

INSPIRE INDIA PROPERTIES LIMITED

No.119, 2nd Floor, Radhakrishna Sadanam, Above HDFC Bank,
Gandhi Bazar Main Rd, Basavanagudi, Bangalore, Karnataka - 560004

CIN: U70100KA2012PLC063156

DIRECTORS' REPORT

The Members,
Inspire India Properties Limited

Your Directors are pleased to present the 3rd Annual Report together with the audited accounts of the company for the financial year ended 31st March, 2015 and the Report of the Statutory Auditors.

1. FINANCIAL PERFORMANCE:

PARTICULAR	Year ended 31st March, 2015	Year ended 31st March, 2014
Net Revenue from Operations	1,29,15,710	24,71,000
Other Income	7,21,171	6,81,502
Total revenue	1,36,36,881	31,52,502
Profit / (Loss) Before Tax	8,23,681	(42,52,872)
Tax Expense:		
Current Tax	1,01,278	
Less: MAT Credit relating to P Y	(1,01,278)	
Net Current Tax	-	-
Deferred Tax	(80,610)	(29,587)
Profit / (Loss) after Tax	9,04,291	(42,23,285)
Earning per equity share (in Rs)	0.21	(1.04)
Number of shares used in computing earnings per share	41,11,911	37,66,697

2. DIVIDEND & RESERVES:

The boards of directors do not recommend any dividend for the financial year 2014-15. No amount is proposed to be transferred to general reserves during the period.

3. BUSINESS:

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1. The company started selling the plots in “UNO Green Rock” an Eco Friendly gated community of farm land in Krishnagiri District, Tamilnadu. “UNO Green Rock” is spread over nearly 14 acres of farm land.
2. The Company has also entered into a new investment on land near Chickkabalapur and Nelamangala and one more new property near Airport Belgaum, Company is planning to purchase. A portion of the funds mobilized will be used for acquiring new properties for the company.

4. **BOARD OF DIRECTORS:**

Your company's Board comprises of the following Directors:

NAME	DESIGNATION	DIN
Mr. Balakrishnan Veloor	Chairman	01799446
Mr. Sharanabasappa Channabasappa Patil	Managing Director	01799415
Mr. Krishnappa Chinnappa	Whole-time Director	05140836
Mr. Danappa Irappa Tadasalur	Whole-time Director	05215667

Being a public limited company by virtue of section 152, of the Companies Act, 2013, two third of the directors are liable to retire by rotation. Among the retiring directors, one third has to retire at every annual general meeting.

Mr. Krishnappa Chinnappa, retire by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting.

5. **BOARD MEETINGS:**

During the financial year 7 board meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

List of Meetings held during the year:

Sl. No.	Date of the Meeting	Place of the Meeting
1	28.06.2014	Bangalore
2	16.07.2014	Bangalore

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3	25.07.2014	Bangalore
4	23.08.2014	Bangalore
5	28.11.2014	Bangalore
6	17.12.2014	Bangalore
7	20.03.2015	Bangalore

6. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

7. DECLARATION BY INDEPENDENT DIRECTORS:

The company is not required to appoint independent directors under section 149(4) of the Companies Act 2013 and rule 4 of Companies (Appointment and Qualification of Directors) Rules 2014.

8. EVALUATION OF BOARD PERFORMANCE:

The company is not required to undertake formal evaluation of board performance or performance of its members.

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9. INTER CORPORATE LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Section 186 of the Companies Act, 2013 is not applicable to the company.

10. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered during the financial year were on arms length basis and were in the ordinary course of the business of the company. The details of related party transactions are annexed with this report as Form AOC-2.

11. MATERIAL EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

There were no significant events occurring after the balance sheet date.

12. EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return in form MGT-9 is annexed with this report.

13. HUMAN RESOURCE MANAGEMENT:

Employees are the most important asset of the organization. The human resource policy of the company is designed with the objective to attract and retain the best talent available in the industry.

The management conducts various training programs on a frequent basis to enhance the skill of employees. The company has a transparent performance appraisal system which tries to make an objective assessment of employees' performance and requirement for further training.

14. STATUTORY AUDITORS & AUDIT REPORT:

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M/s. T.D JAIN & D.I SAKARIA, Chartered Accountants, Bangalore who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Companies Act, 2013, up to the conclusion of the Seventh (7th) Annual General Meeting (subject to ratification of their appointment in every annual general meeting) and have expressed their consent to be reappointed. Board recommends their reappointment to the shareholders of the company.

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments. The audit report does not contain any qualification, reservation, adverse remark or disclaimer.

15. RISK MANAGEMENT:

The board of directors assesses all the risks that the company faces such as strategic, financial, credit, market, liquidity, security, legal, regulatory, goodwill on a periodic basis. The board ensures that there is a risk management infrastructure in place capable of addressing all the identified risks. The company's management systems, organizational structure, process, standards, code of conduct, internal audit system etc plays a major role in managing risks. Risk Management is a priority matter.

16. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The company is not required to formulate a corporate social responsibility policy under section 135 of the Companies Act 2013.

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

In accordance with the requirements of sub-section (13) of section 134 of the Companies Act, 2013, particulars with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo, to the extent possible in the opinion of your Directors, are as follows:

1. Conservation of Energy :

Not Applicable

2. Technology Absorption and Research and Development:

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Not Applicable

3. Foreign Exchange Outflow & Inflow:

Nil

18. MANAGERIAL REMUNERATION:

Information as per Rule 5(1) of chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014

Name of Director	Title	Remuneration for 2014-15	Remuneration For 2013-14	% of Increase
Mr. Sharanabasappa Channabasappa Patil	Managing Director	3,00,000	3,00,000	-
Mr. Krishnappa Chinnappa	Whole-time Director	3,00,000	3,00,000	-
Mr. Danappa Irappa Tadasalur	Whole-time Director	3,00,000	3,00,000	-

19. SWEAT EQUITY:

Subject to the approval of the shareholders the board is proposing to issue the following sweat equity shares of Rs. 10/- each at a premium of Rs. 2/- per share to the following promoter directors of the Company.

SL.NO	NAME	NO. OF SWEAT EQUITY SHARES TO BE ISSUED
1.	Mr. Sharanabasappa Channabasappa Patil	3,25,424
2.	Mr. Balakrishnan Velloor	2,32,446
3	Mr. Krishnappa Chinnappa	1,85,956
4.	Mr. Danappa Irappa Tadasalur	1,85,956
Total		9,29,782

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20. ACKNOWLEDGEMENT:

The Directors place on record, their gratitude to the Central and State Governments, their Departments and other institutions, clients, vendors, bankers, and statutory auditors for their continued assistance and support extended to the Company during the year under report.

The Directors also place on record their appreciation of the consistent, good team work and dedication put in by all cadres of employees.

For & on behalf of the Board
Inspire India Properties Limited

Sd/-
Mr. Sharanabasappa C Patil
Managing Director
(DIN: 01799415)

Sd/-
Mr. Danappa Irappa Tadasalur
Whole-time Director
(DIN: 05215667)

Place: Bangalore
Date: 27.08.2015