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# **GAURAV MERCANTILES LIMITED**

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**THIRTY THIRD ANNUAL REPORT F.Y. 2017 - 2018**

## GAURAV MERCANTILES LIMITED

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### **BOARD OF DIRECTORS:-**

Mr. PRATAP SINGH BOHRA - Director  
Mr. KAMAL SINGH BAID - Independent Director  
Mr. TARUN PRATAP BOHRA – Director  
Mr. NIKHIL PRATAP BOHRA– Additional Director  
Mr. MANGESH SURENDRA NADKARNI –Whole-time Director  
Mrs. PRIYANKA GAUR -Independent Director

### **COMPANY SECRETARY**

Ms. Shikha Chaudhary (w.e.f 11th August, 2018)  
Mr. Narendra Kumar Prajapat (Resigned on 11th August, 2018)

### **STATUTORY AUDITOR:-**

M/s. G.P. Agrawal & Co.  
Chartered Accountants  
Mumbai

### **BANKERS:-**

Oriental Bank of Commerce  
Kotak Mahindra Bank

### **REGISTRAR AND SHARE TRANSFER AGENTS:-**

M/s. Skyline Financial Services Pvt. Ltd.  
4/A/9, Gundecha Onclave, Kherani Road,  
Sakinaka, Mumbai- 400 072  
Tel. No. 28511022, Email: subhashdhingreja@skylinerta.com  
Website: www.skylinerta.com

### **REGISTERED OFFICE:-**

Gaurav Mercantiles Limited,  
310, Gokul Arcade-B, Subhash Road  
Vile Parle (East), Mumbai 400 057  
Phone No. 022 – 66924459, Fax No. 6694 9916,  
Email: cs@gmlmumbai.com  
Website: www.gmlmumbai.com

## GAURAV MERCANTILES LIMITED

### NOTICE

**NOTICE** is hereby given that the Thirty Third Annual General Meeting of the members of **GAURAV MERCANTILES LIMITED** (CIN: L74130MH1985PLC176592) will be held on Saturday, 29th day of September, 2018 at 3.00 PM at 310, Gokul Arcade-B, Subhash Road, Vile Parle (E), Mumbai - 400 057 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the Reports of the Board of Directors and Auditors Report thereon.
2. To appoint a Director in place of Mr. Pratap Singh Bohra (DIN: 00122472) who retires by Rotation, and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

#### **3. Regularising the Appointment of Mr. Nikhil Pratap Singh Bohra as a Director**

To Consider and, if though fit, to pass with or without modification(s), the following resolution as

##### **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provision of Section 149, 152 and any other applicable provision 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 ) Mr. Nikhil Pratap Singh Bohra (DIN: 00114968)

Who was appointed as Additional Director on 14th November, 2017 and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and do all such act, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

#### **Regd. Office:**

310, Gokul Arcade-B  
Subhash Road, Vile Parle (E),  
Mumbai – 400 057

By Order of the Board  
**For Gaurav Mercantiles Limited**

**Shikha Chaudhary**  
Company Secretary

Date: 3rd September, 2018  
Place: Mumbai

#### **Notes:**

1. The Statement setting out the material facts relating to Special Business at the meeting pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument(s) appointing the proxy, if any, shall be deposited at the registered office of the Company 310, Gokul Arcade-B, Subhash Road, Vile Parle (E), Mumbai – 400 057 not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than Ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 22.09.2018 to Saturday 29.09.2018 (both days inclusive) in connection with the Annual General Meeting.

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4. Members are requested to intimate the Registrar and Share Transfer Agent of the Company – Skyline Financial Services Pvt. Ltd., 4/A/9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai – 400 072, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialized form.
5. The Securities and Exchange Board of India (SEBI) has mandated the Submission of Permanent Account Number (PAN), Bank Details, Email ID, and Mobile/Telephone number by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their details to the Company.
6. SEBI in its meeting held on March 28, 2018 has decided to amend Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') which deals with transfer or transmission or transposition of securities. According to this proposed amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in the dematerialized form with a depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in Demat form. The amendment shall come into force on December 5, 2018. Thus requesting all the Member to Dematerialize their Shares on or before 5th December, 2018.
7. Section 20 of the Companies Act, 2013 permits service of documents on members by a company through electronic mode. Accordingly, as a part of the Green Initiative, electronic copy of the Annual Report for F.Y. 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. Further, in terms of SEBI Circular No. CIR/CFD/DIL/7/2011 dated 05.10.2011 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the physical copies of Annual Report is being sent through permitted mode to all other members who have not registered their email address (es). Members may also note that the Annual Report for F.Y. 2017-18 will also be available on the Company's website [www.gmlmumbai.com](http://www.gmlmumbai.com) for download.
8. The Company is providing facility for voting by electronic means. The business set out in the Notice can be transacted through such voting. The facility for voting through polling paper would also be made available at the Meeting and the members attending the Meeting who have not cast their vote by e-voting shall be able to vote at the Meeting.
9. The members who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
10. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to Skyline Financial Services Pvt. Ltd. a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
11. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS2) issued by the Institute of Companies Secretaries of India, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by System Support Services, on all resolutions set forth in this Notice.

Notice of the 33rd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participants(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 33rd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.

### **The instructions for e-voting are as under:**

- (i) The e-voting period commences on, Wednesday, 26th September, 2018 (10:00 am IST) and ends on Friday 28th September, 2018 (5:00 pm IST), the cut-off date of 22nd September, 2018, may cast their vote electronically. The e-voting module shall be disabled by Skyline Financial Services Pvt. Ltd. for voting thereafter. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2018. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “**Gaurav Mercantiles Limited**” from the drop down menu and click on “SUBMIT”
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company / Depository Participant are requested to enter default PAN No <b>SYSSS1234G</b>
DOB #	Enter the Date of Birth as recorded in your demat account maintained with the DP registered with CDSL.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or with the company, otherwise enter account no as <b>SYSSUP123</b>

# Please enter any one of the details in order to login.

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the relevant EVSN for “Gaurav Mercantiles Limited” on which you choose to vote.
- (xiii) On the voting page, you will see “Resolution Description” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

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(xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) A person whose name is recorded in the register of members as on the cut-off date i.e. Saturday, 22nd September, 2018 only shall be entitled to avail the facility of e-voting /Poll.

(xx) The results of e-voting will be placed by the company on its website [www.gmlmumbai.com](http://www.gmlmumbai.com) within 2 days of AGM and also communicated to the stock exchanges where the shares of the company are listed. The resolution proposed will be deemed to have been passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

(xxi) Mr. Janmejy Singh Rajput, Practising Company Secretaries, (Membership No. A28403) has been appointed as the scrutinizer to scrutinize the e-voting process.

### (xxii) Note for Institutional Shareholders

- \* Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- \* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- \* After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- \* The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- \* A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

12. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at 310, Gokul Arcade B, Subhas Road, Vile parle (E), Mumbai- 400057 on all working days of the Company, between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
13. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.
14. Route map giving directions to the venue is annexed to this Notice.

## **GAURAV MERCANTILES LIMITED**

### **ANNEXURE TO THE NOTICE**

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

##### **Regularising the appointment of Mr. Nikhil Pratap Singh Bohra**

Board of Directors of the Company through resolution on 14th November, 2017 has appointed as Additional Director of the Company and Mr. Nikhil Pratap Singh Bohra hold office of the director till the conclusion of next Annual General Meeting.

Accordingly, in terms of the requirements of the provision of the Companies Act, 2013 approval the members of the Company is required for regularization of Mr. Nikhil Pratap Singh Bohra as Director of the Company.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

##### **Regd. Office:**

310, Gokul Arcade-B  
Subhash Road, Vile Parle (E),  
Mumbai – 400 057

By Order of the Board  
**For Gaurav Mercantiles Limited**

Date: 3rd September, 2018  
Place: Mumbai

**Shikha Chaudhary**  
Company Secretary



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### DIRECTORS' REPORT

To the Members,

Your Directors take pleasure in presenting the 33rd Annual Report on the business and operations of your Company for the year ended 31st March, 2018 together with the audited accounts for the year ended 31st March, 2018.

#### FINANCIAL RESULTS:

The financial results of the Company are summarized as under:

(Amount in Rs.)

