

23rd
Annual Report
2015-2016

HILLTONE SOFTWARE
& GASES LIMITED

CIN:U72200GJ1993PLC020620

ANNUAL REPORT 2015-16

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 (CONSULTING)

D.A. Rupawala

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 & GASES LIMITED

CIN:U72200GJ1993PLC020620

NOTICE

NOTICE is hereby given that the Twenty-Third Annual General Meeting of the Shareholders of the Company will be held on Friday, 30th September, 2016 at 11.30 a.m. at the Registered Office of the Company situated at B/4, K.B. Complex, Dairy Road, Mehsana – 384 002 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31st March 2016 & Profit and Loss Account for the year ended on 31st March, 2016 and the Reports of the directors, Auditors thereon.
2. To Appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 139 and all other applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the retiring statutory auditors, M/s BPA & Company, Chartered Accountants (Firm Registration No.109685W), who have offered themselves for reappointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rules, be and are hereby appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by Audit committee and board of Directors in consultation with the Auditors”.

SPECIAL BUSINESS

3. 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 149 , 196,197 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, and subject to the approval of shareholders in general meeting, Mr. HITAL MAHENDRA SHAH (DIN: 00279026) Executive Director , of the company; be and hereby regularized with terms and conditions as set out in explanatory statement annexed to the notice conveying to the annual general meeting, with liberty to the board to alter and vary the terms and conditions in such manner as may be agreed upon Mr. Hital Mahendra Shah between the board of directors.”

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

“Resolved Further that Mr. HITAL MAHENDRA SHAH, Executive director of the company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to all foregoing resolution.”

4. 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 149 , 196,197 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, and subject to the approval of shareholders in general meeting, Mr. NIKET MAHENDRA SHAH (DIN: 00278968) Managing Director of the company; be and hereby regularized with terms and conditions as set out in explanatory statement annexed to the notice conveying to the annual general meeting, with liberty to the board to alter and vary the terms and conditions in such manner as may be agreed upon between the board of directors.”

“Resolved Further that Mr. HITAL MAHENDRA SHAH, Executive director of the company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to all foregoing resolution.”

For, HILLTONE SOFTWARE & GASES LIMITED
(CIN: U72200GJ1993PLC020620)

Place: Mehsana
Date: 01/09/2016

Registered Office:
B/4, K.B. Complex,
Dairy Road,
Mehsana – 384 002

Niket M Shah
Chairman & Mg. Director
(Din:00278968)

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM : 3

REGULARISED APPOINTMENT OF Mr.HITAL MAHENDRA SHAH

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

i. Salary

Rs.50,000/- (Rupees Fifty Thousand only) per month w.e.f. 01.01.2016 or as may be decided by the Board of Directors from time to time

ii. Perquisites

In addition to salary, Mr. HITAL MAHENDRA SHAH to be entitled to the following perquisites as per the rules of the Company which shall include:

(The expenditure incurred by the company on this perquisite shall be valued as per the Income Tax Rules, 1962.)

- a. Club Fees: Reimbursement of fees of one club not including admission and life membership;
- b. Reimbursement of medical expenses incurred for self and family
- c. Education Allowance
- d. Leave Travel Assistance
- e. Reimbursement of professional membership fees;
- f. Hard furnishings valued as per the Income Tax Rules, 1962
- g. Expenditure on his Electrical and water as per the Income Tax Rules, 1962.
- h. Any other benefit / perquisite as may be decided by the Board of Directors from time to time within the aforesaid limit.

iii. Benefits & Amenities

The following shall not be included for the purpose of Amenities computation of remuneration or perquisites as aforesaid:

- a. Company's contribution to Provident Fund and Superannuation Fund as per Company's Rules;
- b. Gratuity as per Company's Rules;
- c. Encashment of accumulated privilege leave at the end of tenure as per Company's Rules;
- d. Car and Telephone: Provision of car used for companies business and telephone expenses will not be considered as perquisites.
- e. Mobile: cost of mobile instrument and its bill will be paid by the Company.

iv. Other Terms and Conditions.

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

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

During the tenure of his term of office they shall not be liable to retire by rotation.

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

Mr. HITAL SHAH and Mr. NIKET SHAH being interested Directors in this resolution.

Anything to be contrary herein contained, where in any financial year during his tenure, the Company has no profit or his profit are inadequate, remuneration by way of salary, perquisites other allowances or any combination thereof shall not exceed the aggregate of annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section 2 of part II of Schedule V of the Companies Act, 2013, whichever is lower, unless otherwise determine by Board of Directors.

The confirmation of terms and conditions and appointment of directors 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 Directors recommend the ordinary resolution number 3 for the approval.

ITEM NO.4

REGULARISED APPOINTMENT OF Mr. NIKET MAHENDRA SHAH

i. Salary

Rs.50,000/- (Rupees Fifty Thousand only) per month w.e.f. 01.01.2016 or as may be decided by the Board of Directors from time to time

ii. Perquisites

In addition to salary, Mr. NIKET MAHENDRA SHAH to be entitled to the following perquisites as per the rules of the Company which shall include:

(The expenditure incurred by the company on this perquisite shall be valued as per the Income Tax Rules, 1962.)

- i. Club Fees: Reimbursement of fees of one club not including admission and life membership;
- j. Reimbursement of medical expenses incurred for self and family
- k. Education Allowance
- l. Leave Travel Assistance
- m. Reimbursement of professional membership fees;
- n. Hard furnishings valued as per the Income Tax Rules, 1962
- o. Expenditure on his Electrical and water as per the Income Tax Rules, 1962.
- p. Any other benefit / perquisite as may be decided by the Board of Directors from time to time within the aforesaid limit.

iii. Benefits & Amenities

The following shall not be included for the purpose of Amenities computation of remuneration or perquisites as aforesaid:

- f. Company's contribution to Provident Fund and Superannuation Fund as per Company's Rules;
- g. Gratuity as per Company's Rules;
- h. Encashment of accumulated privilege leave at the end of tenure as per Company's Rules;
- i. Car and Telephone: Provision of car used for companies business and telephone expenses will not be considered as perquisites.
- j. Mobile: cost of mobile instrument and its bill will be paid by the Company.

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

iv. Other Terms and Conditions.

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

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

During the tenure of his term of office they shall not be liable to retire by rotation.

Mr. HITAL SHAH and Mr. NIKET SHAH being interested Directors in this resolution.

Anything to be contrary herein contained, where in any financial year during his tenure, the Company has no profit or his profit are inadequate, remuneration by way of salary, perquisites other allowances or any combination thereof shall not exceed the aggregate of annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section 2 of part II of Schedule V of the Companies Act, 2013, whichever is lower, unless otherwise determine by Board of Directors.

The confirmation of terms and conditions and appointment of directors 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 Directors recommend the ordinary resolution number 4 for the approval.

