-18.

18. APPLICABILITY OF GST:

Pursuant to implementation of GST w.e.f. 1st July, 2017, the Company has duly registered itself with the Statutory authority within the prescribed time frame and has been allotted GSTIN: 24AAACH3866Q1Z4 which replaces Excise duty and other input taxes. As per Ind- As 18, the revenue for the year ended 31st March, 2018 is reported net of GST.

According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the year ended 31st March, 2017 was reported inclusive of excise duty.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

19. CORPORATE GOVERNANCE

Please note that the provisions of CORPORATE GOVERNANCE as specified in the Regulations 1,18,19,20,21,22,23,24,25,26,27 and clauses (b) to (i) of sub- regulation (2) of regulation 46 and para C,D and E separately of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are not mandatorily applicable to the “ Companies having paid up capital not exceeding Rs. 10 Crores and net worth not exceeding Rs. 25 Crores, as on the last day of the previous financial year.” As on March 31st, 2017 the paid up capital and net worth of the company was Rs.4.0003 and Rs. 4.93 Crores.

20. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34(2) & Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 Management discussion and analysis on the business and operations of the company is attached as Annexure D herewith and forms part of this Annual Report.

21. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 Made there under, the Company has not developed and implemented the following Corporate Social Responsibility initiatives as the said provisions are not applicable.

22. PARTICULARS OF EMPLOYEES:

The particulars of employees required to be furnished pursuant to section197(12) of the Companies Act,2013 read with sub rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, are not applicable to the Company. However, there was no employee in receipt of remuneration under this section.

23. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

24. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, foreign exchange earnings and outgoings flow were given in Annexure C to this report.

25. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The company has developed a “Policy on Whistle Blower and Vigil Mechanism” to deal with instance fraud and mismanagement. The policy is displayed on the website of the company.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

<http://hilltonegases.com/pdf/codesandpolicies/Vigil%20Mechanism.pdf>

26. PREVENTION OF INSIDER TRADING:

Your company has adopted the “Code of Conduct on Prohibition of insider trading “and “ Code of Conduct for Directors and Senior Management Personnel” for regulating the dissemination of Unpublished Price Sensitive Information and trading in security by insiders.

27. PREVENTION OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE:

The company has in place the “Policy on Prevention of Sexual Harassment at the workplace” in line the requirements of the sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Company had constituted Internal Complaints committee (ICC) to redress the complaints received regarding sexual harassment. During the year under review, no complaints were received by the Committee for Redressal.

28. DECLARATION OF INDEPENDENT DIRECTORS

Pursuant to Regulation 34(2) & Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 Management discussion and analysis on the business and operations of the company is attached as Annexure D herewith and forms part of this Annual Report.

29. HUMAN RESOURCE

The company considers its employees as its most valuable assets. The company focuses on building an organization through induction and development of talent to meet current and future needs.

30. STOCK EXCHANGES

The company was listed on the Calcutta Stock Exchange Association Ltd but presently it is been suspended by Calcutta Stock Exchange on non-payment of Listing fees. The Directors are taking necessary steps to get removed the suspension in Calcutta Stock Exchange

As well as , your directors are happy to announce that the Company is planning to be listed on a recognized Stock Exchange for providing facility to the shareholders for easy trading of shares.

31 RISK MANAGEMENT

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedure and review to ensure that risk is controlled. In the Board’s view, there are no material risks.

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

32 SIGNIFICANT AND MATERIAL ORDERS:

There were no significant and material orders passed by any Regulators or courts or Tribunals during the year ended 31st March, 2018 impacting the going concern status and company's operations in future.

33 ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. They also record their appreciation of the devoted services rendered by the Executives, Staff Members and Workers of the Company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

On behalf of the Board of Directors

Date: 04/09/2018
Place: Mehsana

NIKET M. SHAH
(Managing Director)
DIN: 00278968

HITAL M. SHAH
(Executive Director)
DIN: 00279026

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India
Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

Annexure A 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

i.	CIN	:	U72200GJ1993PLC020620
ii.	Registration Date	:	08/11/1993
iii.	Name of the Company	:	HILLTONE SOFTWARE AND GASES LIMITED
iv.	Category / Sub Category of the company	:	Company Limited by shares/ NON Government Company
v.	Address of Registered Office and contact details	:	B/4, K B COMPLEX, DAIRY ROAD, MEHSANA-384002
vi.	Whether listed company YES / NO	:	YES-Suspended
vii.	Name, Address and Contact Details of Registrar & Transfer Agent, if any	:	MCS Shares Transfer Agent Limited 201, Shatdal Complex, Ashram Road, Ahmedabad-380 006.

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 products / services	% to total turnover of the company
1	Manufacture of industrial gases (includes manufacture of elemental gases, liquid or compressed air, acetylene refrigerant gases and mixed industrial gases etc.)	24111	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
-	-	-	-	-	-

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 (AS on April 1, 2017)	No. of Shares held at the end of the year (AS on March 31, 2018)	% Change during the
--------------------------	---	--	---------------------

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

									year
	Dema t	Physical	Total	% OF Total Shar es	Dema t	Physica l	Total	% Of Total Shar es	
A. Promoters									
1) Indian									
a. Individual / HUF	-	1739700	1739700	43.48	-	1739700	1739700	43.48	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Bank/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Subtotal (A)(1):	-	1739700	1739700	43.48	-	1739700	1739700	43.48	-

Category of Shareholders	No. of Shares held at the beginning of the year (AS on April 1, 2017)	No. of Shares held at the beginning of the year (AS on March 31, 2018)	% Change during the year
2) Foreign			
a. NRI Individuals	-	-	-
b. Other Individuals	-	-	-
c. Bodies Corporate	-	-	-
d. Bank/FI	-	-	-
e. Any other	-	-	-
Subtotal (A)(2):	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1739700	1739700	43.48
B. Public Shareholding			
1) Institutions			
a. Mutual Funds/UTI	-	-	-
b. Banks/FI	-	-	-
c. Central Govt.	-	-	-
d. State Govt.(s)	-	-	-

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

e. Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-	-
Subtotal (B)(1):	-	-	-	-	-	-	-	-	-	-
2) Non-Institutions										
a. Bodies Corporate	-	189700	189700	25.77	-	189700	189700	25.77	-	-
i. Indian	-	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-	-
i. Individual shareholder holding nominal share capital upto `2 Lakh	-	1031000	1031000	25.99	-	1031000	1031000	25.99	-	-
ii. Individual shareholder holding nominal share capital in excess of `2 Lakh	-	1039900	1039900	-	-	1039900	1039900	-	-	-
c. Others (specify)	-	-	-	-	-	-	-	-	-	-
Subtotal (B)(2):	-	2260600	2260600	57.39	-	2295900	2295900	57.39	-	-
Total Public shareholding (B) = (B)(1) + (B)(2)	-	2260600	2260600	57.39	-	2295900	2295900	57.39	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4000300	4000300	100.00	-	4000300	4000300	100.00	-	-