Particulars	March 31st, 2018	March 31st, 2017
<b>Income:</b>		
Revenue from Operations	95,42,608	1,59,21,360
Other Income	57,79,945	35,78,541
<b>Total Revenue (A)</b>	<b>1,53,22,553</b>	<b>1,94,99,901</b>
<b>Expenditure:</b>		
Cost of Materials Consumed	94,08,307	1,49,94,700
Changes in Inventories of Finished goods	-	-
Employee Benefits Expenses	13,65,587	13,62,233
Finance Costs	-	-
Depreciation and Amortization Expenses	25,480	31,726
Operating & Other Expenses	12,92,524	19,29,364
<b>Total Expenses (B)</b>	<b>1,20,91,898</b>	<b>1,83,18,023</b>
<b>Profit Before Tax (A-B)</b>	<b>32,30,655</b>	<b>11,81,878</b>
<b>Tax Expenses:</b>		
(1) Current Tax	8,20,114	2,55,000
(2) Deferred Tax	17,830	(1,178)
(3) Tax on Earlier Years	39,474	7,712
<b>Profit for the year</b>	<b>23,53,237</b>	<b>9,20,344</b>
<b>Appropriated as under:</b>		
Dividend proposed	-	-
Tax on Proposed Dividend	-	-
General Reserve	-	-
Balance carried to Balance sheet	<b>23,53,237</b>	<b>9,20,344</b>
Earnings per Equity Share		
(1) Basic	1.18	0.46
(2) Diluted	1.18	0.46

#### DIVIDEND:

The Directors have decided not to recommend any dividend for the year, so as to create sufficient reserves for future expansion of the Company.

#### RESERVES:

The Company has not created any specific reserve for the year under review.

#### OPERATIONS:

During the year under review, the company has carried trading business and the total income was Rs. 1, 53, 22,553/-. After accounting for expenses, the Company has earned a net profit of Rs. 23, 53,237/- during the year under review as against a profit of Rs. 9,20,344/- in previous year.

## **GAURAV MERCANTILES LIMITED**

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY:-**

During the Financial Year ended 31st March, 2018, Company has done trading business.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Pratap Singh Bohra (DIN: 00122472), retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for reappointment. The Board of Directors recommends his appointment.

There has been change in the constitution of Board during the year under review, the detail of which are mention below:

- Mr. Jagdishchandra Hansraj Ghumara (DIN: 00519468), Independent Director of the Company has tendered resignation letter on dated 26th September, 2017 and the resignation accepted w.e.f.27th September, 2017.
- The Company has appointed Mr Mangesh Surendra Nadkarni as an Additional Executive Director of the Company in Board Meeting held on 30th March, 2017 and regularize as Whole Time Director (WTD) in Annual General Meeting as on dated 30th September, 2017.
- The Company has appointed Mr. Nikhil Pratap Singh Bohra Additional Director of the Company in Board Meeting held on 14th November, 2017 w.e.f 14th November, 2017.
- The Company has appointed Mr. Rajendra Ramkesh Gupta Chief Financial officer (CFO) of the Company in Board Meeting held on dated 12th February, 2018 w.e.f 01st February, 2018.

### **BOARD MEETINGS:**

During the financial year Five (5) Board Meeting were convened i.e. 29.05.2017, 14.08.2017, 04.09.2017, 14.11.2017 12.02.2018 .The intervening gap between the Meeting was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (listing Obligation and Disclosure Requirements) Regulation, 2015.

### **BOARD EVALUATION**

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

### **CONSOLIDATED FINANCIAL STATEMENTS**

Your Company doesn't have any subsidiaries. Therefore, compliance of preparing consolidated financial statement for the F. Y. 2017-18 does not arise.

### **SHARE CAPITAL:**

The paid up equity share capital as on March 31, 2018 was Rs. 2, 00, 00,000/- (Rupees Two Crores Only) comprising 20,00,000 equity share capital of Rs. 10 each. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity hence, there was no change in the Company's share capital during the year under review.

### **DEPOSITS:**

During the financial year your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Details of Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are annexed herewith as Annexure "A". However, the Company has not given any guarantees during the year under review.

### **INTERNAL FINANCIAL CONTROL:**

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. Internal control systems are integral to company's corporate governance framework. Some significant features of internal control system are:

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- Adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the company.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.
- Ensuring the integrity of the accounting system; proper and authorized recording and reporting of all transactions.
- Ensuring reliability of all financial and operational information.

As per Section 134(5)(e) of the Companies Act 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. This framework provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks. The framework ensures that the Company has policies and procedures for ensuring orderly and efficient conduct of the business, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records, and timely preparation of reliable financial information. The Company has also developed and implemented a framework for ensuring internal controls over financial reporting. There have been no significant changes in the Company's internal financial controls during the year.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The provision of section 135 is not applicable to the company. Hence, the compliance of the same does not arise.

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

Information in accordance with the provisions of Section 134 (3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are as follows:

#### a) Conservation of Energy-**NOT APPLICABLE**

- (i) the steps taken or impact on conservation of energy
- (ii) the steps taken by the company for utilizing alternate sources of energy
- (iii) the capital investment on energy conservation equipment's

#### b) Technology absorption – **NOT APPLICABLE**

- (i) the efforts made towards technology absorption
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - (a) the details of technology imported
  - (b) the year of import;
  - (c) whether the technology been fully absorbed
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
- (iv) the expenditure incurred on Research and Development

#### (c) Foreign exchange earnings and Outgo:

Foreign exchange Earnings – Nil

Foreign exchange Outgo –

1. Import Expense: Nil (Previous year: Rs.1,31,93,814)
2. Travelling Expenses: Rs. 3,65,385/- (Previous year: Rs. 1,75,456/-)

## **GAURAV MERCANTILES LIMITED**

### **INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 134 subsection 3(c) and sub-section 5 of the Companies Act, 2013, your Directors hereby would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at March 31, 2018 and of the Company's profit or loss for the year ended on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records, in Accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual financial statements have been prepared on a going concern basis.
- v) That internal financial controls were laid down to be followed and that such internal financial controls were adequate and were operating effectively.
- vi) Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **RELATED PARTY TRANSACTIONS:**

There were no material Related Party Transactions entered during the FY 2017-18. The policy on dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website [www.gmlmumbai.com](http://www.gmlmumbai.com). There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

### **SUBSIDIARY//JOINT VENTURES AND ASSOCIATE :**

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

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. The current policy is to have a balanced mix of executive and non-executive Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. The Board of Directors comprises of 6 Directors, including 1 woman director as on 31st March, 2018. The number of Independent Directors is 2, which is one-third of the total number of Directors. The policy of the Company on directors' appointment, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy read with Company's policy on appointment/reappointment of Independent Directors.

### **INDEPENDENT DIRECTORS DECLARATION:**

The Company has received the necessary declaration from all Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Rules, Regulations or amendments made there under respectively.

### **INDIAN ACCOUNTING STANDARDS (IND AS)**

As per the roadmap announced by the Ministry of Corporate affairs, the Company will comply with the new Accounting Standards, IND AS in preparation of its financial statements for accounting periods beginning on, April 1st, 2017 along with the comparatives for the period ending March 31, 2018.

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### **CORPORATE GOVERNANCE**

In pursuant to Regulation 15 (1) and (2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, shall apply to a listed entity which has listed its specified securities on any recognized stock exchange(s) either on the main board or on SME Exchange or on institutional trading platform: the compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21,22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply, in respect of - (a) the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. Therefore a report on the Corporate Governance practices, the Auditors' Certificate on compliance of mandatory requirements thereof are not given as an annexure to this report.

### **PARTICULARS OF EMPLOYEES**

Pursuant to Section 197(12) read with Rules 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 there is no such employees drawing salary of Rs. 8,50,000/- or more per month.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. No complaints pertaining to sexual harassment were received during FY 2017-18.

### **WHISTLE BLOWER POLICY/VIGIL MECHANISM:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 the Company has a vigil mechanism named Whistle Blower Policy / Vigil Mechanism to deal with instance of fraud and mismanagement, if any. Vigil Mechanism Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Details of the same is available on the company's website: [www.gmlmumbai.com](http://www.gmlmumbai.com)

### **RISK MANAGEMENT POLICY**

There is no standard format prescribed for framing this policy under the Companies Act, 2013 The Board shall develop a policy internally in consultation with senior management and such policy can be made available to the members, if required. The Company's robust risk management framework identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect its shareholders and other stakeholder's interest, to achieve its business objectives and enable sustainable growth. The Company has laid down a comprehensive Risk Assessment and Minimization Strategy which is reviewed by the Board from time to time. These Strategies are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance. The Policy is available on the company's website: [www.gmlmumbai.com](http://www.gmlmumbai.com)

### **PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The Board Directors and the designated employees have confirmed compliance with the Code.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals which could impact the going concern status of the Company and its future operations.