For, HILLTONE SOFTWARE & GASES LIMITED
(CIN: U72200GJ1993PLC020620)

Place: Mehsana
Date: 01/09/2016

Niket M Shah
Chairman & Mg. Director
(Din:00278968)

Registered Office:
B/4, K.B. Complex,
Dairy Road,
Mehsana – 384 002

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in other to be effective must be received by the company at its registered office not less than 48 hours before the meeting.
2. Members, proxies should bring the attendance slip, duly filled in, for attending the meeting.
3. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. Member / Proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting.
5. The Register of Members and the share transfer books of the Company will remain closed from 25th September, 2016 to 30th September, 2016 (both days inclusive).
6. The Shareholders are requested to communicate all their correspondence including share transfers at Registered Office: MCS Ltd., Shatdal Complex, Ashram Road, Ahmedabad.

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

7. Members are requested to notify immediately any change in their address to the Company quoting their folio number.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
9. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Saturdays, between 11.00 am to 1.00 pm prior to the date of Annual General Meeting.
10. Securities and Exchange Board of India ("SEBI") has made it mandatory to quote Permanent Account Number (PAN) for transfer/ transmission of shares in physical form and hence, the transferee(s)/ legal heir(s) is required to furnish a copy of his/her PAN to the Share Transfer Agent.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Share Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.

For, HILLTONE SOFTWARE & GASES LIMITED
(CIN: U72200GJ1993PLC020620)

Place: Mehsana
Date: 01/09/2016

Niket M Shah
Chairman & Mg. Director
(DIN:00278968)

Registered Office:
B/4, K.B. Complex,
Dairy Road,
Mehsana – 384 002

BOARD REPORT

To
The Members,
HILLTONE SOFTWARE AND GASES LIMITED

Your Directors have pleasure in submitting their Twenty-Third Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

1. FINANCIAL RESULTS

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

PARTICULARS	(Rs. In Lacs)	
	2015- 2016	2014- 2015
Total Income including other income	2,88,06,183	2,62,49,068
Profit before financial cost, depreciation and taxation	13,24,579	1,378,090
Less: Financial Cost	3,73,286	308,637
Less : Depreciation	4,20,521	583,026

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

Less: Provision of taxation	-	-
Current Tax (Net)	-	-
Deferred Tax	-	-
Profit after depreciation & taxation	5,30,772	4,86,427
Add : Opening Balance in P & L A/c	(18,410,695)	(18,897,122)
Transfer to general reserve	-	-
Surplus carried Forward	(1,78,79,923)	(18,410,695)

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Company was able to achieve Sales including other income of Rs. 2,88.06 Lacs as compared to Rs.262.49 Lacs for the Previous Year.

The Net Profit after making the provision for Depreciation and Taxation stood at Rs. 5.30 Lacs as against Rs. 4.86 Lacs for the previous year.

The above results cannot be considered quite satisfactory. The company could not do Software business as envisaged last year. The company has received Drug License & it has started producing surgical oxygen which gives better value addition. Your Directors hope better results with expectation of good market apprehensions.

During the year company has incurred total Capital Expenditure of Rs. 9,22,000/-

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 31,2016 was Rs. 1073838. 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. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

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.

8. 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.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The company has complied with the requirements of having Key managerial Personnel as per provisions of section 203 of the companies Act, 2013.

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.

The Directors are not liable to retire by rotation.

10. PERFORMANCE EVALUATION OF THE BOARD

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.

11. 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.

12. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

Six Board Meetings were held during the 12 months accounting period ended 31-3-2016. The dates of such Board Meeting are

1) 25th May, 2015 2) 14th August, 2015 3) 1st septemebr,2015

4) 15th November, 2015 5) 12th February, 2016 6) 29th March,2016

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

13. 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;
- 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.

14. AUDITORS AND AUDITOR'S REPORT:

Your Company's Auditors, M/s BPA & COMPANY, Chartered Accountants, Ahmedabad will retire at the conclusion of the forthcoming Annual General Meeting and they have consented to be re-appointed for the financial year 2015-16. The Company has received a letter from M/s BPA & COMPANY, stating that their appointment as auditors, if made, would be within the limits specified under Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014 and as provided in section 141 of Companies Act 2013.

EXPLANATION ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS MADE BY THE AUDITORS

There were no qualifications, reservations or adverse remarks made by the Auditors and the practicing company secretary in their report.

15. SECRETARIAL AUDIT

As a measure of good corporate practice, the board of the director of the Company appointed M/s. NAHIDAKHTAR VHORA & CO, Practicing Company Secretary to conduct Secretarial Audit. The Secretarial Audit Report for the financial year end 31.03.2016 is provided in the Annual Report- Annexure B

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013.

16. CORPORATE GOVERNANCE

The Corporate Governance Report together with the certificate received from the Practicing Company Secretary of the Company regarding compliance with the requirements of Corporate Governance as stipulated under Regulation 34 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, form an internal part of this report.

17. MANAGEMENT DISCUSSION AND ANALYSIS

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

In terms of Clause 49 of the Listing Agreements with Stock Exchange, Management discussion and analysis on the business and operations of the company is attached herewith and forms part of this Annual Report.

18. 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.

19. 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

20. PARTICULARS OF EMPLOYEES:

The particulars of employees required to be furnished pursuant to section 197(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.

21. 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.

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.

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

23. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The company has not developed a "Policy on Whistle Blower and Vigil Mechanism" to deal with instance fraud and mismanagement, if any.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and out-go, in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure ' D ' to this Report.

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

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

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.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 2015-16.

29.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.

30.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,2016 impacting the going concern status and company’s operations in future.

31.DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the independent Directors of the Company conforming that they meet the criteria of independence as prescribed under section 149(6) of Companies Act, 2013 and revised clause 49 of the Listing Agreements with Stock Exchange.

32.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.

33.STOCK EXCHANGES

The Company’s equity shares have been listed with the Stock Exchanges at Ahmedabad (Regional) the Listing fees to the respective Stock Exchange remain unpaid. Trading has been suspended by Stock Exchanges.