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

ii. Shareholding of Promoter

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Share Held	% of total shares of the company	% of shares /pledged / encumbered to total shares	No. of Share Held	% of total shares of the company	% of shares /pledged / encumbered to total shares	
1	Niket M Shah	4,75,200	11.87	-	4,75,200	11.87	-	
2	Hital M Shah	4,00,000	9.99	-	4,00,000	9.99	-	-
3	Mahendra B Shah	3,06,700	7.67	-	3,06,700	7.67	-	-
4	Narendra B. Shah	20,700	0.517	-	20,700	0.517	-	-
4	ShitalJhaveri	89,600	2.24	-	89,600	2.24	-	-
5	AnnalJhaveri	89,600	2.24	-	89,600	2.24	-	-
6	HarshaJhaveri	89,600	2.24	-	89,600	2.24	-	-
7	Jyoti Shah	89,600	2.24	-	89,600	2.24	-	-
8	Falguni Shah	89,600	2.24	-	89,600	2.24	-	-
9	BelaKayastha	89,100	2.23	-	89,100	2.23	-	-
Total		1739700	43.48	-	1739700	43.48	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Share	% of total share of the company	No. of Share	% of total share of the company
		-	-	-	-

iv. Shareholding Pattern of top ten shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of	% of total	No. of	% of total

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

		Share	share of the company	Share	share of the company
-	-	-	-	-	-

v. Shareholding of Directors and Key Management Personnel

Sr. No.	Shareholding of each Directors and each Key Management Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Share	% of total share of the company	No. of Share	% of total share of the company
1.	NIKET MAHENDRA SHAH	475200	11.87	475200	11.87
	At the end of the year Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweet equity etc.) At the end of the year	475200	11.87	475200	11.87
2.	NARENDRA BHOGILAL SHAH	20700	0.517	20700	0.517
	At the end of the year Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweet equity etc.) At the end of the year	-	-	-	-
3.	HITAL MAHENDRA SHAH	400000	9.99	400000	9.99
	At the end of the year Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweet equity etc.) At the end of the year	400000	9.99	400000	9.99
4.	DINESH BHOGILAL SHAH	-	-	-	-
	At the end of the year Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweet equity etc.) At the end of the year	-	-	-	-
5.	PARULBEN NIKETKUMAR SHAH	-	-	-	-

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

	At the beginning of the year Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweet equity etc.)				
	At the end of the year	-	-	-	-
6.	ANIL SHOBHA RAM KUMAR	-	-	-	-
	At the end of the year Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweet equity etc.)				
	At the end of the year	-	-	-	-

V. INDEBTEDNESS

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

Particulars	(inLacs)			
	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	32.70	9.95	-	42.66
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	32.70	3.57	-	42.66
Change in indebtedness during the financial year				
Addition	-	-	-	-
Reduction	7.43	6.85	-	14.28
Net Change	7.43	6.85	-	14.28
Indebtedness at the end of the financial year				
i. Principal Amount	25.22	3.11	-	28.37
ii. Interest due but not paid	-	-	-	0
iii. Interest accrued but not due	-	-	-	0
Total (i+ii+iii)	25.22	3.11	-	38.37

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and / or Manager

(inLacs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
--------	-----------------------------	------------------------	--------------

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

		Mr. NIKET MAHENDRA RA SHAH MD	Mr. HITAL MAHENDRA SHAH WTD		
1.	Gross Salary				-
	a. Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	6.00	6.00	-	-
	b. Value of Perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	c. Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others. Please specify	-	-	-	-
	Total (A)	6.00	6.00	-	-

B. Remuneration to other Directors

(inLacs)

Sr. No.	Particulars of	Name of Directors				Total Amount
		Mr. NARENDRA BHOGILAL SHAH	Mr. DINESH BHOGILAL SHAH	Mr. PARULBEN NIKETKUMAR SHAH		
1.	Independent Directors					-
	Fees for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors					-
	Fees for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

Total B = (1+2) - - - -

C. Remuneration to Key Management Personnel other than MD, WTD/Manager

Sr. No.	Particulars of Remuneration	Key Management Personnel			(inLacs)	
		Mr. SHOBHA KUMAR	ANIL RAM	Total Amount	Total Amount	Total Amount
1.	Gross Salary					
	a. Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	1.44	-	-	-	-
	b. Value of Perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-	-
	c. Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
	- As % of profit	-	-	-	-	-
	- Others, specify	-	-	-	-	-
5.	Others. Please specify	-	-	-	-	-
	Total (A)	1.44	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

ANNEXURE B

(Form for disclosure of particulars with respect to absorption)

Research and Development (R & D):

1. Special areas in which R&D carried out by the Company.
2. Benefits derived as a result of the above R &D.
3. Future plan of action.
4. Expenditure on R & D.

Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
2. Benefits derived as a result of the above efforts.
3. In case of imported technology:
 - (a) Technology imported
 - (b) Year of import
 - (c) Has technology been fully absorbed?
 - (d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action

The production technology is indigenously developed and the company is carrying out its activities with its trained and experienced staff.

There is no separate R & D

The technology has been developed has fully absorbed the production indigenously and the Company has technology.

The Company has not sued any imported technology.

Information pursuant to prescribe Section of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Director) Rules, 1988:

A. Conservation of Energy :

A.	Power & fuel Consumption	2017-18	2016-17
1.	Electricity		
	A. Purchased	-	-
	Units	-	-
	Total amount Rs.	-	-
	Rate/units	-	-
	B. Own Generation:	-	-
	i. Through diesel generator	-	-
	Diesel KI	-	-
	Unit	-	-
	Oil	-	-
	Cost/unit Rs.	-	-
	ii. Through steam turbine / generator	-	-
	Unit	-	-

HILLTONE SOFTWARE AND GASES LIMITED

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

	Unit per litre of fuel	-	-
	Oil/gas	-	-
	Cost per unit	-	-
2.	Coal(Specify quality & where used)	-	-
	Quantity (tones)	-	-
	Total cost avg. rates	-	-
3.	Furnace oil/SHS	-	-
	Quantity (KL)	-	-
	Total Cost	-	-
	Avg. rate Rs./KL	-	-
4.	Other/ internal generation	-	-

ANNEXURE C

FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2017-18	2016-17
Foreign Exchange Earned	-	-
Foreign Exchange Used	-	-

CFO Certification

The Board of Directors
Hilltone Software & Gases Limited
Mehsana

Re: Financial Statements for the year 2017-18 - Certification by CFO

I Anil Shobha ram kumar, Chief Financial Officer of Hilltone Software & Gases Limited, on the basis of review of the financial statements and the Cash Flow Statement for the financial year ending 31st March, 2018 and to the best of my knowledge and belief, I hereby certify that:

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2018 which is fraudulent, illegal or violative of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
5. I further certify that:
 - a. There have been no significant changes in internal control during this year.
 - b. There have been no significant changes in accounting policies during this year.
 - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems.

ANIL SHOBHA RAM KUMAR
Chief Financial Officer

Place: Mehsana
Date: 04/09/2018

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
HILLTONE SOFTWARE AND GASES LIMITED
B/4, K B COMPLEX,
DAIRY ROAD,
MEHSANA - 384002.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HILLTONE SOFTWARE AND GASES LIMITED** (CIN: **U72200GJ1993PLC020620**) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye- laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period)
- d The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the audit period)
- e The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
- f The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and(Not applicable to the company during the audit period)
- h The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

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

1. The company has not publish quarterly financial results in English and vernacular language news papers.
2. The company has not published notices of the board meetings in English and vernacular language news papers in which quarterly financial results were approved.
3. The company has not published notices of annual general meetings as well as financial statements in English and vernacular language news papers.
4. The company was listed in Calcutta Stock Exchange, and due to nonpayment of listing fees securities of the company suspended from trading.
5. The company has delay to submit Quarterly statement of investor complaints for all Quarters to stock exchange as per regulation 13 (3) of LODR, 2015.
6. The company has delay to provide submit Quarterly corporate governance report / non applicability of corporate governance report for all Quarters to stock exchange as per regulation 27 (2) of LODR, 2015.
7. The company has delay to submit Quarterly of shareholding pattern to stock exchange for all Quarters as per regulation 31 of LODR, 2015.
8. The company has delay to submit of Quarterly financial results for all Quarters to stock exchange as per regulation 33 of LODR, 2015.
9. The company has delay to submit of annual report to stock exchange as per regulation 34 of LODR, 2015.
10. The company has delay to submit of Quarterly Reconciliation of Share capital for all Quarters to stock exchange as per regulation 55A of LODR, 2015.
11. The company has not provided any information regarding submission of outcome of Board meeting to stock exchange as per regulation 30 of LODR, 2015.
12. The company has delay to submit of Voting Results of general meeting to stock exchange as per regulation 44 of LODR, 2015.
13. The company has not provided any information regarding submission of intimation of Book closure to stock exchange as per regulation 42 of LODR, 2015.