## **GAURAV MERCANTILES LIMITED**

### **AUDITORS AND AUDITOR'S REPORT**

#### **1. STATUTORY AUDITORS**

At the Company's 29th Annual General Meeting (AGM) held on September 30, 2014, M/s. G. P. Agarwal & Co., Chartered Accountants (Firm Registration No. 302082E), Mumbai, were appointed as the Company's Statutory Auditors from the conclusion of the 29<sup>th</sup> AGM till the conclusion of the 34<sup>th</sup> AGM of the Company to be held in the year 2019. The Auditors Report to the shareholders for the year under review does not contain any adverse qualification. No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report. 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 under Section 134 of the Companies Act, 2013.

#### **2. SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Janmejy Singh Rajput & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit carried out is annexed herewith as Annexure "B".

#### **EXTRACT OF ANNUAL RETURN:**

In accordance with the provisions of Section 134(3) (a) of the Companies Act, 2013, the extract of the annual return in Form No. MGT-9 is annexed (Annexure "C") hereto and forms a part of this report.

#### **MANAGEMENT DISCUSSION & ANALYSIS**

A detailed report on the Management Discussion & Analysis is provided as a separate section in the Annual Report.

#### **OTHER DISCLOSURES / REPORTING**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

#### **ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government, the financial institutions, banks and the shareholders during the year under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company

For and on behalf of the Board of Directors

Place: Mumbai

Date: 3rd September, 2018

**PRATAP SINGH BOHRA**

CHAIRMAN

DIN: 00122472

4 Devpark, Smt Manikbai Patil Marg,  
Juhu Mumbai - 400049

## ANNUAL REPORT 2017-2018

### ANNEXURE- "A"

#### Loans & Advances (Asset)

Particulars	Opening Balance	Transactions		Closing Balance
		Debit	Credit	
ADITYA ULTRA STEEL PVT. LTD.	-	7,531,069	7,531,069	
A M DEVELOPERS	-	8,175,000	675,000	7,500,000
CRYSTAL IMPEX LTD.	-	47,210,505	47,210,505	
HARIYANA SHIP DEMOLITION PVT. LTD.	-	14,347,967	14,347,967	
KAMLESH SHIP BREAKERS	-	5,019,726	5,019,726	
KOTHARI TRADING CO.	-	1,094,520	94,520	1,000,000
LEELA SHIP RECYCLING PVT. LTD.	-	14,445,316	445,316	14,000,000
RAVI KAMAL ROLLER FLOUR MILLS PVT. LTD.	10,000,000	67,500	10,067,500	
SHIVAJI FOODS PVT. LTD.	25,077,301	761,917	25,839,218	
<b>Grand Total</b>	<b>35,077,301</b>	<b>98,653,520</b>	<b>111,230,821</b>	<b>22,500,000</b>

#### Investments'

Particulars	Opening Balance	Transactions		Closing Balance
		Debit	Credit	
HARPRATAP STEEL LTD	20,000	-	20,000	-
KAMANWALA HOUSING CONSTRUCTION LTD.	55,215	48,770	8,500	95,485
MARINITE POLYCAST LTD	15,000	-	15,000	-
NAGARJUNA FERT.AND CHEM.LTD. FV	3,300	-	3,300	-
PRUDENTIAL MOULI SUGARS LTD	76,000	-	76,000	-
VADILAL DAIRY INTERNA.LTD	6,000	-	6,000	-
<b>Grand Total</b>	<b>175,515</b>	<b>48,770</b>	<b>128,800</b>	<b>95,485</b>

For and on behalf of Board of Directors

Place: Mumbai  
Date: 03.09.2018

**Pratap Singh Bohra**  
Chairman  
DIN00122472  
4 Devpark, Smt Manibai Patil Marg  
Jhu Mumbai - 400049



## GAURAV MERCANTILES LIMITED

### ANNEXURE B **SECRETARIAL AUDIT REPORT**

**For The Financial Year Ended On 31st March, 2018**

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

To,  
The Members,  
**M/S. Gaurav Mercantiles Limited**  
310, Gokul Arcade B, Subhash Road,  
Vile Parle (E), Mumbai – 400 057

**CIN:** L74130MH1985PLC176592

**Authorised Capital:** 10,00,00,000

**Paid up Capital:** 2,00,00,000

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. Gaurav Mercantiles Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

We have examined the secretarial records, documents books, papers, minute books, forms and returns filed and other records maintained by M/S. Gaurav Mercantiles Limited for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)(Third Amendment) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;



## ANNUAL REPORT 2017-2018

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable as the Company has not issued and listed any Debt Securities during the Financial year under review]
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: and the Company has made Delisting application to Delhi Stock Exchange
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. [Not applicable as the Company has not brought back/ proposed to buy-back during the Financial year under review ]
- (i) Payment of Gratuity Act, 1972, and rules made there under
- vi) The Management has identified and confirmed the following laws as specially applicable to the Company,
  - (j) The Minimum Wages Act, 1948, and rules made there under,
  - (k) The Payment of Bonus Act, 1965, and rules made there under,

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Since the company is listed with Bombay Stock Exchange the Listing Agreements entered into by the company with Bombay Stock Exchange and SEBI (LODR) Regulation, 2015 has been complied with.

The Company has filed all the forms and returns as required under the Companies Act, 2013 and is regular in filing the forms and returns within the prescribed time.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above with respect to the books, papers, minute books, forms and returns of which were required to be examined by us for the purpose of this report and subject to following laws as they are Specifically not applicable to the Company.

- (a) Factories Act, 1948
- (b) Payment Of Wages Act, 1936, and rules made there under,
- (c) Employees' State Insurance Act, 1948, and rules made there under,
- (d) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- (e) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
- (f) Food Safety and Standards Act, 2006, and rules made there under.

During the period under audit the Company has complied with the provisions of the Act, Rules, Regulations, guidelines as mentioned above.

We further report that the Compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals

## **GAURAV MERCANTILES LIMITED**

### **We further report that,**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Mr. Jagdishchandra Hansraj Ghumara (DIN: 00519468), Independent Director of the Company has tendered resignation letter on dated 26th September, 2017 and the resignation accepted w.e.f.27th September, 2017, The Company has appointed Mr Mangesh Surendra Nadkarni as an Additional Executive Director of the Company in Board Meeting held on 30th March, 2017 and regularize as Whole Time Director (WTD) in Annual General Meeting as on dated 30th September, 2017, and ?The Company has appointed Mr. Nikhil Pratap Singh Bohra Additional Director of the Company in Board Meeting held on 14th November, 2017 w.e.f 14th November, 2017.

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

The decisions carried through are recorded in the minutes. We did not find any dissenting views recorded in the minutes. It was informed to us that, in absence of any such dissenting views it was not required to record any such views in the minutes.

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

The Company has requisite systems and processes to monitor and ensure compliance with other laws as applicable to the Company.

We further report that during the audit period the Company has following specific actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

- (1) Company have complied with the requirements under SEBI (LODR) for Equity Listing entered into with BSE Limited.
- (2) The Company has filed the suit against Mehta Developers with respect to Company's property under the control of Mehta Developers as per view of management of the Company.

**Place: Mumbai**

**Date: 3rd September, 2018**

**For Janmejy Singh Rajput & Associates  
Company Secretaries**

**(Janmejy Singh Rajput)  
Proprietor  
Membership No.- 28403  
PCS No.- 15012**

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

## ANNUAL REPORT 2017-2018

### 'ANNEXURE 1'

To,  
The Members,  
**M/S. Gaurav Mercantiles Limited**  
310, Gokul Arcade B, Subhash Road,  
Vile Parle (E), Mumbai – 400 057

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Mumbai**  
**Date: 3rd September, 2018**

**For Janmejy Singh Rajput & Associates**  
**Company Secretaries**

**(Janmejy Singh Rajput)**  
**Proprietor**  
**Membership No.- 28403**  
**PCS No.- 15012**

**GAURAV MERCANTILES LIMITED****ANNEXURE-”C”****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2018**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L74130MH1985PLC176592
2	Registration Date	31-05-1985
3	Name of the Company	GAURAV MERCANTILES LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5	Address of the Registered office & contact details	310 GOKUL ARCADE-B,SUBHASH ROAD,VILE PARLE-E,MUMBAI-400 057.
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Skyline Financial Services Pvt. Ltd, 4/A/9, Gundecha Onclave, Kherani Road, Sakinaka, Mumbai- 400 072

**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)

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Wholesale Trading	4690	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl.No.	Name&Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NOT APPLICABLE	NA	NA	NA	NA