34.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

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

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: 01/09/2016
Place: Ahmedabad

Niket M Shah
(Managing Director)
(DIN:00278968)

Annexure A
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS

- i. CIN : 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 : NO
vii. Name, Address and Contact Details of Registrar & Transfer Agent, if any : MCS Shares Transfer Agent
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, 2014)	No. of Shares held at the end of the year (AS on March 31, 2015)	% Change during the year

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

	Demat	Physical	Total	% OF Total Shares	Demat	Physical	Total	% Of Total Shares	
A. Promoters									
1) Indian									
a. Individual / HUF	-	1704400	1704400	42.61	-	1704400	1704400	42.61	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Bank/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Subtotal (A)(1):	-	1704400	1704400	42.61	-	1704400	1704400	42.61	-

Category of Shareholders	No. of Shares held at the beginning of the year (AS on April 1, 2014)				No. of Shares held at the beginning of the year (AS on March 31, 2015)				% 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)	-	1704400	1704400	42.61	-	1704400	1704400	42.61	-

B. Public Shareholding									
1) Institutions									
a. Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b. Banks/FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Subtotal (B)(1):	-	-	-	-	-	-	-	-	-
2) Non-Institutions									
a. Bodies Corporate	-	216400	216400	5.41	-	216400	216400	5.41	-
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-
i. Individual shareholder holding nominal share capital upto `1 Lakh	-	2079500	2079500	51.98	-	2079500	2079500	51.98	-
ii. Individual shareholder holding nominal share capital in excess of `1 Lakh	-	-	-	-	-	-	-	-	-
c. Others (specify)	-	-	-	-	-	-	-	-	-
Subtotal (B)(2):	-	2295900	2295900	57.39	-	2295900	2295900	57.39	-
Total Public shareholding (B) = (B)(1) + (B)(2)	-	2295900	2295900	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 & GASES LIMITED

CIN:U72200GJ1993PLC020620

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	471,900	11.80	-	471900	11.80	-	
2	Hital M Shah	387,700	9.69	-	387,700	9.69	-	-
3	Mahendra B Shah	307,200	7.68	-	307,200	7.68	-	-
4	Narendra B. Shah	299,200	7.48		299,200	7.48		
4	ShitalJhaveri	89,600	2.24	-	89,600	2.24	-	-
5	AnnalJhaveri	89,600	2.24	-	89,600	2.24	-	-
6	HarshalJhaveri	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	89,600	2.24	-	89,600	2.24	-	-
Total		1704400	42.61	-	1704400	42.61	-	-

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 Share	% of total share of the company	No. of Share	% of total share of the company
-	-	-	-	-	-

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

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	471900	11.80	471900	11.80
	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	471900	11.80	471900	11.80
2.	NARENDRA BHOGILAL SHAH	299200	7.48	299200	7.48
	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	387700	9.69	387700	9.69
	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	387700	9.69	387700	9.69
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	-	-	-	-
	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	-	-	-	-

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

V. INDEBTEDNESS

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

Particulars	Secured Loans	Unsecured Loans	Deposits	(` inLacs)
				Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	28.42	3.57	-	31.99
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	28.42	3.57	-	31.99
Change in indebtedness during the financial year				
Addition	9.64	10.28	-	19.92
Reduction	-	-	-	-
Net Change	9.64	10.28	-	19.92
Indebtedness at the end of the financial year				
i. Principal Amount	38.06	13.85	-	51.91
ii. Interest due but not paid	-	-	-	0
iii. Interest accrued but not due	-	-	-	0
Total (i+ii+iii)	38.06	13.85	-	51.91

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. NIKET MAHENDRA 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

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

(` inLacs)

Sr. No.	Particulars of Remuneration	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)	-	-	-	-
	Total B = (1+2)	-	-	-	-

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

(` inLacs)

Sr. No.	Particulars of Remuneration	Key Management Personnel			Total Amount
		Mr. ANIL SHOBHA RAM KUMAR			
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	-	-	-

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

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	-	-	-	-

ANNEXURE 'C'

FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2015-16	2014-15
Foreign Exchange Earned	-	-
Foreign Exchange Used	-	-

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

ANNEXURE 'D'

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	2015-2016	2014-2015
1.	Electricity		
	A. Purchased	-	-
	Units	-	-
	Total amount Rs.	-	-
	Rate/units	-	-
	B. Own Generation:	-	-
	i. Through diesel generator	-	-
	Diesel Kl	-	-
	Unit	-	-
	Oil	-	-
	Cost/unit Rs.	-	-
	ii. Through steam turbine / generator	-	-
	Unit	-	-
	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	-	-

FORM 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.

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

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.

CORPORATE GOVERNANCE

INTRODUCTION

Company's philosophy on Corporate Governance

Corporate Governance pertains to systems by which Companies are directed and controlled by keeping in mind the long term interest of share holders and also balancing interest of employees, Government and the society at large.

HILLTONE SOFTWARE & GASES LIMITED believes in adopting the best global practices in the areas of corporate governance and follows the principles of fair representation and full disclosure of all its dealing and communications thereby protecting rights and interest of all its shareholders.

BOARD OF DIRECTORS

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

A. The constitution of the Board as on 31.03.2016

Sr. no.	Name of Directors	Category	Category Executive Non-executive
1	Shri Niket M Shah	Chairman & Managing Director	Executive
2	Shri Hital M Shah	Whole-time Director	Executive
3	Shri Narendra Shah	Director	Independent
4	Shri Dinesh B Shah	Director	Independent
5	Smt. Parulben N. Shah	Women Director	Non Executive

B.Attendance of each director at the Board Meeting and the last Annual General Meeting

Sr no.	Name of Directors	No. of Board Meeting Attend	Last Annual General Meeting
1	Shri Niket M Shah	6	YES
2	Shri Hital M Shah	6	YES
3	Shri Narendra Shah	6	YES
4	Shri Dinesh B Shah	6	YES
5	Smt. Parulben N. Shah	6	NO

C. Number of Board Meeting held and the dates on which such meeting were held.

Board Meetings were held during the 12 months accounting year ended 31.03.2016. The dates of such Board Meeting are 25th May, 2015, 14th August, 2015, 1st septemebr,2015, 15th November, 2015, 12th February, 2016 and 29th March,2016

AUDIT COMMITTEE:

The Board of the company has constituted the audit committee comprising two independent non executive directors.

Sr no.	Name of Directors	Category
1.	Shri Niket M Shah	Chairman & Managing Director
2.	Shri Narendra B Shah	Member
3.	Shri Dinesh B Shah	Member

They have considered the draft account and internal Audit Reports and quarterly results.

Audit Committee held four Meetings during the year ended 31.03.16

Attendance during the accounting year ended 31.03.16 is as under:

Sr no.	Member	Category	Meeting Attended
1.	Shri Niket M Shah	Chairman & Mg. Director	YES
2.	Shri Narendra B Shah	Member	YES

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

3.	Shri Dinesh B Shah	Member	YES
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SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Committee deals with matters relating to

- 1 Transfer of Shares
- 2 Issue of Duplicate/new sub dividend and consolidated share certificates
- 3 Shareholders/Investors Grievance and its redressal.

During the year Shareholders/Investors Grievance Committee held four Meetings for the year ended 31.03.16

Attendance during the accounting year ended 31.03.16 is as under:

Sr no.	Member	Category	Meeting Attended
1.	Shri Niket M Shah	Chairman & Mg. Director	YES
2.	Shri Narendra B Shah	Member	YES
3.	Shri Dinesh B Shah	Member	YES

Name of the Officer : Mr. Hital M Shah

Designation : Executive Director

Number of Shareholders complaints received during the year: Nil

Number of complaints not resolved to the satisfaction of Shareholders: Nil

Number of pending share transfer: Nil

REMUNERATION COMMITTEE

The Board has set up a Remuneration committee for the Company which decides the Remuneration of all the directors and senior management members of the Company. The Committee comprises of Mr. Niket M. Shah (Managing Director), Mr. Hital M. Shah and Mr. Narendra Shah.