14. The company has delay to submit half yearly compliance certificate under Regulation 40 (9) from practicing company secretary of LODR, 2015.
15. The company was not file MGT-14 in relation to section 179 (3) for approval of Board report and Financial statement for F.Y. 2016-17.
16. The composition of Board of Directors for independent and non-executive directors is not proper as per section 149 of The Companies Act, 2013.

I further report that;

The Board of Directors of the Company is not duly constituted with proper balance of Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in non compliance with the provisions of the listing agreement.

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that;

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that; during the audit period, there was no instance of;

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

Place: Ahmedabad
Date: 3rd September, 2018

for **Nahidakhtar Vhora & Co.**
Company Secretaries

Nahidakhtar A. Vhora
(Proprietor)
M.No. 35492
CP. No.: 13187

INDEPENDENT AUDITORS' REPORT

To,
The Members of HILLTONE SOFTWARE & GASES PRIVATE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **HILLTONE SOFTWARE & GASES PRIVATE LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Ind AS Financial Statements

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the "Annexure A" statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

1. As required by Section 143(3) of the Act, based on our audit 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 purposes 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, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act except Ind AS 19.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- a) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Date : 30/05/2018
Place : Ahmedabad

FOR BPA & COMPANY
(Chartered Accountants)
Reg. No. :109685W

CA Prakash Patel
Partner
M. No. : 030575

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of HILLTONE SOFTWARE & GASES PRIVATE LIMITED

Report on the Internal Financial Controls 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 HILLTONE SOFTWARE & GASES PRIVATE LIMITED (“The Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended 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. 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 Companies Act, 2013.

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and (3)

provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control 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, 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 March 31, 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 on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

Date : 30/05/2018
Place : Ahmedabad

FOR BPA & COMPANY
(Chartered Accountants)
Reg. No. :109685W

CA Prakash Patel
Partner
M. No. : 030575

“Annexure A” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of HILLTONE SOFTWARE & GASES PRIVATE LIMITED

(1) In Respect of Fixed Assets

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

(b) Fixed assets have been physically verified by the management at reasonable intervals; According to information and explanation given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(2) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(3) Compliance under section 189 of The Companies Act, 2013

The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act 2013. Consequently, requirement of clauses (iii,a), (iii,b), and (iii,c) of paragraph 3 of the order are not applicable.

(4) Compliance under section 185 and 186 of The Companies Act , 2013

In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits

The company has not accepted any Deposits.

(6) Maintenance of cost records

To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company.

(7) Deposit of Statutory Dues

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

(b) There is no dispute with the revenue authorities regarding any duty or tax payable.

(8) Repayment of Loans and Borrowings

The Company does not have any loans or borrowings from any financial institution, banks, government, or debenture holders during the year. Thus para 3(viii) is not applicable.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Hence this clause is not applicable.

(10) Reporting of Fraud During the Year

During the course of our examination of the books and records of the Company, carried out in accordance with the generally

accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(11) Managerial Remuneration

To the best of our knowledge and belief and according to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approval mandated by the provision of section 197 read with Schedule V of the Act.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(13) Related party compliance with Section 177 and 188 of companies Act - 2013

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(15) Compliance under section 192 of Companies Act - 2013

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus para 3(xv) is not applicable.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

Place : Ahmedabad
Date : 31/05/2018

**FOR BPA & COMPANY
(Chartered Accountants)
Reg. No. :109685W**

**CA Prakash Patel
Partner
M. No. : 030575**

HILLTONE SOFTWARE & GASES LIMITED

Balance Sheet as at March 31, 2018

(Amount INR)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
Non-current Assets				
(a)Property, plant and equipment	3	22,009,375	24,216,151	23,866,689
(b)Intangible assets	4	19,856	22,806	25,756
(c)Capital work-in-progress	3	-	-	-
(d)Financial assets				
(i)Investments	5	98,000	98,000	98,000
(ii)Loan		-	-	-
(iii)Other financial assets	6	1,210,482	-	300,000
(e)Other non-current assets	7	11,830,702	11,587,177	10,760,165
(f)Non current tax assets (net)	8	87,094	87,094	262,538
(g)Deferred tax assets (net)	16	325,621	20,673	-
		35,581,130	36,031,901	35,313,149
Current Assets				
(a)Inventories	9	3,624,884	2,962,452	786,007
(b)Financial assets				
(i)Trade receivables	10	7,568,478	8,398,687	7,585,148
(ii)Cash and cash Equivalents	11	1,260,913	133,703	773,838
(iii)Other financial assets		-	-	-
(c)Other current assets	12	678,966	1,900,353	968,193
		13,133,241	13,395,195	10,113,186
TOTAL		48,714,372	49,427,097	45,426,335
II. EQUITY AND LIABILITIES				
Equity				
(a)Share capital	13	40,003,000	40,003,000	40,003,000
(b)Other equity	14	745,446	506,914	(2,696,358)
		40,748,446	40,509,914	37,306,642
Non-current Liabilities				
(a)Financial liabilities				
(i)Borrowings	15	-	-	126,670
(ii)Other financial liabilities	17	1,279,439	796,109	410,600
(b)Deferred tax liabilities (net)	16	-	-	-
(c)Provision		-	-	-
		1,279,439	796,109	537,270
Current Liabilities				
(a)Financial liabilities				
(i)Borrowings	15	2,837,087	4,265,527	4,153,085
(ii)Trade payables	18	3,439,823	3,806,303	3,410,241
(iii)Other financial liabilities	17	409,577	49,243	19,096
(b)Other current liabilities		-	-	-
(c)Provisions		-	-	-
		6,686,487	8,121,073	7,582,423
TOTAL		48,714,372	49,427,097	45,426,335

Summary of Significant Accounting Policies 1
 Accompanying Notes are integral part of the Financials

**As per our report of even date
 FOR, BPA & COMPANY
 Chartered Accountants
 Firm Registration No. : 109685W**

**For and on behalf of the Board of Directors of
 HILLTONE SOFTWARE & GASES LIMITED**

**CA. PRAKASH PATEL
 Partner
 Membership No.: 030575**

**NIKET M. SHAH (Managing Director)
 DIN Number:-**

**ANIL SHARMA(CFO)
 DIN Number:-**

**Place: Ahmedabad
 Date: 30/05/2018**

**HITAL M. SHAH (Executive Director)
 DIN Number:-**

HILLTONE SOFTWARE & GASES LIMITED
Statement of Profit and Loss for the Year ended March 31, 2018