## ANNUAL REPORT 2017-2018

### 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 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A</b>	<b>Promoters</b>									
	<b>(1) Indian</b>									
a)	Individual/ HUF	1,314,300	14,000	1,328,300	66.42%	1,328,300	-	1,328,300	66.42%	0.00%
b)	Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c)	State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d)	Bodies Corp.	1,200	-	1,200	0.06%	1,200	-	1,200	0.06%	0.00%
e)	Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f)	Any other	-	0.00%	-	0.00%	0.00%	-	-	0.00%	0.00%
	<b>Sub Total (A) (1)</b>	<b>1,315,500</b>	<b>14,000</b>	<b>1,329,500</b>	<b>66.48%</b>	<b>1,329,500</b>	<b>-</b>	<b>1,329,500</b>	<b>66.48%</b>	<b>0.00%</b>
	<b>(2) Foreign</b>									
a)	NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b)	Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c)	Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d)	Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
	<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
	<b>TOTAL (A)</b>	<b>1,315,500</b>	<b>14,000</b>	<b>1,329,500</b>	<b>66.48%</b>	<b>1,329,500</b>	<b>-</b>	<b>1,329,500</b>	<b>66.48%</b>	<b>0.00%</b>
<b>B.</b>	<b>Public Shareholding</b>									
	<b>1. Institutions</b>									
a)	Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b)	Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c)	Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d)	State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e)	Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f)	Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g)	FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h)	Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i)	Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
	<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
	<b>2. Non-Institutions</b>									
a)	Bodies Corp.									
i)	Indian	91,970	-	91,970	4.60%	98,845	-	98,845	4.94%	0.34%
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 2 lakh	97,550	396,670	494,220	24.71%	50,157	358,670	408,827	20.44%	0.00%
ii)	Individual shareholders holding nominal share capital in excess of Rs 2 lakh	45,600	-	45,600	2.28%	157,798	-	157,798	7.89%	0.00%
c)	Others (Resdent Indian HUF)	19,110	19,600	38,710	1.93%	430	4,600	5,030	0.25%	-1.68%
	Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
	<b>Sub-total (B)(2):-</b>	<b>254,230</b>	<b>416,270</b>	<b>670,500</b>	<b>33.52%</b>	<b>307,230</b>	<b>363,270</b>	<b>670,500</b>	<b>33.52%</b>	<b>0.00%</b>
	<b>Total Public (B)</b>	<b>254,230</b>	<b>416,270</b>	<b>670,500</b>	<b>33.52%</b>	<b>307,230</b>	<b>363,270</b>	<b>670,500</b>	<b>33.52%</b>	<b>0.00%</b>
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>									
		-	-	-	0.00%	-	-	-	0.00%	0.00%
	<b>Grand Total (A+B+C)</b>	<b>1,569,730</b>	<b>430,270</b>	<b>2,000,000</b>	<b>100.00%</b>	<b>1,636,730</b>	<b>363,270</b>	<b>2,000,000</b>	<b>100.00%</b>	<b>0.00%</b>

## GAURAV MERCANTILES LIMITED

### (ii) Shareholding of Promoter

SI 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 Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	BOHRA EXPORTS (P) LTD	1200	0.06%	0	1200	0.06%	0	0.00%
2	GULAB DEVI BOHRA	12400	0.62%	0	12400	0.62%	0	0.00%
3	NIKHIL BOHRA	195000	9.75%	0	195000	9.75%	0	0.00%
4	PRATAP SINGH BOHRA	580900	29.05%	0	580900	29.05%	0	0.00%
5	TARUN BOHRA	195000	9.75%	0	195000	9.75%	0	0.00%
6	VIVEK P. BOHRA	345000	17.25%	0	345000	17.25%	0	0.00%

### (iii) Change in Promoters' Shareholding (please specify, if there is no change) **NOT APPLICABLE**

SI. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	NA	NA	NA	0.00%	NA	0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

### (iv) Shareholding Pattern of top ten Shareholders

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

SN	For Each of the Top 10 Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>GOKULESH COMMERCIAL PRIVATE LIMITED</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			97,125	4.86%	-	0.00%
	At the end of the year	31/03/2018		97,125	4.86%	-	0.00%
2	<b>DIPTI GIRDHARI MANGAL</b>						
	At the beginning of the year	04/01/2017		45,600	2.28%	-	0.00%
	Changes during the year			(11,017)	(0.55%)	-	0.00%
	At the end of the year	31/03/2018		34,583	1.73%	-	0.00%
3	<b>VIPIN RAMPRASAD LADDA</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			70,215	3.51%	-	0.00%
	At the end of the year	31/03/2018		70,215	3.51%	-	0.00%

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4	<b>SHALINI MANGAL</b>						
	At the beginning of the year	04/01/2017	-	0.00%	-	0.00%	
	Changes during the year		53,000	2.65%	-	0.00%	
	At the end of the year	31/03/2018	53,000	2.65%	-	0.00%	
5	<b>GURCHARAN DUTT SHARMA</b>						
	At the beginning of the year	04/01/2017	-	10,100	0.51%	-	0.00%
	Changes during the year		-	-	0.00%	-	0.00%
	At the end of the year	31/03/2018	10,100	0.51%	-	0.00%	
6	<b>SHYAM SUNDER SHARMA</b>						
	At the beginning of the year	04/01/2017	12,030	0.60%	-	0.00%	
	Changes during the year		(2,000)	(0.10%)	-	0.00%	
	At the end of the year	31/03/2018	10,030	0.50%	-	0.00%	
7	<b>RAHUL ANANTRAI MEHTA</b>						
	At the beginning of the year	04/01/2017	-	-	0.00%	-	0.00%
	Changes during the year		8,109	0.41%	-	0.00%	
	At the end of the year	31/03/2018	8,109	0.41%	-	0.00%	
8	<b>DEEPAK GUPTA</b>						
	At the beginning of the year	04/01/2017	7,430	0.37%	-	0.00%	
	Changes during the year		-	-	-	0.00%	
	At the end of the year	31/03/2018	7,430	0.37%	-	0.00%	
9	<b>SHAH SATISH CHUNILAL</b>						
	At the beginning of the year	04/01/2017	14,000	0.70%	-	0.00%	
	Changes during the year		-	0.00%	-	0.00%	
	At the end of the year	31/03/2018	14,000	0.70%	-	0.00%	
10	<b>SANJAYKUMAR SARAWAGI</b>						
	At the beginning of the year	04/01/2017	7,100	0.36%	-	0.00%	
	Changes during the year		-	0.00%	-	0.00%	
	At the end of the year	31/03/2018	7,100	0.36%	-	0.00%	

(v) Shareholding of Directors and Key Managerial Personnel:

S. N.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the end of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Pratap Singh Bohra</b>						
	At the beginning of the year	04/01/2017		580,900	29.05%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		580,900	29.05%	-	0.00%
2	<b>Kamal Singh Baid</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		-	0.00%	-	0.00%
3	<b>Tarun Pratap Bohra</b>						
	At the beginning of the year	04/01/2017		195,000	9.75%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		195,000	9.75%	-	0.00%

## GAURAV MERCANTILES LIMITED

4	<b>Nikhil Pratap Bohra</b>						
	At the beginning of the year	04/01/2017		195,000	9.75%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		195,000	9.75%	-	0.00%
5	<b>Priyanka Gaur</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		-	0.00%	-	0.00%
6	<b>Mangesh Surendra Nadkarni</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		-	0.00%	-	0.00%
7	<b>Narendra Kumar</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		-	0.00%	-	0.00%
8	<b>Malusare Sakaharam Shantaram</b>						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/03/2018		-	0.00%	-	0.00%

## V. INDEBTEDNESS

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

(Rs.in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>



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### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Dilip Trilokchand Bohra	(Rs/Lac)
	Designation	Whole Time Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit	NIL	NIL
	- others, specify	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL
	Ceiling as per the Act		

#### B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors	Kamal Singh Baid	Jagdishchandra Ghumara	Rachana Tiwari / Priyanka Gaur	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	Tarun Pratap Bohra	Pratap Singh Bohra		-
	Fee for attending board committee meetings	-	-		-
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (2)	-	-		-
	Total (B)=(1+2)	-	-		-
	Total Managerial Remuneration	-	-		-
	Overall Ceiling as per the Act	-	-		-

**GAURAV MERCANTILES LIMITED**

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name	Sakharam Malusare	Rejendra Gupta	
	Designation	CFO		CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	90,000.00	32,000.00	65,000.00	187,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>90,000.00</b>	<b>32,000.00</b>	<b>65,000.00</b>	<b>187,000.00</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: No penalties or punishment has been levied by authority**

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: Mumbai  
Date: 3rd September, 2018

**Pratap Singh Bohra**  
Chairman  
DIN: 00122472

## ANNUAL REPORT 2017-2018

### **Management Discussion and Analysis Report (MDAR) for the year ended 31st March, 2018**

#### **– Industry structure and developments**

Indian economy is going through a period of rapid financial liberalisation. Today, the intermediation is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products.