REMUNERATION TO DIRECTORS

Director's remuneration during the accounting year ended 31.03.16

Name of Director	Sitting Fees	Salary & Perks	Total Rs.
Shri Niket M Shah	---	6,00,000	6,00,000
Shri Hital M Shah	---	6,00,000	6,00,000
Shri Narendra Shah	---	--	--
Shri Dinesh B Shah	---	--	--

The company does not pay any remuneration to its non executive directors and also company has revised the remuneration of Mr. Niket Shah and Mr. Hital shah.

INDEPENDENT DIRECTORS MEETING

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

(a) Performance evolution criteria for independent Directors.

- Evaluation of the performance of Non- independent Directors as a whole.
- Evaluation of performance of the chairman of the company, taking into account the views of Executive Directors;
- Evaluation of quality, content and timelines of flow information between the management and board that is necessary for the board to effectively and reasonably perform its duties.

(b) Composition : Meeting and attendance during the year

Name of independent Director	No. of meetings during the year	
	Held	Attended
Shri Narendra Shah	1	1
Shri Dinesh B Shah	1	1

GENERAL BODY MEETINGS

(a) Location and time where the last three AGM/EGM were held:

YEARS	AGM/EGM	LOCATION	DATE & TIME
2014-2015	AGM	B/4, K.B. Complex, Dairy Road, Mehsana, (North Gujarat) - 384002	30.09.2015 11.30 A.M.
2013-2014	AGM	B/4, K.B. Complex, Dairy Road, Mehsana, (North Gujarat) - 384002	30.09.2014 11.30 A.M.
2012-2013	AGM	B/4, K.B. Complex, Dairy Road, Mehsana, (North Gujarat) - 384002	16.09.2013 11:30 A.M.

(b) Whether the special resolutions were put through last year, hence last year, details of voting pattern.

No Special Resolution was required to be passed last year hence there was no necessary of postal ballot.

DISCLOSURE

(a) Disclosure on materially significant related party transactions, i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries of relative etc. that may have potential conflict with the interests of company at large.

(b) Details on non-compliance by the company, penalties, strictures, imposed, on the company by Stock Exchange or SEBI or any statutory authorities or any matter related to capital markets during the last three years.

MEANS OF COMMUNICATION

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board Meetings and were also published within 48 hours in Western Times (Both edition Gujarati & English).

Internal Control System

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

The company has got adequate Internal Control System and procedure relating to the purchase of various raw-materials, stores and other consumables. The Plants are sending regular and timely reports to the managing director and other management executives at Head Office and corrective actions as and when, required are being taken by the Head Office.

Statutory Compliances

Managing Director of the company is the Compliance Officer, Moreover the company has retained services of a consulting company secretary for making compliances of all provisions of Companies Act, Securities Contract and Regulation Act, SEBI Act, etc.

Industrial Relations

The company has been maintaining cordial industrial relations and the labors are co-operative. The company signed a long term agreement with the workers about the wage settlement and productivity.

GENERAL SHAREHOLDERS' INFORMATION

(A) Annual General Meeting

Date & Time : 30th September, 2016 11:30 A.M.
Venue : B/4, K.B. Complex, Dairy Road,
Mehsana (North Gujarat) – 384002

(B) Financial calendar

- Financial year for 2015-2016
- Results will be announced on
 - Quarter ending June 2015 July 2015
 - Quarter ending September 2015 October 2015
 - Quarter ending December 2015 January 2016
 - Quarter ending March 2016 April 2016
 - Annual General Meeting 2015-16 September 2016

(C) Book Closure Dates: Saturday, 24th September, 2016 to
Friday, 30th September, 2016 (both days inclusive)

(D) Dividend Payment Date: N.A.

(E) Listing & Stock Code:

(1) The Stock Exchange – Ahmedabad Code No. - 23861
Kamdhenu Complex,
Opp. Sahjanand College, Panjarapole,
Ahmedabad – 380 015

(2) The Calcutta Stock Exchange Association Ltd. Code No. -----

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

7, Lyons Range,
Calcutta – 700 001

(3)The Stock Exchange – Delhi

3&4, 4/B, Asaf Ali Road,
New Delhi – 110 002

Code No. ----

Demate:-

ISIN No for Equity Shares: - INE168C01013

The company has not paid annual listing fees for the above Stock Exchanges for the year 2015-16.

STOCK MARKET DATA

The Shares are not traded during the financial year 2015-16. The trading has been suspended

REGISTRAR & SHARE TRANSFER AGENT

For Physical & Electronic Mode: MCS
Shatdal Complex,
Ashram Road, Ahmedabad – 380 006

SHARE TRANSFER SYSTEM

Shares sent for transferring in physical form are registered by the registrar and share transfer agent and return between 15 to 30 days from the date of receipt, if documents are in order in all respects, shares under objection are returned within two weeks.

Distribution of Shareholding as on 31st March 2016

No. of shares held	No. of members	Percentage	No. of shares held	Percentage
Up to 500	957	65.10	301300	71.52
501 1000	350	24.00	324900	84.99
1001 2000	51	3.94	80500	20.11
2001 3000	24	1.64	64500	16.11
3001 4000	11	0.75	42000	10.49
4001 5000	09	0.62	42900	10.72
5001 10000	17	1.16	107500	26.85
Above 10000	43	2.94	3036400	758.53

Category wise distribution of shareholding as on 31st March, 2016

Description	No. of Shares held	percentage
Promoters	11, 66,000	29.17%
Mutual Funds	--	--
Private Corporate Bodies	2,16,400	5.41%
NRI Holdings	--	--
Indian Public	26, 17,100	65.42%
TOTAL	40, 00,300	100.00%

DEMATERIALISATION OF SHARE AND LIQUIDITY

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

1.89% of equity capital is held in dematerialized form with NSDL & CDSL as on 31.03.16. Trading in equity shares of the company is permitted only in dematerialized form with effect from 1.04.2004 as per notification issued by SEBI.

PLANT LOCATION

Santej-Vadsar Road,
Village Santej
Taluka: Kalol, Dist. Gandhinagar

Address of correspondence

B/4, K.B. Complex, Dairy Road,
Mehsana (North Gujarat) – 384002

- 1 Investor's correspondence for transfer/dematerialization of shares and any other queries relating to the shares of the company.

For Shares held in Physical and the Demat form

MCS Limited

Shatdal Complex, Ashram Road, Ahmedabad – 380 006

- 2 Any query on Annual Report:
B/4, K.B. Complex, Dairy Road,
Mehsana (North Gujarat) – 384002

CEO/CFO CERTIFICATION

Mr. Anil Shobha ram kumar, Chief Financial Officer has furnished the certificate as per the requirement of clause 49(v) of the Listing Agreement.