		(Amount INR)	
Particulars	Notes	2017-2018	2016-2017
Income			
Revenue from operations	19	33,143,262	35,078,651
Changes in work-in-progress	20	662,432	2,176,445
Other income	21	2,574,722	1,226,072
Total Income (I)		36,380,416	38,481,168
Expenses:			
Purchases of Stock-in-trade	22	23,961,075	25,932,311
Employee benefits expenses	23	4,695,433	4,805,308
Finance cost	24	283,387	312,995
Other expenses	25	5,401,300	3,783,793
Depreciation and amortisation expenses	3/4	438,863	443,488
Total Expenses (II)		34,780,058	35,277,896
Profit before Tax (I)-(II)		1,600,358	3,203,272
Tax Expenses			
Current tax		304,948	20,673
(Excess)/short income tax			
Deferred tax			
MAT credit entitlement		(304,948)	(20,673)
Profit for the year		1,600,358	3,203,272
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Acturial (loss) / Gain relating to Leave and Gratuity		-	-
Income tax effect		-	-
Net other comprehensive income not to be reclassified subsequently to profit or loss		-	-
Total comprehensive income for the year		1,600,358	3,203,272
Earnings per equity share of Face Value Rs 10 each: Basic and Diluted (in INR)	32	0.40	0.80

Summary of Significant Accounting Policies

1

Accompanying Notes are integral part of the Financials

As per our report of even date

FOR, BPA & COMPANY

Chartered Accountants

Firm Registration No. : 109685W

CA. PRAKASH PATEL

Partner

Membership No.: 030575

Place: Ahmedabad

Date: 30/05/2018

**For and on behalf of the Board of Directors of
HILLTONE SOFTWARE & GASES LIMITED**

NIKET M. SHAH (Managing Director)

DIN Number:-

ANIL SHARMA(CFO)

DIN Number:-

HITAL M. SHAH (Executive Director)

DIN Number:-

HILLTONE SOFTWARE & GASES LIMITED
Cash Flow Statement For the year ended March 31, 2018

(Amount INR)

PARTICULARS	2017-18	2016-17
<u>CASH FLOW FROM OPERATION ACTIVITIES :</u>		
Profit before tax	1,600,358	3,203,272
Non Cash Expenses / Incomes :-	(922,963)	443,488
Depreciation	438,863	443,488
Long term capital gain on sale of Land	(1,361,826)	-
Considered Under Different Head :-	(694,139)	(541,077)
Finance cost	283,387	312,995
Interest income	(962,676)	(839,222)
Dividend income	(14,850)	(14,850)
Changes in Working Capital	194,382	(3,824,996)
<i>Trade receivables</i>	<i>830,209</i>	<i>(813,539)</i>
<i>Inventory</i>	<i>(662,432)</i>	<i>(2,176,445)</i>
<i>Other current assets</i>	<i>1,221,387</i>	<i>(932,160)</i>
<i>Trade payables</i>	<i>(366,480)</i>	<i>396,062</i>
<i>Short term borrowing</i>	<i>(1,428,440)</i>	<i>112,442</i>
<i>Other financial liabilities</i>	<i>360,334</i>	<i>30,147</i>
<i>Deposit from vendors received</i>	<i>483,330</i>	<i>385,509</i>
<i>Other non-current assets</i>	<i>(243,525)</i>	<i>(827,012)</i>
Direct taxes paid (net)	(304,948)	154,771
NET CASH FROM OPERATING ACTIVITIES	(127,310)	(564,541)
<u>CASH FLOWS FROM INVESTING ACTIVITIES :</u>		
Interest received	962,676	839,222
Dividend income received	14,850	14,850
Purchase of tangible and intangible assets including CWIP	(159,137)	(790,000)
Proceeds from sale of property, plant and equipment	1,930,000	-
Change in fixed deposits with accrued interest	(1,210,482)	300,000
NET CASH GENERATED IN INVESTING ACTIVITIES	1,537,907	364,072

CASH FLOW FROM FINANCING ACTIVITIES :		
Finance Cost paid	(283,387)	(312,995)
Term loans from banks taken/(repayment)	-	(126,670)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(283,387)	(439,665)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,127,210	(640,134)
Cash and cash equivalents at the beginning of the period	133,703	773,838
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,260,913	133,703
Components of cash and cash equivalents (Refer note 12)		
Cash on hand	1,118,525	24,094
Balance with banks	142,388	109,610
TOTAL	1,260,913	133,703

Accompanying Notes are integral part of the Financials

As per our report of even date
FOR, BPA & COMPANY
Chartered Accountants
Firm Registration No. : 109685W

CA. PRAKASH PATEL
Partner
Membership No.: 030575

Place: Ahmedabad
Date: 30/05/2018

For and on behalf of the Board of Directors of
HILLTONE SOFTWARE & GASES LIMITED

NIKET M. SHAH (Managing Director)
DIN Number:-

ANIL SHARMA(CFO)
DIN Number:-

HITAL M. SHAH (Executive Director)
DIN Number:-

HILLTONE SOFTWARE & GASES LIMITED

NOTE 3 :- PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROCESS

Amount in INR

Particulars	Factory Buildings	Plant and Equipment	Computer	Furniture & Fixtures	Office Equipment	Vehicle	Total	Land*
Gross carrying amount								
As at April 01, 2016	5,994,117	10,714,918	457,437	704,164	250,663	622,986	18,744,285	16,228,500
Additions	-	699,000	19,200	71,800	-	-	790,000	-
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2017	5,994,117	11,413,918	476,637	775,964	250,663	622,986	19,534,285	16,228,500
Additions	-	159,137	-	-	-	-	159,137	-
Disposals	-	-	-	-	-	-	-	1,930,000
As at March 31, 2018	5,994,117	11,573,055	476,637	775,964	250,663	622,986	19,693,422	14,298,500
Accumulated depreciation							-	-
As at April 01, 2016	3,311,769	6,437,575	411,507	629,129	220,559	95,557	11,106,096	-
Depreciation	111,502	212,243	15,104	10,138	17,571	73,980	440,538	-
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2017	3,423,271	6,649,818	426,611	639,267	238,130	169,537	11,546,634	-
Depreciation	111,502	292,696	19,025	12,690			435,913	
Disposals								
As at March 31, 2018	3,534,773	6,942,514	445,636	651,957	238,130	169,537	11,982,547	-
Net carrying amount								
As at April 01, 2016	2,682,348	4,277,343	45,930	75,035	30,104	527,429	7,638,189	16,228,500
As at March 31, 2017	2,570,846	4,764,100	50,026	136,697	12,533	453,449	7,987,651	16,228,500
As at March 31, 2018	2,459,344	4,630,541	31,001	124,007	12,533	453,449	7,710,875	14,298,500

* The Company has as at the date of transition elected to measure Land at fair value as deemed cost.