Over the years, our company has built a strong presence in the market through its cumulative experience, strong distribution network as well as sound systems and processes.

#### **– Opportunities and threats**

Gaurav Mercantiles Limited was earlier engaged in ship breaking, trading and investment. However, with the liberalization of imports, the trading activities were marginalized. The investment portfolio of the Company is also being diluted. Therefore, the company has been concentrating on ship breaking activities for several years now. However, we now propose to diversify to purchase of old factories for dismantling and sale thereof, as mentioned above also. From time to time, we may even undertake import and local trading of scrap and coal, as mentioned above, though this activity has not yet been commenced by us. The same is expected to push up the level of our operations as well as the operating results sizably.

#### **– Segment-wise or product-wise performance**

During the financial year ended 31st March, 2018, the Company's source of income is from trading activities and interest income.

#### **– Outlook**

The presence of a stable government at the centre will be a major catalyst in taking major decisions which would push forward the pace of reforms and thereby directly improving the macro-economic environment. It is now being forecasted that in the near future, the Indian economy will become the fastest growing emerging market.

The Government is looking at easing investment conditions in India and focusing on project clearances. Also, year 2018-19 is expected to see a rush of foreign direct investments (FDI) coming into India supported by FII inflows, thanks to liberalising the defence, insurance and construction sectors.

#### **– Risks and areas of concern**

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

#### **– Internal control systems and their adequacy**

The Company has carried out the internal audit in-house and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction are appropriately authorised, recorded and reported. Exercises for safeguarding assets and protection against unauthorised use are undertaken from time to time. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary improvements are affected.

#### **– Discussion on financial performance with respect to operational performance**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India.

#### **– Material developments in human resources/industrial relations front, including number of people employed.**

The company had sufficient numbers of employees at its administrative office. The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company enjoyed excellent relationship with workers and staff during the last year.

## **GAURAV MERCANTILES LIMITED**

### **Cautionary Statement**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: 3rd September, 2018

**Pratap Singh Bohra**  
Chairman  
DIN: 00122472

4 Devpark, Smt Manikbai Patil Marg,  
Juhu Mumbai – 400049.

## Independent Auditors' Report

### To the Members of Gaurav Mercantiles Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of **Gaurav Mercantiles Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

#### 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 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 these 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, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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 March 31, 2018, and its profit and its cash flows for the year ended on that date.

#### Report on other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:

## GAURAV MERCANTILES LIMITED

- i. 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.
- ii. 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.
- iii. 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.
- iv. 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.
- v. On the basis of the written representations received from the directors as at 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. 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".
- vii. 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:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - c. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Company.

**For G.P. Agrawal & Co.**  
Chartered Accountants  
Firm's Registration No. - 302082E

**(CA. Pradeep Samal)**  
Partner  
Membership No. 61353

Place of Signature: Mumbai  
Date: 21st May, 2018

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### “Annexure A” to the Auditor’s Report

Statement referred to in paragraph ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of Gaurav Mercantile Limited on the financial statements for the year ended 31st March, 2018.

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the company does not have any inventory in the current financial year. As there is no inventory of the company during the year, the procedures of physical verification of inventories is not applicable to the company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a) and (iii)(b) of paragraph 3 of the said order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Act in respect of loans granted and investments.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) The provisions of clause 3 (vi) of the Order are not applicable to the Company as the Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, employee’s state insurance, income tax, TDS, wealth tax, custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed arrears of statutory dues which was outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty, cess which have not been deposited on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings to financial institutions or banks or Government. The Company has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or taken any term loan during the year. Hence, the provisions of clause 3 (xi) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company,

## **GAURAV MERCANTILES LIMITED**

transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them during the year under the provisions of Section 192 of the Act. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For G.P. Agrawal & Co.**  
Chartered Accountants  
Firm's Registration No. - 302082E

**(CA. Pradeep Samal)**  
Partner  
Membership No. 61353

Place of Signature: Mumbai  
Date: 21st May, 2018



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### “Annexure B” to the Independent Auditor’s Report of Even Date on the Financial Statements of Gaurav Mercantiles Limited

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Gaurav Mercantiles Limited** (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For G.P. Agrawal & Co.**  
Chartered Accountants  
Firm’s Registration No. - 302082E

**(CA. Pradeep Samal)**  
Partner  
Membership No. 61353

Place of Signature: Mumbai  
Date: 21st May, 2018

## GAURAV MERCANTILES LIMITED

### Balance Sheet as at 31st March, 2018

(Amount in Rs.)

Particulars	Note No.	As on 31st March, 2018	As on 31st March, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share capital	1	20,000,000	20,000,000
(b) Reserves and surplus	2	35,998,621	33,645,384
<b>2 Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	3	157,412	139,582
(b) Other Long term liabilities	4	127,193	134,773
<b>3 Current Liabilities</b>			
(a) Other Current Liabilities	5	77,016	83,654
(b) Short Term Provisions	6	127,524	1,566
<b>TOTAL</b>		<b>56,487,766</b>	<b>54,004,959</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Property, Plant &amp; Equipments</b>			
Tangible assets	7	313,401	338,881
(b) Non-current investments	8	95,485	175,515
(c) Other non-current assets	9	1,188,125	1,546,458
<b>2 Current assets</b>			
(a) Cash and cash equivalents	10	32,102,652	16,178,208
(b) Short-term loans and advances	11	22,716,000	35,089,301
(c) Other current assets	12	72,103	676,596
<b>TOTAL</b>		<b>56,487,766</b>	<b>54,004,959</b>

#### Significant Accounting Policies and Notes to Financial Statements 1 to 20

The accompanying Significant Accounting Policies and Notes to Accounts are an integral part of the Financial Statements.  
As per our report of even date

**For G. P. Agrawal & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

**CA Pradeep Samal**  
Partner  
Membership No. 061353  
Firm Reg. No. 302082E

**Pratap Singh Bohra**      **Tarun Pratap Bohra**  
Director                      Director  
DIN 00122472              DIN 02736871

Place: Mumbai  
Date : 21st May, 2018

**Narendra Kumar**  
Company Secretary

## ANNUAL REPORT 2017-2018

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

(Amount in Rs.)

Particulars	Refer Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I Revenue from operations	13	9,542,608	15,921,360
II Other income	14	5,779,945	3,578,541
<b>III Total Revenue (I + II)</b>		<b>15,322,553</b>	<b>19,499,901</b>
<b>IV Expenses:</b>			
Cost of trading goods sold	15	9,408,307	14,994,700
Employee benefit expenses	16	1,365,587	1,362,233
Finance costs		-	-
Depreciation and amortization expense	7	25,480	31,726
Other expenses	17	1,292,524	1,929,364
<b>Total Expenses</b>		<b>12,091,898</b>	<b>18,318,023</b>
<b>V Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>3,230,655</b>	<b>1,181,878</b>
VI Exceptional Items		-	-
<b>VII Profit before extraordinary items and tax (V - VI)</b>		<b>3,230,655</b>	<b>1,181,878</b>
VIII Extraordinary Items		-	-
<b>IX Profit before tax (VII- VIII)</b>		<b>3,230,655</b>	<b>1,181,878</b>
<b>X Tax expense:</b>			
(1) Current tax		820,114	255,000
(2) Deferred tax		17,830	(1,178)
(3) Tax on Earlier Years		39,474	7,712
XI Profit for the period from continuing operations (IX-X)		2,353,237	920,344
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit for the period (XI + XIV)</b>		<b>2,353,237</b>	<b>920,344</b>
<b>XVI Earnings per equity share:</b>			
(1) Basic	18	1.18	0.46
(2) Diluted	18	1.18	0.46

#### Significant Accounting Policies and Notes to Financial Statements 1 to 20

The accompanying Significant Accounting Policies and Notes to Accounts are an integral part of the Financial Statements.  
As per our report of even date

**For G. P. Agrawal & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

**CA Pradeep Samal**  
Partner  
Membership No. 061353  
Firm Reg. No. 302082E

**Pratap Singh Bohra**  
Director  
DIN 00122472

**Tarun Pratap Bohra**  
Director  
DIN 02736871

Place: Mumbai  
Date : 21st May, 2018

**Narendra Kumar**  
Company Secretary

## GAURAV MERCANTILES LIMITED

### Cash Flow Statement For The Year Ended 31st March, 2018

(Amount in Rs.)