COMPLIANCE CERTIFICATE OF THE AUDITORS

The Company has not obtained a Certificate from the Statutory Auditors confirming compliance of Conditions of the Code of Corporate Governance as stipulated in Clause 49 because the clause 49 is not applicable to the company.

DECLARATION-CODE OF CONDUCT

As per Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management personnel have affirmed compliance with the applicable Code of Conduct.

For, HILLTONE SOFTWARE & GASES LIMITED

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

Place :Mehsana
Date : 01/09/2016

Niket M Shah
Chairman & Mg. Director

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

CFO Certification

The Board of Directors
Hilltone Software & Gases Limited
Mehsana

Re: Financial Statements for the year 2015-16 - 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, 2015 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, 2016 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: 01/09/2016

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

23rd Annual General Meeting

Regd. Folio/ DP & Client No.	
No. Shares held	

I certify that I am registered Shareholder/ Proxy for the registered shareholder of the Company. I hereby record my presence at the 23rd Annual General Meeting of the shareholders of the company, to be held on Wednesday, the 30th September, 2016 at 11.30 a.m. at the registered office of the company

Member's Name: _____

Proxy's Name: _____

Note:

1. Please fill the attendance slip and hand over at the registered office of the Company.
2. Members/Proxy Holders/ Authorized Representative are requested to show their Photo ID proof for the attending the meeting.
3. Authorized Representative of corporate members shall produce proper authorization issue in their favour.

**Form No. MGT-11
PROXY FORM**

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

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

Name of the Member(s) : _____	
Registered Address : _____	
E-mail ID: _____	*Folio No./DP ID & Client ID: _____

*For details with respect to you Folio No./DP ID, Client ID and number of shares, please refer to above Attendance Slip enclosed along with the Annual Report.

I/We, being the member(s) of _____ shares of the above name company, hereby appoint

1. Name: _____ E-mail ID: _____

Address: _____

Signature: _____, or failing him/her

2. Name: _____ E-mail ID: _____

Address: _____

Signature: _____

as my/our to attend and vote (on a poll) for me/us on mu/our behalf at the 23rd Annual General Meeting of the company, to be held on Wednesday, the 30th September, 2016 at 11.30 a.m. at the registered office of the company and at my adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements, Directors' Report & Auditors' Report for the year ended 31.03.2016		
2.	Re-appointment of M/s BPA & Company as Statutory Auditors of the company		

Singed this _____ day of _____ 2016.

Affix
Revenu
e Stamp

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

Signature of Shareholder

Signature of Proxy holder(s)

Notes:

1. A proxy need not be a members of the company. Pursuant to the provisions of the section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as proxy for any other member.
2. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. For the resolutions, explanatory statement and notes, please refer to the notice of the 22nd Annual General Meeting of the company.
4. This form of proxy, to be effective should by duly completed and deposited at the registered office of the company, not later than 48 hours before the commencement of the aforesaid meeting.

BOOK POST

If undelivered Please return to:

HILLTONE SOFTWARE & GASES LIMITED

B/4, K.B. Complex,

Dairy Road,

Mehsana – 384 002

HILLTONE SOFTWARE & GASES LIMITED

CIN:U72200GJ1993PLC020620

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF HILLTONE SOFTWARE & GASES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HILLTONE SOFTWARE & GASES LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2016**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, and the Rules made thereunder including accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2016, and its Profit and its cash flows 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" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31/03/2016 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company 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.

Date : 31/05/2016
Place : Ahmedabad

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

CA Prakash Patel
Partner
M. No. : 030575

Annexure B to the Auditors' Report

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 control over financial reporting of Patidar Buildcon Limited ('the company') as of 31st March, 2016 in conjunction with our audit of the financial statement 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 ('ICAI'). 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 the 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.

Auditor's 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on assessed risk. The procedures selected depend on the auditors' 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 the receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention of timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has. In all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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.

Date : 31/05/2016
Place : Ahmedabad

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

CA Prakash Patel
Partner
M. No. : 030575

HILLTONE SOFTWARE & GASES LIMITED

BALANCE SHEET AS AT 31st March 2016

(Amt. in Rs.)

Particulars	Note No.	2015-16	2014-15
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	4,00,03,000	4,00,03,000
(b) Reserves and surplus	2	(1,69,13,581)	(1,74,44,353)
(c) Money received against share warrants		-	-
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	3	1,26,670	8,13,838
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4	4,10,600	2,85,600
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings	5	41,53,085	43,76,421
(b) Trade payables		33,24,536	27,34,557
(c) Other current liabilities	6	19,096	35,369
(d) Short-term provisions	7	56,690	58,958
TOTAL		3,11,80,096	3,08,63,390
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	8	96,75,222	91,73,743
(ii) Intangible assets		96,49,466	91,45,037
(iii) Capital work-in-progress		25,756	28,706
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	98,000	98,000
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	1,16,71,665	1,22,52,826
(e) Other non-current assets	11	-	14,01,960
2 Current assets			
(a) Current investments		-	-
(b) Inventories	12	7,86,007	5,44,011
(c) Trade receivables	13	75,85,148	51,37,366
(d) Cash and cash equivalents	14	10,73,838	19,47,867
(e) Short-term loans and advances	15	27,678	-
(f) Other current assets	16	2,62,538	3,07,617
TOTAL		3,11,80,096	3,08,63,390
Significant Accounting Policies	24		
Notes on Financial Statements			

As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, BPA & COMPANY

Chartered Accountants

FRN No.: 109685W

NIKET M. SHAH

(Managing Director)

CA. PRAKASH PATEL

Partner

M. No.:030575

ANIL SHARMA

(CFO)

Place : Ahmedabad

Date : 31st May 2016

HITAL M. SHAH

(Executive Director)

HILLTONE SOFTWARE & GASES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31st March 2016

(Amt. in Rs.)