HILLTONE SOFTWARE & GASES LIMITED
NOTE 4 :- INTANGIBLE ASSETS

Amount in INR

Particulars	Computer software (for cylinders)	Total
Gross carrying amount		
As at April 01, 2016	50,501	50,501
Additions	-	-
Disposals	-	-
As at March 31, 2017	50,501	50,501
Additions	-	-
Disposals	-	-
As at March 31, 2018	50,501	50,501
Accumulated depreciation		-
As at April 01, 2016	24,745	24,745
Depreciation	2,950	2,950
Disposals	-	-
As at March 31, 2017	27,695	27,695
Depreciation	2,950	2,950
Disposals	-	-
As at March 31, 2018	30,645	30,645
Net carrying amount		
As at April 01, 2016	25,756	25,756
As at March 31, 2017	22,806	22,806
As at March 31, 2018	19,856	19,856

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

NOTE 5 NON CURRENT INVESTMENTS

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
A. Investment in Others, at cost:-			
1) Investment in Equity Instrument - Unquoted, fully paid up			
The Mehsana Urban Co Op Bank Ltd	98,000	98,000	98,000
TOTAL	98,000	98,000	98,000
Particulars	March 31, 2018	March 31, 2017	April 01, 2016
	Cost	Cost	Cost
	Rupees	Rupees	Rupees
QUOTED	-	-	-
UNQUOTED	98,000	98,000	98,000

NOTE 6 OTHER FINANCIAL ASSETS

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Fixed deposits	1,210,482	-	300,000
TOTAL	1,210,482	-	300,000

NOTE 7 OTHER NON-CURRENT ASSETS

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Security deposits (Deposits with suppliers)	11,830,702	11,587,177	10,760,165
TOTAL	11,830,702	11,587,177	10,760,165

NOTE 8 NON-CURRENT TAX ASSETS

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Advance Income Tax (net of Provisions for taxation)	87,094	87,094	262,538
TOTAL	87,094	87,094	262,538

NOTE 9 INVENTORIES

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Finished goods	3,624,884	2,962,452	786,007
TOTAL	3,624,884	2,962,452	786,007

NOTE 10 TRADE RECEIVABLES

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Unsecured- Considered Good -Above 6 Months from the date they are due for			
From Others	1,426,585	2,261,850	1,142,618
From Related Parties	-	-	-
Unsecured- Considered Good -Below 6 Months from the date they are due for			
From Others	6,136,584	6,136,837	6,442,530
From Related Parties	5,309	-	-
TOTAL	7,568,478	8,398,687	7,585,148

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

NOTE 11 CASH AND BANK BALANCES

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Cash and cash Equivalents			
Cash on Hand	1,118,525	24,094	710,742
Balances with Schedule Banks:			
In Current accounts	142,388	109,610	63,095
TOTAL	1,260,913	133,703	773,838

NOTE 12 OTHER CURRENT ASSETS

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Advances to Vendors			
Others	35,154	442,911	29,015
Other Loans and Advances			
Advance to Employees	17,000	19,000	25,500
Balances with Statutory Authorities	-	-	-
Other Receivables	626,812	1,438,442	913,678
TOTAL	678,966	1,900,353	968,193

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

NOTE 13 SHARE CAPITAL

EQUITY SHARE CAPITAL	March 31, 2018		March 31, 2017		April 01, 2016	
	No.of Shares	Amount in Rs.	No.of Shares	Amount in Rs.	No.of Shares	Amount in Rs.
Authorised Shares						
Equity Shares of Rs. 10 each	5,000,000	50,000,000	5,000,000	50,000,000	5,000,000	50,000,000
TOTAL	5,000,000	50,000,000	5,000,000	50,000,000	5,000,000	50,000,000
Issued, Subscribed and Fully Paid-up Shares						
Equity Shares of Rs. 10 each fully paid- up	4,000,300	40,003,000	4,000,300	40,003,000	4,000,300	40,003,000
TOTAL	4,000,300	40,003,000	4,000,300	40,003,000	4,000,300	40,003,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

EQUITY SHARE CAPITAL	March 31, 2018		March 31, 2017		April 01, 2016	
	No.of Shares	Amount in Rs.	No.of Shares	Amount in Rs.	No.of Shares	Amount in Rs.
Equity Shares						
At the Beginning of the year	4,000,300	40,003,000	4,000,300	40,003,000	4,000,300	40,003,000
Add: Issued During the Year	-	-	-	-	-	-
Outstanding at the End of the year	4,000,300	40,003,000	4,000,300	40,003,000	4,000,300	40,003,000

(b) Details of shareholders holding more than 5% Shares in the Company

Particulars	March 31, 2018		March 31, 2017		April 01, 2016	
	No.of Equity Sh.	% Holding	No.of Equity Sh.	% Holding	No.of Equity Sh.	% Holding
NIKET M. SHAH	471,900	11.80	471,900	11.80	471,900	11.80
HITAL M. SHAH	387,700	9.69	387,700	9.69	387,700	9.69
MAHENDRA B. SHAH	307,200	7.68	307,200	7.68	307,200	7.68
NARENDRA B. SHAH	299,200	7.48	299,200	7.48	299,200	7.48

(c) RIGHTS, PREFERENCES AND RESTRICTION ATTACHED TO SHARES:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is entitled to one vote per share. The dividend proposed by the Board of Director is subject to the approval of the Shareholders in the ensuing Annual General Meeting except Interim Dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) NIL NUMBER OF SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH FOR THE PERIOD OF 5 YEARS IMMEDIATELY PRECEEDING THE BALANCE SHEET DATE.

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

NOTE 14 RESERVES AND SURPLUS

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
(a)Capital Reserves*			
Balance as per Last Financial Statements	966,342	966,342	966,342
Addition	-	-	-
Closing Balance	966,342	966,342	966,342
(b)Other Reserves**			
Balance as per Last Financial Statements	14,217,223	14,217,223	14,217,223
Addition (Deduction)	(1,361,826)	-	-
Closing Balance	12,855,397	14,217,223	14,217,223
(c)Surplus			
Balance as per Last Financial Statements	(14,676,651)	(17,879,923)	(18,410,695)
Net Profit for the year	1,600,358	3,203,272	530,772
Other comprehensive income	-	-	-
Less: Appropriations:			
Final Dividend on Equity shares	-	-	-
Tax on Dividend on Equity shares	-	-	-
Net Surplus in the Statement of Profit and Loss	(13,076,293)	(14,676,651)	(17,879,923)
GRAND TOTAL	745,446	506,914	(2,696,358)

*Capital Investment Subsidy from State Government

** not available for distribution as dividend

Note: Other Reserves is created pursuant to first time adoption of Ind-AS.

NOTE 15 BORROWINGS

Particulars	Non Current Portion			Current Portion		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Term Loans from Banks*	-	-	126,670	-	155,190	547,822
Loans from Related Parties (Refer Note 31)	-	-	-	311,222	995,983	1,210,883
Bank Overdraft Facilities**	-	-	-	2,525,865	3,114,354	2,394,380
The above amount includes:-						
Secured Borrowings*	-	-	126,670	2,525,865	3,269,544	2,942,202
Unsecured Borrowings	-	-	-	311,222	995,983	1,210,883
TOTAL	-	-	126,670	2,837,087	4,265,527	4,153,085

*Secured by Plant and Machinery

** Working Capital facilities are secured against Stock and Book debt

NOTE 16 DEFERRED TAX LIABILITY (NET)

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Deferred Tax Liability			
Accelerated depreciation for tax purpose	-	-	-
Gross Deferred Tax Liabilities	-	-	-
Deferred Tax Asset			
MAT credit entitlement	325,621	20,673	-
Other Timing Difference			
Provision for post retirement benefits and other employee benefits	-	-	-
Gross Deferred Tax Assets	325,621	20,673	-
Deferred Tax Liabilities/(Assets) (Net)	(325,621)	(20,673)	-