PARTICULARS	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Cash Flow from operating activities</b>		
Net profit before taxation	3,230,655	1,181,878
Adjustments for non cash Expenses and Item shown Separately:		
Depreciation	25,480	31,726
Interest Income	(5,779,945)	(3,298,355)
Interest Expense	-	-
Retirement Benefit (Gratuity)	(7,580)	74,736
Profit on sale of Fixed Assets	-	(280,186)
Operating Profit before working capital adjustments	(A) (2,531,390)	(2,290,201)
Working Capital Adjustments		
(Increase) / Decrease in Short Term Loans & Advances	12,373,301	(11,480,082)
(Increase) / Decrease in other Non Current Assets	358,333	(55,601)
(Increase) / Decrease in other current assets	604,493	(534,206)
Increase / (Decrease) In Trade Payables & Other Liabilities	(6,638)	25,507
Increase / (Decrease) In Short term Provisions	125,958	(13,012)
<b>Operating Loss After working capital adjustments</b>	<b>(B) 13,455,447</b>	<b>(12,057,394)</b>
Cash from operations ( A+B ) =	(C) 10,924,057	(14,347,595)
Taxes Paid	859,588	262,712
<b>Net Cash Flows from Operating Activities ( C - D ) = (E)</b>	<b>(D) 10,064,469</b>	<b>(14,610,307)</b>
<b>Cash Flow From Investing Activities</b>		
Sale of Fixed Assets	-	328,889
Sell of Invesments	80,030	-
Interest Received	5,779,945	3,298,355
<b>Net Cash Flows from Investing Activities</b>	<b>(F) 5,859,975</b>	<b>3,627,244</b>
<b>Cash from Financing Activities</b>		
Interest Paid	-	-
<b>Net Cash from Financing activities</b>	<b>(G) -</b>	<b>-</b>
Net Increase/(decrease) in cash & cash equivalents	(E+F+G) 15,924,444	(10,983,063)
<b>Cash &amp; cash equivalents at beginning of the period</b>	<b>16,178,208</b>	<b>27,161,271</b>
<b>Cash &amp; cash equivalents at end of the period</b>	<b>32,102,652</b>	<b>16,178,208</b>

The accompanying Significant Accounting Policies and Notes to Accounts are an integral part of the Financial Statements.  
As per our report of even date

**For G. P. Agrawal & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

**Pratap Singh Bohra**      **Tarun Pratap Bohra**  
Director                      Director  
DIN 00122472              DIN 02736871

**CA Pradeep Samal**  
Partner  
Membership No. 061353  
Firm Reg. No. 302082E

**Narendra Kumar**  
Company Secretary

Place: Mumbai  
Date : 21st May, 2018

## ANNUAL REPORT 2017-2018

### Notes on Financial Statements For The Year Ended 31st March, 2018

#### Note 1 Share Capital

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number	Rupees	Number	Rupees
<b>Authorised</b>				
10,000,000 Equity Shares of Rs.10 each (Previous Year 10,000,000 Equity Shares of Rs.10 each)	10000000	100,000,000	10000000	100,000,000
<b>Issued</b>				
2,000,000 Equity Shares of Rs.10 each (Previous Year 2,000,000 Equity Shares of Rs.10 each)	2000000	20,000,000	2000000	20,000,000
<b>Subscribed &amp; Paid up</b>				
2,000,000 Equity Shares of Rs.10 each (Previous Year 2,000,000 Equity Shares of Rs.10 each)	2000000	20,000,000	2000000	20,000,000
<b>Total</b>	<b>2000000</b>	<b>20,000,000</b>	<b>2000000</b>	<b>20,000,000</b>

#### Note 1 A Share holders holding more than 5 % of total share capital

Name of Shareholder	As at 31 March, 2018		As at 31 March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Pratap Singh Bohra	580,900	29.05	580,900	29.05
Mr. Nikhil Bohra	195,000	9.75	195,000	9.75
Mr. Vivek Bohra	345,000	17.25	345,000	17.25
Mr. Tarun Bohra	195,000	9.75	195,000	9.75
<b>TOTAL</b>	<b>1,315,900</b>	<b>65.80</b>	<b>1,315,900</b>	<b>65.80</b>

Particulars	As at	As at
	31 March, 2018 Rupees	31 March, 2017 Rupees

#### Note 2 Reserves & Surplus

##### a. General Reserves

Opening Balance	20,000,000	20,000,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
<b>Closing Balance</b>	<b>20,000,000</b>	<b>20,000,000</b>

##### b. Surplus

Opening balance	13,645,384	12,725,040
(+) Net Profit/(Net Loss) For the current year	2,353,237	920,344
(-) Depreciation Adjusted as per Schedule II	-	-
<b>Closing Balance</b>	<b>15,998,621</b>	<b>13,645,384</b>
<b>Total</b>	<b>35,998,621</b>	<b>33,645,384</b>

## GAURAV MERCANTILES LIMITED

Particulars	As at 31 March, 2018 Rupees	As at 31 March, 2017 Rupees
<b>Note - 3 Deferred Tax Liabilities (Net)</b>		
<b>For Fixed Assets</b>		
Depreciation As per Companies Act	25,480	31,726
Depreciation As per Income Tax Act	87,141	102,650
Difference	61,661	70,924
Gratuity Provision	7,580	(74,736)
<b>Total</b>	<b>69,241</b>	<b>(3,812)</b>
Tax @ 25%	17,310	(1,144)
Add : Education Cess 3%	519	(34)
Total Tax	17,830	(1,178)
Add: Opening Balance	139,582	140,760
<b>TOTAL</b>	<b>157,412</b>	<b>139,582</b>
<b>Note 4 Other Long term liabilities</b>		
Gratuity Provision	127,193	134,773
<b>TOTAL</b>	<b>127,193</b>	<b>134,773</b>
<b>Note 5 Other Current Liabilities</b>		
Other payables		
TDS Payable	8,276	20,000
Professional Tax	1,000	800
Trade Payable-Others	67,740	62,854
<b>TOTAL</b>	<b>77,016</b>	<b>83,654</b>
<b>Note: 6 Short Term Provisions</b>		
Outstanding Expenses	127,524	1,566
<b>TOTAL</b>	<b>127,524</b>	<b>1,566</b>

**Note 7 FIXED ASSETS**

Fixed Assets	Gross Block			Accumulated Depreciation					Net Block	
	Balance as at 1 April 2017	Additions/ (Disposals)	Balance as at 31 March 2018	Balance as at 1 April 2017	Depreciation charge for the period	Adjusted against Retained Earning	Adjusted against Disposal Earning	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
a Tangible Assets										
Buildings	282,885	-	282,885	136,270	3,154	-	-	139,424	143,461	146,615
Plant and Machinery	253,836	-	253,836	218,113	3,165	-	-	221,278	32,558	35,723
Furniture and Fixtures	136,130	-	136,130	121,364	7,960	-	-	129,324	6,806	14,766
Vehicles	1,776,153	-	1,776,153	1,687,345	-	-	-	1,687,345	88,808	88,808
Office Equipment	342,162	-	342,162	332,803	-	-	-	332,803	9,359	9,359
Electronic Equipment	71,833	-	71,833	32,378	8,056	-	-	40,434	31,399	39,455
Air Conditioners	19,000	-	19,000	14,845	3,145	-	-	17,990	1,010	4,155
Computers	25,590	-	25,590	25,590	-	-	-	25,590	-	-
<b>Total</b>	<b>2,907,589</b>	<b>-</b>	<b>2,907,589</b>	<b>2,568,708</b>	<b>25,480</b>	<b>-</b>	<b>-</b>	<b>2,594,188</b>	<b>313,401</b>	<b>338,881</b>
Previous Year	3,881,642	(974,053)	2,907,589	3,462,332	31,726	-	925,350	2,568,708	338,881	419,310