Particulars	Refer Note No.	2015-16	2014-15
I. Revenue from operations	17	2,77,80,782	2,42,59,681
II. Other income	18	10,25,401	19,89,387
III. Total Revenue (I + II)		2,88,06,183	2,62,49,068
IV. Expenses:			
Purchases of Stock-in-Trade	19	2,02,91,611	1,82,94,090
Changes in inventories of Stock-in-Trade	20	(2,41,996)	(4,11,983)
Employee benefits expense	21	35,30,577	26,79,916
Finance costs	22	3,73,286	3,08,637
Depreciation and amortization expense	8	4,20,521	5,83,026
Other expenses	23	39,01,412	43,08,955
Total expenses		2,82,75,411	2,57,62,641
V. Profit before exceptional and extraordinary items and tax (III-IV)		5,30,772	4,86,427
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		5,30,772	4,86,427
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		5,30,772	4,86,427
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI Profit (Loss) for the period from continuing operations (VII-VIII)		5,30,772	4,86,427
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		5,30,772	4,86,427
XVI Earnings per equity share:			
(1) Basic		0.13	0.12
(2) Diluted		0.13	0.12
Significant Accounting Policies Notes on Financial Statements	24		

As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, BPA & COMPANY

Chartered Accountants
FRN No.: 109685W

NIKET M. SHAH
(Managing Director)

CA. PRAKASH PATEL

Partner
M. No.:030575

ANIL SHARMA
(CFO)

Place : Ahmedabad
Date : 31st May 2016

HITAL M. SHAH
(Executive Director)

Note 1**Share capital****(Amount in Rs.)**

Share Capital	2015-16	2014-15
	Amount	Amount
Authorised		
1 % preference shares of Rs. 10/-	-	-
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
Issued		
__% preference shares of `__ each	-	-
40,00,300 Equity Shares of Rs. 10/- each	4,00,03,000	4,00,03,000
Subscribed & Paid up		
__% preference shares of `__ each	-	-
40,00,300 Equity Shares of Rs. 10/- each fully paid	4,00,03,000	4,00,03,000
Forfeited Shares (Amount Originally Paid up)	-	-
Subscribed but not fully Paid up	Nil	Nil
Total	4,00,03,000	4,00,03,000

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**(Amount in Rs.)**

Particulars	2015-16		2014-15	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	40,00,300	4,00,03,000	40,00,300	4,00,03,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares Forfeited during the year	-	-	-	-
Shares outstanding at the end of the year	40,00,300	4,00,03,000	40,00,300	4,00,03,000

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2015-16		2014-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
NIKET M. SHAH	4,71,900	11.80	4,71,900	11.80
HITAL M. SHAH	3,87,700	9.69	3,87,700	9.69
MAHENDRA B. SHAH	3,07,200	7.68	3,07,200	7.68
NARENDRA B. SHAH	2,99,200	7.48	2,99,200	7.48

Shares issued for other than cash, Bonus issue and Shares bought back during last 5 years , NIL

Unpaid Calls, NIL (Previous Year Rs.. Nil)

Forfeited shares - Nil Shares for Rs. Nil. (Previous Year Rs. Nil.)

Note 2**Reserves and surplus****(Amount in Rs.)**

	2015-16	2014-15
a. Other Reserves		
Capital Investment Subsidy from State Govt.	9,66,342	9,66,342
	9,66,342	9,66,342
b. Surplus		
Opening balance	(1,84,10,695)	(1,88,97,122)
(+) Net Profit/(Net Loss) For the current year	5,30,772	4,86,427
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(1,78,79,923)	(1,84,10,695)
Total	(1,69,13,581)	(1,74,44,353)

Note 3**Long Term Borrowings****(Amount in Rs.)**

	2015-16	2014-15
Secured		
The Mehsana Urban Co Op. Bank Ltd. (Secured By Plant & Machinery)	-	3,02,148.00
Mahindra & Mahindra Financial Services (Secured by Vehicle)	1,26,670.00	5,11,690.00
(of the above, ₹ NIL is guaranteed by Directors and / or others)		
	1,26,670	8,13,838.00
Total	1,26,670	8,13,838

Note 4**Other Long Term Liabilities****(Amount in Rs.)**

	2015-16	2014-15
(a) Trade Payables	-	-
(b) Others (Specify Nature)	-	-
Deposit against Cylinder	4,10,600	2,85,600
CDSL	-	-
MCS Ltd.	-	-
NSDL	-	-
Shah Merchant & Associates	-	-
Total	4,10,600	2,85,600

Note 5**Short Term Borrowings****(Amount in Rs.)**

	2015-16	2014-15
Secured		
The Mehsana Urban Co Op. Bank Ltd. (Secured By Plant & Machinery) (of the above, ₹ NIL is guaranteed by Directors and / or others)	3,31,282	3,96,000
Mahindra & Mahindra Financial Services (Secured By Plant & Machinery) (of the above, ₹ NIL is guaranteed by Directors and / or others)	2,16,540	-
Bank Overdraft (Secured against Stock and Book debt)	23,94,380	25,95,825
	29,42,202	29,91,825
Unsecured		
(a) Loans and advances from related parties (of the above, 12,10,883/- is guaranteed by Directors)	12,10,883	13,84,596
(b) Other loans and advances (specify nature) Advance for sale of Plant & Machinery	-	-
	12,10,883	13,84,596
Total	41,53,085	43,76,421

Note 6**Other Current Liabilities****(Amount in Rs.)**

	2015-16	2014-15
(a) Vat Payable	19,096	35,369
(b) Other Payable	-	-
Total	19,096	35,369

Note 7**Short Term Provisions****(Amount in Rs.)**

	2015-16	2014-15
(a) Others (Specify nature)		
Provision for Electricity Exp.	3,461	29,229
Provision for tax Audit fees	-	17,100
Provision for TDS	49,716	10,182
Provision for Telephone Exp.	3,513	2,447
Total	56,690	58,958

Note 8

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block		
		Balance as at 1st April 2015	Additions	(Disposals / Deductions)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31st March 2016	Balance as at 1st April 2015	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2016	Balance as at 1st April 2015	Balance as at 31st March 2016
a	Tangible Assets													
	Land	20,11,277	-	-	-	-	20,11,277	-	-	-	-	-	20,11,277	20,11,277
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Office Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Factory Buildings	59,94,117	-	-	-	-	59,94,117	32,00,267	1,11,502	-	-	33,11,769	27,93,850	26,82,348
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Plant and Equipment	98,14,918	9,00,000	-	-	-	1,07,14,918	62,46,818	1,90,757	-	-	64,37,575	35,68,100	42,77,343
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Furniture and Fixtures	7,04,164	-	-	-	-	7,04,164	6,20,692	8,437	-	-	6,29,129	83,472	75,035
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Vehicles	6,22,986	-	-	-	-	6,22,986	21,577	73,980	-	-	95,557	6,01,409	5,27,429
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Office equipment	2,50,663	-	-	-	-	2,50,663	2,02,989	17,570	-	-	2,20,559	47,674	30,104
	Assets under lease	-	-	-	-	-	-	-	-	-	-	-	-	-
	Computers	4,35,437	22,000	-	-	-	4,57,437	3,96,182	15,325	-	-	4,11,507	39,255	45,930
	Others (specify nature)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1,98,33,562	9,22,000	-	-	-	2,07,55,562	1,06,88,525	4,17,571	-	-	1,11,06,096	91,45,037	96,49,466
b	Intangible Assets													
	Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-
	Brands /trademarks	-	-	-	-	-	-	-	-	-	-	-	-	-
	Computer software	40,00,000	-	-	-	-	40,00,000	40,00,000	-	-	-	40,00,000	-	-
	Computer software (for cylinders)	50,501	-	-	-	-	50,501	21,795	2,950	-	-	24,745	28,706	25,756
	Mastheads and publishing titles	-	-	-	-	-	-	-	-	-	-	-	-	-
	Mining rights	-	-	-	-	-	-	-	-	-	-	-	-	-
	Copyrights, and patents and other intellectual property rights, services and operating rights	-	-	-	-	-	-	-	-	-	-	-	-	-
	Recipes, formulae, models, designs and prototypes	-	-	-	-	-	-	-	-	-	-	-	-	-
	Licenses and franchise	-	-	-	-	-	-	-	-	-	-	-	-	-
	Others (specify nature)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	40,50,501	-	-	-	-	40,50,501	40,21,795	2,950	-	-	40,24,745	28,706	25,756
c	Capital Work In Progress	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Intangible assets under Development	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	2,38,84,063	9,22,000	-	-	-	2,48,06,063	1,47,10,320	4,20,521	-	-	1,51,30,841	91,73,743	96,75,222
	Previous Year	2,05,45,067	33,38,996	-	-	-	2,38,84,063	1,41,27,294	5,83,026	-	-	1,47,10,320	64,17,773	91,73,743