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

NOTE 17 OTHER FINANCIAL LIABILITIES

Particulars	Non Current Portion			Current Portion		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Security Deposits from Vendor	1,074,955	796,109	410,600	-	-	-
Statutory dues including Provident Fund & Tax deducted at Source	204,484.00	-	-	409,577	49,243	19,096
Total	1,279,439	796,109	410,600	409,577	49,243	19,096

NOTE 18 TRADE PAYABLES

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
Dues to Related Parties (Refer Note 31)	213,174	671,916	-
Other Trade Payables	3,226,649	3,134,387	3,410,241
TOTAL	3,439,823	3,806,303	3,410,241

*There are no dues to Micro and small Enterprises as at 31st March,2018. This information as required to be disclosed under the Micro, Small and Medium enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

HILLTONE SOFTWARE & GASES LIMITED

Notes to the financial statement as at March 31, 2018

NOTE 19 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Sale of products	32,742,803	34,876,706
Other operating revenues	400,459	201,945
TOTAL	33,143,262	35,078,651
Sale of Products includes:		
1. Sale of Oxygen & Other Gases	32,742,803	34,876,706
Other Operating Income includes:		
1. Cylinder Printing Income	2,640	750
2. Cylinder Maintenance Income	13,920	42,170
3. Cylinder Rent Income	382,825	155,280
4. Cylinder Flashing	1,074	3,745
TOTAL	400,459	201,945

NOTE 20 CHANGE IN INVENTORIES OF FINISHED GOODS

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Closing Finished Goods- Traded items	3,624,884	2,962,452
Opening Finished Goods- Traded items	2,962,452	786,007
CHANGE IN INVENTORIES OF FINISHED GOODS	662,432	2,176,445

NOTE 21 OTHER INCOME

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Interest income:		
Deposits with banks	49,499	-
Others	913,177	839,222
Dividend income:		
Shares	14,850	14,850
Creditors written off	73,370	-
Long term capital gain on sale of Land	1,361,826	-
Other income	162,000	372,000
TOTAL	2,574,722	1,226,072

NOTE 22 PURCHASES OF STOCK-IN-TRADE

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Purchases of Stock-in-Trade	23,961,075	25,932,311
TOTAL	23,961,075	25,932,311

HILLTONE SOFTWARE & GASES LIMITED

Notes to the financial statement as at March 31, 2018

NOTE 23 EMPLOYEE BENEFITS

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Salaries, wages and bonus	3,495,433	3,563,510
Director's Remuneration	1,200,000	1,200,000
Staff welfare expenses	-	41,798
TOTAL	4,695,433	4,805,308

NOTE 24 FINANCE COST

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Interest expense	279,017	308,702
Bank charges	4,370	4,294
TOTAL	283,387	312,995

NOTE 25 OTHER EXPENSES

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Bad Debts	811,500	-
Commission expenses	139,644	2,000
Communication expenses	56,738	62,570
Diesel expenses	1,346,106	1,024,695
Donation	52,000	-
Electricity expenses	546,764	466,956
Factory Maintenance Expenses	114,150	205,688
Insurance -Others	32,562	33,180
Kasar A/c	449,940	110,912
Legal and Consultancy Fees	468,351	259,776
Other Expenses	330,288	407,933
Payment to Auditors*	45,000	45,230
Printing & Stationery	48,573	69,107
Repair and Maintenance-Others	268,945	310,986
Software expenses	49,740	750
Transportation Exp.	569,578	784,010
Travelling expenses	71,420	-
TOTAL	5,401,300	3,783,793
*Details of Payment to Auditors		
-Audit Fees	30,000	30,230
-Taxation matters	15,000	15,000
-Other Services	-	-

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

NOTE 26 CONTINGENT LIABILITIES (to the extent not provided for)

Particulars	March 31, 2018	March 31, 2017
<u>Contingent Liabilities :-</u>		
Guarantees given by banks on behalf of the Company for contractual obligations of the Company	-	-
In respect of Income Tax matters decided against the Company, for which the Company is in the appeal with higher authorities.	-	-
TOTAL	-	-

NOTE 27 COMMITMENTS (to the extent not provided for)

Particulars	March 31, 2018	March 31, 2017
<u>Commitments :-</u>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
TOTAL	-	-

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

(Amount INR)

NOTE 28 FIRST-TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Reconciliation of equity as previously reported under Previous GAAP and that computed under Ind AS

Particulars	As at March 31, 2017	As at April 01, 2016
Total Equity as per Previous GAAP	26,292,691	23,089,419
Adjustments to Other Equity:		
Through Other Reserve to:		
Property, Plant and Equipment- Land	14,217,223	14,217,223
A		
Reserves as per IND AS	40,509,914	37,306,642

Reconciliation between total comprehensive income as previously reported under Previous GAAP and Ind AS for the year ended 31 March 2017

Particulars	As at April 01, 2016
Net Profit as per Previous GAAP	3,203,272
Net Profit after Tax as per Ind AS	3,203,272
Adjustments	
Other Comprehensive Income	
Actuarial (losses)/Gain reclassified to other comprehensive income	-
Current Tax on above Adjustment	-
Total Comprehensive Income as per Ind AS	3,203,272

A Property, Plant and Equipment

The Company has as at the date of transition elected to measure Land under property, plant and equipment at fair value as deemed cost.

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

(Amount INR)

NOTE 29 :RECONCILIATION OF BALANCE SHEET AS AT 31 MARCH 2016

	As at March 31, 2017			As at March 31, 2016		
	Indian GAAP	Effects of Transition to Ind AS	Ind AS	Indian GAAP	Effects of Transition to Ind AS	Ind AS
I. ASSETS						
Non-current Assets						
(a)Property, plant and equipment	9,998,928	14,217,223	24,216,151	9,649,466	14,217,223	23,866,689
(b)Intangible assets	22,806	-	22,806	25,756	-	25,756
(c)Capital work-in-progress	-	-	-	-	-	-
(iv)Capital Work in Progress - Intangible	-	-	-	-	-	-
(d)Financial assets						
(i)Investments	98,000	-	98,000	98,000	-	98,000
(ii)Loan	-	-	-	-	-	-
(iii)Other financial assets	-	-	-	300,000	-	300,000
(e)Other non-current assets	11,587,177	-	11,587,177	10,760,165	-	10,760,165
(f)Non current tax assets (net)	87,094	-	87,094	262,538	-	262,538
(g)Deferred tax assets (net)	20,673	-	20,673	-	-	-
	21,814,678	14,217,223	36,031,901	21,095,925	14,217,223	35,313,148
Current Assets						
(a)Inventories	2,962,452	-	2,962,452	786,007	-	786,007
(b)Financial assets						
(i)Trade receivables	8,398,687	-	8,398,687	7,585,148	-	7,585,148
(ii)Cash and cash Equivalents	133,703	-	133,703	773,838	-	773,838
(iii)Other financial assets	-	-	-	-	-	-
(c)Other current assets	1,900,353	-	1,900,353	968,193	-	968,193
	13,395,195	-	13,395,195	10,113,186	-	10,113,186
TOTAL	35,189,200	14,237,896	49,427,097	31,209,111	14,217,224	45,426,335
II. EQUITY AND LIABILITIES						
Equity						
(a)Share capital	40,003,000	-	40,003,000	40,003,000	-	40,003,000
(b)Other equity	(13,710,309)	14,217,223	506,914	(16,913,581)	14,217,223	(2,696,358)
	26,292,691	14,217,223	40,509,914	23,089,419	14,217,223	37,306,642
Non-current Liabilities						
(a)Financial liabilities						
(i)Borrowings	-	-	-	126,670	-	126,670
(ii)Other financial liabilities	796,109	-	796,109	410,600	-	410,600
(b)Deferred tax liabilities (net)	-	-	-	-	-	-
(c)Provision	-	-	-	-	-	-
	796,109	-	796,109	537,270	-	537,270
Current Liabilities						
(a)Financial liabilities						
(i)Borrowings	4,265,527	-	4,265,527	4,153,085	-	4,153,085
(ii)Trade Payables	3,806,303	-	3,806,303	3,410,241	-	3,410,241
(iii)Other financial liabilities	49,243	-	49,243	19,096	-	19,096
(c)Other current liabilities	-	-	-	-	-	-
(d)Provisions	-	-	-	-	-	-
	8,121,073	-	8,121,073	7,582,423	-	7,582,423
TOTAL	35,189,201	14,217,223	49,427,097	31,209,112	14,217,223	45,426,335