## GAURAV MERCANTILES LIMITED

Particulars	As at 31 March, 2018 Rupees	As at 31 March, 2017 Rupees		
<b>Note 8 Non Current Investments</b>				
<b>A. Other Investments (Refer B below)</b>				
(a) Investment in Equity instruments	95,485	175,515		
Total	95,485	175,515		
Less : Provision for dimunition in the value of Investments	-	-		
<b>TOTAL</b>	<b>95,485</b>	<b>175,515</b>		
<b>Particulars</b>				
	<b>2018 Rupees</b>	<b>2017 Rupees</b>		
Aggregate amount of quoted investments (Market value of Rs.95,485/- (Previous Year Rs. 1,58,802/-)	95,485	58,515		
Aggregate amount of unquoted investments	-	117,000		
<b>B Details of Other Investments</b>				
	<b>No. of Shares</b>		<b>Amount</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
(a) Investement in Equity Instruments				
<b>Quoted (Fully Paid)</b>				
Kamanwala Housing Construction Ltd.	9,343	11,043	95,485	55,215
Nagarjuna Fertilizers & Chemicals Ltd.	-	330	-	3,300
<b>Unquoted (Fully Paid)</b>				
Har Pratap Steel Ltd.	-	2,000	-	20,000
Marnite Polycast Ltd.	-	1,500	-	15,000
Prudential Moulisugar Ltd.	-	1,900	-	76,000
Vadilal Dairy Int. Ltd.	-	200	-	6,000
<b>TOTAL</b>			<b>95,485</b>	<b>175,515</b>
<hr/>				
Particulars	As at 31 March, 2018 Rupees	As at 31 March, 2017 Rupees		
<b>Note 9 Other Non-Current Assets</b>				
<b>a. Others</b>				
Unsecured, considered good	1,138,125	1,471,536		
<b>b. Other Bank Balances</b>				
Bank deposits with more than 12 months maturity	50,000	74,922		
<b>TOTAL</b>	<b>1,188,125</b>	<b>1,546,458</b>		



## ANNUAL REPORT 2017-2018

Particulars	As at 31 March, 2018 Rupees	As at 31 March, 2017 Rupees
<b>Note 10 Cash and Cash Equivalents</b>		
a. Balances with banks	32,084,861	959,361
b. Cash on hand	17,791	218,847
c. Deposits with Bank (Maturity With Less than 3 months)	-	15,000,000
<b>TOTAL</b>	<b>32,102,652</b>	<b>16,178,208</b>
<b>Note 11 Short-Term Loans and Advances</b>		
Others		
Unsecured, considered good	22,716,000	35,089,301
<b>TOTAL</b>	<b>22,716,000</b>	<b>35,089,301</b>
<b>Note 12 Other Current Assets</b>		
Other Current Assets		
Kotak Securities Ltd	89	324
Prepaid Profession Tax	-	2,000
Interest Accrued but not due	2,651	8,881
Balance with Excise Department	-	68,916
GST Credit	69,363	-
Additional Custom Duty Receivable	-	596,475
<b>TOTAL</b>	<b>72,103</b>	<b>676,596</b>
Particulars	For the year ended 31st March, 2018 Rupees	For the year ended 31st March, 2017 Rupees
<b>Note 13 Revenue From Operations</b>		
Sale of products	9,542,608	15,921,360
<b>TOTAL</b>	<b>9,542,608</b>	<b>15,921,360</b>
<b>Note 14 Other Income</b>		
Interest Income	5,779,945	3,298,355
Profit on Sale of Fixed Asset	-	280,186
<b>TOTAL</b>	<b>5,779,945</b>	<b>3,578,541</b>

## GAURAV MERCANTILES LIMITED

Particulars	For the year ended 31st March, 2018 Rupees	For the year ended 31st March, 2017 Rupees
<b>Note 15 Cost of trading goods sold</b>		
Trading Goods Sold		
Opening Stock of Trading Goods	-	-
Add : Purchases During The Year	9,375,232	13,193,814
Less : Closing Stock of Trading Goods	-	-
	9,375,232	13,193,814
Direct Expenses		
Clearing & Forwarding Charges	-	29,232
Custom Duty	-	1,429,254
Import Clearance Charges	-	182,020
Loading & Unloading Charges	8,325	16,650
Port Charges	-	64,530
Preservation Charges	24,750	79,200
	33,075	1,800,886
<b>TOTAL</b>	<b>9,408,307</b>	<b>14,994,700</b>
<b>Note 16 Employee Benefit Expenses</b>		
Salaries and Incentives	1,365,587	1,362,233
<b>TOTAL</b>	<b>1,365,587</b>	<b>1,362,233</b>
<b>Note 17 Other Expenses</b>		
Administrative & Other Expenses		
Auditors Remuneration*	21,250	28,875
Advertisement Charges	35,065	36,162
Bank Charges	3,501	28,579
Business Promotion Expenses	-	17,213
Commission & Brokerage Paid	-	636,854
Conveyance Expenses	2,647	8,085
Demat Charges	1,562	1,385
Director Sitting Fees	-	17,537
Donation	41,000	41,000
Electricity Charges	22,210	21,740
Filing Fees	5,400	19,800

## ANNUAL REPORT 2017-2018

Particulars	For the year ended 31st March, 2018 Rupees	For the year ended 31st March, 2017 Rupees
<b>Note 17 Other Expenses (Contd.)</b>		
Gratuity	(7,580)	74,736
Insurance Expenses	-	22,462
Internet Charges	3,200	17,157
Interest on Delayed Payment	3,000	-
Legal & Professional Fees	90,724	55,475
Listing Fee	287,500	229,000
Maintenance Charges	53,117	70,223
Miscellaneous Expenses	35,555	15,552
Motor Car Expenses	-	33,286
Office Expenses	5,075	773
Postage & Courier	738	334
Printing & Stationery	24,753	34,350
Profession Tax	2,000	2,000
Rates & Taxes	4,320	1,440
Loss on Sale of Shares	50,442	-
Share Depository Charges	26,600	44,730
Share Registrar Fee	36,183	59,363
Telephone Expenses	32,948	61,779
Travelling Expenses	503,593	349,474
Sundry Balance written off	7,721	-
<b>TOTAL</b>	<b>1,292,524</b>	<b>1,929,364</b>
<b>*Payment to Auditors</b>		
As Auditors		
Statutory Audit Fee	21,250	28,875
<b>TOTAL</b>	<b>21,250</b>	<b>28,875</b>
<b>Note 19 Basic and Diluted Earnings Per Share</b>		
Particulars	2017-18 Rupees	2016-17 Rupees
A Weighted average number of Equity Shares of Rs 10/- each		
i Number of shares at the end of the year	2,000,000	2,000,000
ii Weighted average number of Equity Shares outstanding during the year	2,000,000	2,000,000
B Net Profit available for Equity shareholders (in Rs.)	2,353,237	920,344
C Earnings per share (EPS)		
Basic (in Rs.)	1.18	0.46
Diluted (in Rs.)	1.18	0.46

## GAURAV MERCANTILES LIMITED

**Note 19 Reconciliation of Results between previous Indian GAAP and Ind AS are as follows;**

(Rs. In 000)

<b>PARTICULARS</b>	<b>Year Ended March 31, 2017</b>
Net Profit / (Loss) as per previous Indian GAAP (Publised)	920.35
Fair Valuation of Investments as per India GAAP	(175.51)
Fair Valuation of Investments as per Ind AS	158.80
Adjustment (Net) on above	(16.71)
Tax Adjustment (Net) on above	4.84
Net Profit / (Loss) as per Ind AS	908.48

**Note 20.** Figures of the previous year have been reworked, regrouped, rearranged and reclassified, wherever necessary, to compare with the figures of the current year.

As per our report of even date

**For G. P. Agrawal & Co.**

Chartered Accountants

**CA Pradeep Samal**

Partner

Membership No. 061353

Firm Reg. No. 302082E

Place: Mumbai

Date : 21st May, 2018

For and on behalf of Board of Directors

**Pratap Singh Bohra**

Director

DIN 00122472

**Tarun Pratap Bohra**

Director

DIN 02736871

**Narendra Kumar**

Company Secretary

## **Significant Accounting Policies For The Year Ended 31st March, 2018**

### **1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- a. The Financial Statements are prepared in accordance with the historical cost convention and the accrual basis of accounting.
- b. The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, to the extent notified. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies applied by the company are consistent with those used in the previous year.
- c. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

### **2 USE OF ESTIMATE**

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported Amount (Rs.) of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported Amount (Rs.) of revenues and expenses during the reporting year.

Accounting estimates could change from year to year. Actual result could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the year in which changes are made and, if material, their effects are disclosed in the notes to the financial statement.

### **3 REVENUE RECOGNITION**

- a. The Company recognizes revenue on the sale of products, net of discounts, when the products are delivered, risks and rewards of ownership pass to the dealer / customer.
- b. Revenues are recognized when collectability of the resulting receivables is reasonably assured.
- c. Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.
- d. Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

### **4 PROPERTY, PLANT AND EQUIPMENTS**

#### **a. Fixed Assets - Tangibles**

Fixed Assets are stated at cost of acquisition net of recoverable taxes and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

#### **b. Depreciation**

Depreciation on the fixed assets has been provided on Straight Line Method basis as per the provision of Section 123 of the Companies Act, 2013, and in the manner specified in Schedule II to the Companies Act 2013.