Note 9**Non-current investments (Amount in Rs.)**

Particulars	2015-16	2014-15
Other Investments (Refer B below)		
(a) Investment Property	-	-
(b) Investment in equity instruments	98,000	98,000
Total	98,000	98,000
Less : Provision for diminution in the value of Investments	-	-
Total	98,000	98,000

(Amount in Rs.)

Particulars	2015-16	2014-15
Aggregate amount of quoted investments (Market value of ___ Nos. of _____)	-	-
Aggregate amount of unquoted investments (Previous Year : 98000)	98,000	98,000

Note 10**Long Term Loans and Advances (Amount in Rs.)**

	2015-16	2014-15
a. Security Deposits		
Secured, considered good		
Unsecured, considered good	1,07,60,165	1,08,82,040
Doubtful		
Less: Provision for doubtful deposits		
	1,07,60,165	1,08,82,040
b. Other loans and advances (specify nature)		
Secured, considered good	-	-
Unsecured, considered good	9,11,500	13,70,786
Doubtful	-	-
Less: Provision for _____		
	9,11,500	13,70,786
	1,16,71,665	1,22,52,826

Note 11**Other non-current assets (Amount in Rs.)**

	2015-16	2014-15
a. Long term trade receivables (including trade receivables on deferred credit terms)		
Secured, considered good	-	-
Unsecured, considered good	-	14,01,960
Doubtful	-	-
Less: Provision for doubtful debts		
	-	14,01,960
	-	14,01,960

Note 12**Inventories (Amount in Rs.)**

	2015-16		2014-15	
a. Finished goods (Valued at _____)	7,86,007		5,44,011	
Goods-in transit		7,86,007		5,44,011
Total		7,86,007		5,44,011

Note 13**Trade Receivables****(Amount in Rs.)**

	2015-16	2014-15
Trade receivables outstanding for a period less than six months from the date they are due for payment.		
Secured, considered good	-	-
Unsecured, considered good	64,42,530	44,57,718
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	64,42,530	44,57,718
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	11,42,618	6,79,648
Unsecured, considered doubtful		
Less: Provision for doubtful debts		
	11,42,618	6,79,648
Total	75,85,148	51,37,366

Note 14**Cash and cash equivalents****(Amount in Rs.)**

	2015-16		2014-15	
a. Balances with banks*		63,095		23,303
This includes:				
Current Accounts	63,095		23,303	
b. Cheques, drafts on hand		-		-
c. Cash on hand*		7,10,743		16,24,564
d. Fixed Deposit (Pledge with Bank for Gurantee)		3,00,000		3,00,000
		10,73,838		19,47,867

*Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.

Note 15**Short-term loans and advances****(Amount in Rs.)**

	2015-16		2014-15	
a. Loans and advances to related parties				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Less:Provision for doubtful loans and advances				
		-		-
b. Others (specify nature)				
Secured, considered good				
Unsecured, considered good				
Other Advance	2,178	-	-	-
Advance to Staff	25,500	-	-	-
Doubtful	-	-	-	-
Less:Provision for _____	-	-	-	-
		27,678		-
		27,678		-

Related Party Transaction**(Amount in Rs.)**

Particulars	2015-16	2014-15
Directors *		
Other officers of the Company *		
Firm in which director is a partner *		
Private Company in which director is a member		
	-	-

*Either severally or jointly

Note 16**Other Current Assets****(Amount in Rs.)**

Particulars	2015-16		2014-15	
Prepaid Income Tax / Advance Tax / T.D.S. (Net of Provisions, if any)	2,62,538		3,07,617	
		2,62,538		3,07,617
		2,62,538		3,07,617

Note 17**Revenue from operations****(Amount in Rs.)**

Particulars	2015-16	2014-15
Sale of products	2,75,49,202	2,38,47,821
Other operating revenues	2,31,580	4,11,860
Total	2,77,80,782	2,42,59,681

Sale of Products includes:

1. Sale of Oxygen & Other Gases	2,75,49,202
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Other Operating Income includes:

1. Cylinder Printing Income	11,050
2. Cylinder Maintenance Income	31,860
3. Cylinder Rent Income	1,86,660
4. Creditor Write off	-
5. Cylinder Flashing	2,010

Note 18**Other income****(Amount in Rs.)**

Particulars	2015-16	2014-15
Interest Income (in case of a company other than a finance company)	6,41,526	8,55,284
Dividend Income	11,875	9,750
Other income (Commission Income)	-	7,86,103
Other income (Land Maintenance Income)	-	67,500
Other income (Land Rent Income)	2,52,000	1,50,750
Other income (Land Rent Income 2)	1,20,000	1,20,000
Total	10,25,401	19,89,387

Note 19**Purchases of Stock-in-Trade****(Amount in Rs.)**

Particulars	2015-16	2014-15
Purchases of Stock-in-Trade	2,02,91,611	1,82,94,090
Total	2,02,91,611	1,82,94,090

Note 20**Changes in inventories of finished goods work-in-progress and Stock-in-Trade****(Amount in Rs.)**

Particulars	2015-16	2014-15
Opening Stock :		
Work-in-Process	-	-
Finished Goods		
Traded Items	5,44,011	1,32,028
Closing Stock :		
Work-in-Process	-	-
Finished Goods		
Traded Items	7,86,007	5,44,011
Add/(Less): Excise Duty adjustment on Finished Goods	-	-
Total	(2,41,996)	(4,11,983)

Note 21**Employee Benefits Expense****(Amount in Rs.)**

	2015-16	2014-15
(a) Salaries and incentives	35,09,643	26,78,056
(b) Staff welfare expenses	20,934	1,860
Total	35,30,577	26,79,916

Note 22**Finance costs****(Amount in Rs.)**

Particulars	2015-16	2014-15
Interest expense	48,059	2,21,767
Interest on Term Loan	3,21,691	74,668
Bank Charges etc.	3,536	12,202
Total	3,73,286	3,08,637