HILLTONE SOFTWARE & GASES LIMITED
Notes to the financial statement as at March 31, 2018

(Amount INR)

NOTE 30: RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

Particulars	Indian GAAP	Effects of Transition to Ind AS	Ind AS
Income			
Revenue from operations	35,078,651	-	35,078,651
Changes in work-in-progress	2,176,445	-	2,176,445
Other income	1,226,072	-	1,226,072
Total Income (I)	38,481,168	-	38,481,168
Expenses:			
Purchases of Stock-in-trade	25,932,311	-	25,932,311
Employee benefits expenses	4,805,308	-	4,805,308
Finance cost	312,995	-	312,995
Other expenses	3,783,793	-	3,783,793
Depreciation and amortisation expenses	443,488	-	443,488
Total Expenses (II)	35,277,896	-	35,277,896
Profit before Tax (I)-(II)	3,203,272	-	3,203,272
Tax Expenses			
Current tax	20,673	-	20,673
(Excess)/short income tax		-	
Deferred tax		-	
MAT credit entitlement	(20,673)	-	(20,673)
Profit for the year	3,203,272	-	3,203,272
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss		-	
Actuarial (loss) / Gain relating to Leave and Gratuity		-	
Income tax effect		-	
Net other comprehensive income not to be reclassified subsequently to profit or loss	-	-	-
(ii) Items that will be reclassified subsequently to profit or loss		-	
Net other comprehensive income to be reclassified subsequently to profit or loss	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-
Total comprehensive income for the year	3,203,272		3,203,272
Earnings per equity share of Face Value Rs 10 each: Basic and Diluted (in INR)	0.80		0.80

NOTE 31 RELATED PARTY TRANSACTIONS(i) List of Related parties and their Relations

Enterprises having Significant Influence (EHSI) :-
Dhanlaxmi Distributors
Shree Vinayak Speciality Gases
Key Management Personnel:-
Niket M Shah
Hital M Shah
Parul N Shah

(ii) Related Party Transactions

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Key Management Personnel		
<u>Loan Repayment</u>	684,761	-
Niket M Shah	519,761	-
Hital M Shah	-	-
Parul N Shah	165,000	-
Key Management Personnel		
<u>Director's Remuneration</u>	1,200,000	1,200,000
Niket M Shah	600,000	600,000
Hital M Shah	600,000	600,000
Enterprises having Significant Influence (EHSI)		
<u>Trade deposit</u>	-	75,000
Dhanlaxmi Distributors	-	75,000
Enterprises having Significant Influence (EHSI)		
<u>Purchases</u>	1,812,915	281,004
Dhanlaxmi Distributors	559,741	281,004
Shree Vinayak Speciality Gases	2,619	-
United Gases	1,250,555	-
Enterprises having Significant Influence (EHSI)		
<u>Sales</u>	1,050	101,597
Dhanlaxmi Distributors	1,050	2,300
Shree Vinayak Speciality Gases	-	99,297
United Gases	-	-
TOTAL	1,885,811	1,376,597

(iii) Related Party Balances

Particulars	March 31, 2018	March 31, 2017
Key Management Personnel		
<u>Trade Payables</u>	213,174	671,916
Dhanlaxmi Distributors	-	278,737
Shree Vinayak Speciality Gases	2,619	-
United Gases	210,555	393,179
<u>Trade Receivables</u>	5,309	-
Dhanlaxmi Distributors	5,309	-
<u>Loan Taken</u>	311,222	995,983
Niket M Shah	310,378	830,139
Hital M Shah	844	844
Parul N Shah	-	165,000

NOTE 32 EARNINGS PER SHARE

Particulars	March 31, 2018	March 31, 2017
(i) Profit Attributable to Shareholders	1,600,358	3,203,272
(ii) Weighted avg no. of Equity shares o/s during the Year	4,000,300	4,000,300
Nominal value of Equity shares (INR)	10.00	10.00
Basic and Diluted Earnings per share (i/ii)	0.40	0.80

Note 33 TAX EXPENSE

	March 31, 2018	March 31, 2017
Amount recognised in Statement of profit and loss		
Current tax	304,948	20,673
MAT credit entitlement	(304,948)	(20,673)
Deferred tax expense	-	-
(Excess)/short income tax	-	-
Tax Components on OCI	-	-
Tax expense for the year	-	-
Reconciliation of effective tax rate		
Profit before tax	1,600,358	3,203,272
Enacted Incometax rate applicable to the company	25.75%	29.87%
Expected income tax expense (I)	412,092	956,817
<u>Adjustment to reconcile expected incometax expense to reported income tax expense:</u>		
Effect of Tax Components on Permanat Disallowance	-	-
Effects of Exempt income from tax	(3,824)	(4,436)
Effect of (Excess)/short income tax provision reversed	-	-
Effect on tax due to brought forward loss set off	(408,268)	(952,382)
Aggregate tax adjustments (II)	(412,092)	(956,817)
Total tax expense (I)+(II)	-	-
Effective Tax Rate	0.00%	0.00%

NOTE 34 Recognised deferred tax assets and liabilities

The following is the movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
March 31, 2018				
Deferred tax asset				
MAT credit entitlement	20,673	304,948	-	325,621
Employee benefit obligations				-
Others				-
Gross deferred tax assets	20,673	304,948	-	325,621
Deferred tax liability				
Property, plant and equipment and intangible assets				-
Others	-	-		
Gross deferred tax liability	-	-		-
Deferred tax asset / (liabilities), net	20,673	304,948		325,621

For the year ended	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
March 31, 2017				
Deferred tax asset				
MAT credit entitlement	-	20,673	-	20,673
Employee benefit obligations				-
Others				-
Gross deferred tax assets	-	20,673	-	20,673
Deferred tax liability				
Property, plant and equipment and intangible assets				-
Others	-	-		
Gross deferred tax liability	-	-		-
Deferred tax asset / (liabilities), net	-	20,673		20,673

Note 35: FINANCIAL INSTRUMENTS

(i) Financial assets and liabilities

	March 31, 2018		March 31, 2017	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial Assets				
Amortized Cost:				
Cash and cash equivalents	1,260,913	1,260,913	133,703	133,703
Trade Receivable	7,568,478	7,568,478	8,398,687	8,398,687
Other financial assets	1,210,482	1,210,482	-	-
Fair value through PL:				
TOTAL	10,039,873	10,039,873	8,532,390	8,532,390
Financial Liabilities				
Amortized Cost:				
Borrowings	2,837,087	2,837,087	4,265,527	4,265,527
Trade payables	3,439,823	3,439,823	3,806,303	3,806,303
Other financial liabilities	1,689,016	1,689,016	796,109	796,109
TOTAL	7,965,926	7,965,926	8,867,940	8,867,940

(ii) Financial risk management

The Company's activities are exposed to variety of financial risks. These risks include market risk (including foreign exchange risk), credit risks and liquidity risk. The company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(a) Market risk :

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates and interest rates.