### **5 IMPAIRMENT OF ASSETS**

The Company assesses fixed assets at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the assets belongs, is less than the carrying amount, carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss

## GAURAV MERCANTILES LIMITED

and is recognized in the profit and loss account. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

### 6 INVESTMENTS:

These are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

### 7 INVENTORIES:

#### a. Raw Material

Inventories are valued at cost.

#### b. Work in Process

Inventories are valued at cost. The cost of work in process comprises of raw material and other direct cost.

### 8 RETIREMENT BENEFITS:

#### a. Gratuity

The liability for the gratuity to employee is determined on the basis of independent actuarial valuation and charged to the profit & loss account.

#### b. Provident Fund

Since Provident Fund is not applicable, no provision for provident fund liability is required.

#### c. Leave Encashment / Salary

The company is not required to make provision for leave encashment / salary to the employees as the company is making the leave salary payment during the year itself.

### 9 TAXES ON INCOME

#### a. Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

#### b. Deferred Tax

Deferred tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Deferred Tax Liability (Net)</b>		
Deferred Tax Liabilities on account of timing difference		
Difference in Depreciation as per Companies & Income Tax	61,661	70,924
Add: Gratuity Provision	7,580	(74,736)
Total	69,241	(3,812)
Tax @ 25%	17,310	(1,144)
Education Cess	519	(34)
Add: Opening Balance	139,582	140,760
<b>Total</b>	<b>157,412</b>	<b>139,582</b>

## ANNUAL REPORT 2017-2018

### 10 EARNING PER SHARE (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic & diluted earning per equity shares are as stated below:

Sr. No.	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I	Profit after Taxation as per statement of Profit & Loss	2,353,237	920,344
II	Weighted average no. of Equity Shares outstanding	2,000,000	2,000,000
III	Basic & Diluted earnings per share (Face Value Rs. 10)	1.18	0.46

### 11 RELATED PARTY DISCLOSURES

During the financial year, there were no related party transactions.

Key Management Personnel & their Relatives

- i. Mangesh Surendra Nadkarni - Whole Time Director
- ii. Malusare Sakaharam Shantaram - Chief Financial Officer (Cessation w.e.f 31.01.2018)
- iii. Rajendra Ramkesh Gupta- Chief Financial Officer (Appointment w.e.f 01.02.2018)
- iv. Narendra Kumar- Company Secretary

### 12 DETAIL OF MANAGERIAL REMUNERATION

During the financial year, there were no managerial remuneration paid to the directors of the company.

### 13 AUDITOR'S REMUNERATION

Included under office & administrative Expenditure

(Refer Note No. 18)

Particulars	Current Year	Previous Year
Auditors Remuneration (Including G.S.T.)	21,250	28,875

### 14 SEGMENT INFORMATION

In the current year, the Company's only source of revenue is from trading activities and interest income. Based on guiding principles given in the AS-17 on segment reporting, as specified in the companies (Accounting standards) Rules, 2006, being the only business segment, no segment information thereof is given.

- 15 In the opinion of the Management, the Current Assets, Loans & Advances approximately are of the value stated if realized in the ordinary course of business.
- 16 The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

### 17 PROVISIONS & CONTINGENT LIABILITIES

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.





## GAURAV MERCANTILES LIMITED

310, Gokul Arcade B, Subhash Road, Vile Parle (E), Mumbai – 400 057 Tel.: 65726780 Fax : 6694 9916  
Website: www.gmlmumbai.com, email: info@gmlmumbai.com, CIN:L74130MH1985PLC176592

### 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]

Name of the member (s) : _____
Registered address: _____
E-mail ID: _____ Folio No./ D.P. ID. and Client ID** _____

I/We, being a member (s) of \_\_\_\_\_ Shares of Gaurav Mercantiles Limited, hereby appoint:

- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Third Annual General Meeting of the Company, to be held on Saturday, the 29th day of September, 2018 at 3.00 PM, at 310, Gokul Arcade B, Subhash Road, Vile Parle (E), Mumbai – 400 057 and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso. No.	Description	For*	Against*
1	Adoption of the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditor thereon.		
2	Re-appointment of Mr. Pratap Bohra (DIN: 00122472) as a Director.		
3	Regularising the Appointment of Mr. Nikhil Pratap Singh Bohra (DIN: 00114968) as a Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2018

Notes: 1. Proxy need not be a member.

2. Proxy form, complete in all respects, should reach the Company's Registered Office 310, Gokul Arcade-B, Subhash Road, Vile Parle (E), Mumbai - 400 057, not less than 48 hours before the scheduled time of the meeting.

\*\* Applicable only in case of investors holding shares in Electronic form.

\* Please tick anyone



Signature of Shareholder



**ATTENDANCE SLIP**  
**GAURAV MERCANTILES LIMITED**

CIN: L74130MH1985PLC176592

**Regd. Office:** 310, Gokul Arcade-B, Subhash Road, Vile Parle (E), Mumbai – 400 057

(Please fill the attendance slip and hand it over at the entrance of meeting venue. Joint shareholders may obtain additional attendance slip on request.)

Ref. Folio

DP ID\* \_\_\_\_\_

No. of shares held

Client ID \_\_\_\_\_

I hereby record my presence at the 33rd Annual General Meeting of the Company held on Saturday, the 29th day of September, 2018 at 3.00 pm. at the Registered Office of the Company: 310, Gokul Arcade – B, Subhash Road, Vile Parle (E), Mumbai-400 057.

Name of the Shareholder (In Block Letters) : .....

Signature of Shareholder : .....

Name of Proxy (In Block Letters) : .....

Signature of Proxy : .....



## GAURAV MERCANTILES LIMITED

(310, Gokul Arcade-B, Subhash Road, Vile Parle (E), Mumbai – 400 057)

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21 (1) (c) of the Companies (Management and Administrative Rules, 2014]

### **BALLOT FORM**

- (1) Name and Registered Address of the Sole / First named Shareholder :
- (2) Name(s) of the Joint Holder(s) (if any) :
- (3) Registered Folio No./ DP ID No. and Client ID No.\* (\*Applicable to investors holding shares in dematerialized form)
- (4) Number of Share(s) held:
- (5) E-voting Event Number(EVEN) :
- (6) Used ID :
- (7) Password :
- (8) I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice dated 3rd September, 2018 of Gaurav Mercantiles Limited, by sending my/our assent or dissent to the said Resolutions by placing the tick() mark at the appropriate box below :

Item No	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent the Resolution (Against)
1	Adoption of the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.			
2	Re-appointment of Mr. Pratap Bohra (DIN: 00122472) as a Director			
3.	Regularising Appointment of Mr. Nikhil Pratap Singh Bohra (DIN: 00114968) as a Director			

Place : Mumbai  
Date :

Signature

## **INSTRUCTIONS**

- A. This Ballot Form is provided for the Members who do not have access to e-voting facility.
- B. A Member can opt for only one mode of voting, i.e., either through e-voting or by Ballot. If a Member casts votes by both modes, then voting one through e-voting shall prevail and Ballot shall be treated as invalid.
- C. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the Annual General Meeting.
- D. The scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the resolutions forming part of the Notice of the Annual General Meeting.

### **Process and manner for Members opting to vote using the Ballot Form:**

1. Please complete and sign the Ballot Form (no other form or photo copy thereof is permitted) and send so as to reach the scrutinizer Mr. Janmejy Singh Rajput(Membership No.A28403), Practicing Company Secretary appointed by the board of Directors of M/s Gaurav Mercantiles Limited, 310, Gokul Arcade-B,Subhash Road, Vile Parle (E),Mumbai – 400 057.
2. The Form should be signed by the Members as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (130A) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted by a proxy.
3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorization.
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (I) mark in the column provided in the Ballot.
5. The voting rights of shareholders shall be in proportion of the shares held by them in the paid-up equity share capital of the Company and as per the Register of Members of the Company.
6. Duly completed Ballot Form should reach the Scrutinizer not later than the close of working hours (5.00 p.m. IST) on 28th September, 2018. Ballot Forms received after that date will be strictly treated as if reply from such member has not been received.
7. A member may request for a duplicate. Ballot Form, if so required. However, duly filled in and signed duplicate form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
9. The decision of the Scrutinizers on the validity of the Ballot Form and any other related matter shall be final.
10. The results declared along with Scrutinizers Report shall be placed on the Central Depositories Securities Limited within two days of the passing of the Resolutions at the AGM of the Company on Saturday, 29th day of September, 2018 at 3.00 pm and communicated to Bombay Stock Exchange Limited, wherever the shares of the company are listed.



**BOOK- POST**

***If undelivered please return to:***

**For Gaurav Mercantiles limited**  
310, Gokul Arcade-B  
Subhash Road, Vile Parle (E),  
Mumbai – 400 057.