Note 23**Other expenses****(Amount in Rs.)**

Particulars	2015-16	2014-15
Bad Debts	9,53,657	10,46,640
Diesel Exp	3,39,662	-
Conveyance Expenses	-	-
Donation	-	-
Electricity expenses	3,99,318	4,37,088
Transportation Exp.	4,15,392	-
Kasar A/c	3,48,033	1,748
Insurance -Others	-	-
Legal and Consultancy Fees	-	-
Legal Charges	-	-
Office Expenses	-	-
Other Expenses	10,86,257	17,77,873
Postage & Courier Charges	-	-
Printing & Stationery	-	-
Rent	-	-
Repair and Maintenance-Others	3,13,863	-
Profit / Loss of Speculation	-	10,05,706
Tele Communication Expenses	-	-
a. auditor	45,230	22,800
b. for taxation matters	-	17,100
Total	39,01,412	43,08,955

NOTES FORMING PART OF THE ACCOUNTS

Note 24: SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION:

The Financial Statements have been prepared in accordance with historical cost convention, the accounting principles generally accepted in India including the applicable Accounting Standards specified u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013.

The preparation of financial statements require the management to make estimates and assumptions in the reported amount of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

All assets and liabilities have been classified as current or non-current as per criteria set out in the Schedule III to the Companies Act, 2013.

2. SYSTEM OF ACCOUNTING:

The Company has adopted accrual concept in the preparation of the accounts. The Balance Sheet and Statement of Profit or Loss of the Company are prepared in accordance with the provisions contained in the Companies Act, 2013 read with Schedule III thereto.

3. INVESTMENTS:

Investments are capitalized at cost inclusive of related expenses and are classified into two categories, viz. Current and Non-Current. Non-Current Investments are carried individually at cost less provision for diminution, other than temporary in the value of such investments.

4. TANGIBLE ASSETS:

TANGIBLE Assets are carried at cost inclusive of legal and/or installation expenses.

DEPRECIATION

Depreciation is provided on all assets on a pro-rata basis on the "Straight Line Method" over the useful lives and in the manner prescribed under Schedule II to the Companies Act, 2013.

5. INTANGIBLE ASSETS

Intangible Assets are stated at cost of acquisition, including any cost attributable for bringing the same in its working conditions less accumulated amortization.

6. PROVIDENT FUND 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.

7. CONTINGENT LIABILITIES:

There are no Contingent liabilities.

8. Related Party Disclosure

a. List of Related Party for the year ended on 31st March 2016:

Name of Related Party	Nature of Relation
Niket Mahendra Shah	Managing Director(KMP)

Parulben Niketkumar Shah	Director
Mahendra Bhogilal shah	Relative of Director & KMP
Minaxiben Mahendrabhai Shah	Relative of Director & KMP
Hital Mahendrabhai shah	Whole-time Director(KMP)
Narendra Bhogilal Shah	Director
Khush Niketbhai Shah	Relative of KMP
Ruchi Niketbhai Shah	Relative of KMP
Bhogilal Nathalal Shah	Relative of Director
Shantaben Bhogilal Shah	Relative of Director
Sapnaben Hitalbhai Shah	Relative of KMP
Smit Hitalbhai Shah	Relative of KMP
Aayushi Hitalbhai shah	Relative of KMP
Dinesh Bhogilal Shah	Director
Kumiben Dineshbhai shah	Relative of Director
Bhogilal shah	Relative of Director
Kantaben Bhogilal shah	Relative of Director
Dr.Nimesh Dineshbhai shah	Relative of Director
Navnitbhai Vithhaldas Shah	Relative of Director
Sushilaben Navnitbhai Shah	Relative of Director
Bhavinbhai Navnitbhai Shah	Relative of Director
Toralben Ripalbhai Shah	Relative of Director
Anil Shobha Ram Kumar	CFO(KMP)
Rajesh Anil sharma	Relative of KMP
Shobharam sharma	Relative of KMP
Ramkumari Shobha ram sharma	Relative of KMP
Sushilbhai Shobharam Sharma	Relative of KMP
Aryan Anil sharma	Relative of KMP
Sonam Anil sharma	Relative of KMP
Vinodbhai Shobharam Sharma	Relative of KMP

b. Details of Related Party Transactions during the year ended on 31st March 2016:

Type of Transactions	Name of Related Party	Nature of Relation	Key Management Personnel	Amount in Rs.
Remuneration	Niket M. Shah	Managing Director	Yes	12,00,000/-
Remuneration	Hital M. Shah	Whole-time Director	Yes	12,00,000/-

As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, BPA & Company
Chartered Accountants
FRN.: 109685W

Niket M. Shah Hital M. Shah
Managing Director Director

CA. Prakash Patel
Partner
M. No.:030575

Anil Sharma
CFO

Ahmedabad, 31st May 2016

Ahmedabad, 31st May 2016

HILLTONE SOFTWARE & GASES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

	For the year ended on 31st March, 2016		For the year ended on 31st March, 2015	
	RUPEES	RUPEES	RUPEES	RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss before tax and extraordinary items	530772		486427	
Adjustments For :				
Depreciation	420521		583026	
Bad Debts	953657		1046640	
Interest Exp.	369750		221767	
Profit/Loss on Sale of Investments/assets	-		-	
Other Income	(1025401)		(1203284)	
		1249299		1134576.00
Operating Profit before Working Capital Changes				
Adjustment For :				
Current Assets	(3626032)		(1160391)	
Current Liabilities	571438		(172614)	
Increase / Decrease in Net Current Assets	(3054594)		(1333005)	
		(3054594)		(1333005)
Net Cash from operating activities		(1805295)		(198429)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets/Ad. Against	(922000)		(3338996)	
Purchase of Investmet	0		(34000)	
Increase in Deposit & Advances	1983121		1383249	
Sale realisation on sale of Fixed Assests	0		0	
Dividend Income Received	11875		9750	
Land Maintanance Income	0		67500	
Rent Received	372000		270750	
Net Cash used in investing activities		1444996		(1641747)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Bank Borrowings	(568311)		963829	
Other Borrowongs	(217193)		1028000	
Interest Income	641526		855284	
Interest Exp.	(369750)		(221767)	
Net Cash from financing activities		(513728)		2625346
Net increase in Cash and Cash equivalents	(874029)		785168	
Cash and Cash equivalents at beginning of the year	1947867		1162699	
Cash and Cash equivalents at close of the year	1073838		1947867	

As per our separate Report of even Date

On Behalf of the Board of Directors

FOR, BPA & COMPANY

Chartered Accountants
FRN No.: 109685W

NIKET M. SHAH
(Managing Director)

SD/-

CA. PRAKASH PATEL

Partner
M. No.:030575

ANIL SHARMA
(CFO)

Place : Ahmedabad

Date : 31st May 2016

HITAL M. SHAH
(Executive Director)