(b) Credit risk :

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers.

All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

(c) Liquidity Risk:

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

(iii) Capital management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

NOTE 36 : The Previous Year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to correspondence with the current year's classification / disclosure.

Accompanying Notes are integral part of the Financials

As per our report of even date
FOR, BPA & COMPANY
Chartered Accountants
Firm Registration No. : 109685W

CA. PRAKASH PATEL
Partner
Membership No.: 030575

Place: Ahmedabad
Date: 30/05/2018

For and on behalf of the Board of Directors of
HILLTONE SOFTWARE & GASES LIMITED

NIKET M. SHAH (Managing Director)
DIN Number:-

ANIL SHARMA(CFO)
DIN Number:-

HITAL M. SHAH (Executive Director)
DIN Number:-

1. Corporate Information:

Hilltone Software & Gases Limited "A" Public limited company since 1993. The company is engaged in manufacture of best quality Medical and Industrial Oxygen. The company has set our plant at Santej using the latest technology and excellent process to obtain the best quality Medical Oxygen and complete in house analytical set to control our process at all stages. The company is providing the entire rang of industrial gases and medical gases like Nitrous Oxide - Bulk 'A' Type, Oxygen/ Nitrogen/ Co2/ D.A, Helium etc.

2. Significant Accounting Policies: -

A. Basis of Preparation of financial statements:

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Land under property, plant and equipment at fair value as deemed cost.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Up to the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP"

B. Use of Estimates ,assumptions and judgments :

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Useful lives of property, plant and equipment and intangible assets
- Valuation of inventories
- Provisions, contingent liability and contingent assets
- Evaluation of recoverability of deferred tax assets

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 35 – financial instruments.

C. Current and non-current classification:

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

D. Revenue Recognition:

Company recognizes revenue when there is no significant uncertainty regarding revenue realization.

Interest income is recognized on accrual basis.

Dividend Income is recognized when the right to receive dividend is established.

E. Property Plan & Equipments:

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. The cost of Property, Plant and Equipment comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred except for high values which are capitalized.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Capital assets under erection/installation are stated at cost in the Balance Sheet as "Capital Work-in-Progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

Transition to IND AS

On transition to IND AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment except Land that is measured at fair value.

F. Intangible Assets:

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. They are amortized on a straight line basis over their estimated useful lives.

G. Impairment of Assets:

The company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indications exist, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to Profit and Loss Account. If at the Balance Sheet date there is an indication that previously assessed impairment losses no longer exist, than such loss is reversed and the asset is restated to that effect.

H. Depreciation/ Amortization:

In respect of fixed assets (other than capital work-in-progress) acquired during the year, depreciation /amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation. The useful life of the asset is determined as prescribed in Schedule II to the Companies Act, 2013.

I. Financial instruments:**Financial Asset**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
Debt instruments at amortised cost

- Debt/Equity instruments measured at fair value through profit and loss (FVTPL)

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- (ii) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The company has not designated any financial liability as fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

J. Retirements Benefits:

The management of the company has decided to provide for Gratuity liability on cash basis, since the company has got limited number of employees and its impact on profitability of the company shall not be material.

K. Inventories:

- a) Inventories of stores and materials are valued at lower of cost or net realizable value. Cost of inventories comprises of all cost of purchases and other cost incurred in bringing them to their respective present location and condition. Cost of inventories of stores and materials are determined on FIFO basis.

L. Borrowing Cost:

Borrowing costs that are attributable to the acquisitions or construction of fixed assets/qualifying assets for expansion/new project are capitalized to respective fixed assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue in the year in which they are incurred.

M. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, which includes all stock options granted to employees.

N. Taxation :

i. Current Tax :

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

ii. Deferred Tax Provision :

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax asset is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

iii. Minimum Alternative Tax (MAT) :

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India which gives rise to future economic benefit in the form of MAT credit entitlement for adjustment of future income tax liability, is considered as an asset only when there is convincing evidence that the company will pay normal income tax within the specified period. Accordingly MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify. Such assets are revised at each balance sheet date.

O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to

reflect the current best estimates. A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

ROUTE MAP FOR THE VENUE OF THE 25th ANNUAL GENERAL MEETING

Google Maps



PROXY FORM

HILLTONE SOFTWARE AND GASES LIMITED

CIN: U72200GJ1993PLC020620

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

Form MGT – 11

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____

Registered Address : _____

E-Mail : _____

Folio No. /*Client Id : _____ *DP Id: _____

I/We being the member(s) of _____ shares of Hilltone Software and Gases Limited hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Saturday, 29 September 2018 at 11.00 a.m. at B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, Gujarat and at any adjournment thereof such resolution as are indicated below:

Resolutions

- 1) To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31 March 2018 and the reports of the Board of Directors' and Auditors' thereon; and
- 2) To appoint a Director in place of Mr. Hital M. Shah (DIN: 00279026), who retires by rotation and being eligible, has offer himself for reappointment;
- 3) Appointment of Statutory Auditor;
- 4) To Re-appoint Mr. Niket Shah(DIN: 00278968) as Managing Director for a period of five years with effect from 01.04.2018
- 5) To Re-appoint Mr. Hital Shah(DIN00279026) as Executive Director for a period of five years with effect from 01.04.2018
- 6) To Appoint Mr. Amitkumar Chandrakantbhai Trivedi (DIN: 08204344) as an Independent Director with effect from 22nd August, 2018 for a period of Five years
- 7) To Re-appoint Mr. Anil Sharma as CFO of the Company for two years with effect from 01.04.2018

Signed this ___ day of _____ 2015.

Signature of shareholder

Signatures of proxy holders

- 8) 1. _____ 2. _____

- 9) 3. _____

Notes:

- (1) 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.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

***Applicable for investors holding shares in electronic form.**

<p>Affix Rupee 1/- Revenue Stamp</p>
--

HILLTONE SOFTWARE AND GASES LIMITED

CIN: U72200GJ1993PLC020620

Registered Office: B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002, India

Phone: (02762) 255282 Fax No: (02762) 240055 Email: hilltonegases@yahoo.com Website www.HilltoneGases.com

ATTENDANCE SLIP

25th ANNUAL GENERAL MEETING ON SATURDAY, 29TH SEPTEMBER, 2018

Regd. Folio No	
Client ID/ D.P. ID	
No. of Share(s) held	
Name and address of Shareholder	
Joint Holder 1	
Joint Holder 2	

I/we hereby record my/our presence at the 25th ANNUAL GENERAL MEETING of the Company held on Saturday, 29th September, 2018 at 11.00 a.m.at B/4, K B Complex, Dairy Road, Mehsana Gujarat -384002.

Full name of the shareholder _____ Signature _____

Folio No. _____

Full name of the Proxy _____ Signature _____

Note:

1. Please fill in the Folio/DP ID-Client ID No., name and sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the venue.

Please read the instructions for e-voting given along with Annual Report. The voting period starts from Wednesday, 26th September, 2018 (9.00 a.m.) and ends on Friday, 28th September, 2018 (5.00 p.m.). The voting module shall be disabled by NSDL for voting thereafter