

# GAGAN COMMERCIAL AGENCIES LIMITED.

(CIN: L51909WB1982PLC035424)

Reg. Office: 2<sup>nd</sup> Floor of Main Building, 19 R. N. Mukherjee Road, Kolkata-700001

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## NOTICE

**NOTICE** is hereby given that the Thirty Third Annual General Meeting of the members of the Gagan Commercial Agencies Ltd. (CIN: L51909WB1982PLC035424) will be held on Friday, the 30<sup>th</sup> September, 2016 at 4:00 P.M. at Registered Office at 2<sup>nd</sup> floor of Main Building, 19 R. N. Mukherjee Road, Kolkata- 700001 to transact the following business:

### **ORDINARY BUSINESS:**

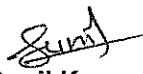
1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
2. All present directors of the Company are independent and there is no Executive / Promoter director in the Company, who retires by rotation and being eligible offers himself for reappointment;
3. To appoint Auditors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution;

**"RESOLVED THAT** pursuant to the provisions of Section 139 (2) and 142(1) of the Companies Act, 2013 the reappointment of the statutory auditors of company M/s H. N. Jhavar & Co., Chartered Accountants (ICAI Firm Registration No.: 000544C), be and is hereby ratified by the members of the company for the financial year 2016-2017 at such remuneration as may be determined by the Board of Directors of the Company."

By Order of the Board  
Gagan Commercial Agencies Ltd.

Dated: 10/08/2016

Place: Indore

  
Sunil Kumar Patel  
Company Secretary

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. Being Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

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5. Members who hold Shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold Shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.

6. The Register of Members and the Share Transfer books of the Company will remain closed from **24<sup>th</sup> September, 2016 to 30<sup>th</sup> September, 2016** (both days inclusive) for purpose of AGM.

7. Members are requested to intimate the Registrar and Share Transfer Agents of the Company – Ankit Consultancy Private Limited, 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010, immediately of any change in their address in respect of Equity Shares held in physical mode and to their DPs in respect of Equity Shares held in dematerialized form.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in 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 PAN details to the Company.

9. Members desirous of having any information regarding Accounts of the Company are requested to address their queries to the Mr. Sunil Kumar Patel Secretary of the Company at the Company's Registered Office at 2<sup>nd</sup> Floor of Main Building, R.N. Mukherjee Road, Kolkata-700001 or e-mail the queries to expertprocs@gmail.com with "Query on Accounts" in the subject line, at least seven days before the date of the meeting, so that requisite information is made available at the meeting.

10. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office on all working days of the Company between 09.00 a.m. and 04.00 p.m. upto the date of the Annual General Meeting.

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10. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office on all working days of the Company between 09.00 a.m. and 04.00 p.m. upto the date of the Annual General Meeting.

## 11. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 44 of the SEBI (LODR), Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences 27/09/2016 (9:00 am) and ends on 29/09/2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23/09/2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

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- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Gagan Commercial Agencies Ltd".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [ruchijoshi89@gmail.com](mailto:ruchijoshi89@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

| <u>EVEN (Remote e-voting Event Number)</u> | <u>USER ID</u> | <u>PASSWORD/PIN</u> |
|--------------------------------------------|----------------|---------------------|
|--------------------------------------------|----------------|---------------------|

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 23/09/2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 23/09/2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

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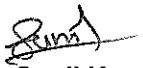
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- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mrs. Ruchi Joshi (F8570) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by her in writing. The results shall also be immediately forwarded to the CSE Limited, Kolkata.

BY ORDER OF THE BOARD

Dated: 10/08/2016

Place: Indore

  
Sunil Kumar Patel  
Company Secretary

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

Reg. Office: 2<sup>nd</sup> Floor of Main Building, 19 R. N. Mukherjee Road, Kolkata-700001

Phone: 03340053995

## DIRECTORS' REPORT

The Directors present their 33<sup>rd</sup> Annual Report on the business and operation of the company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS

| Particulars                      | Amount (Rs.)       |            |
|----------------------------------|--------------------|------------|
|                                  | For the year ended |            |
|                                  | 31/03/2016         | 31/03/2015 |
| Profit/ (Loss) before tax        | (95,057)           | 48,894     |
| Income Tax                       | (9,534)            | 9,531      |
| Profit/loss after Tax            | (85,523)           | 39,363     |
| Balance Brought Forward          | (361,069)          | (400,432)  |
| Balance Carried to Balance sheet | (446,592)          | (361,069)  |

### RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, your company was engaged in commercial/ trading activities and the company could not undertake any business transaction. The company made Loss of Rs. 85,523/- (Rupees Eighty Five Thousand Five Hundred Twenty Three Only) as compared to last year net Profit after Tax of Rs. 39,363/- /-(Rupees Thirty Nine Thousand Three Hundred Sixty Three Only). Your Directors are putting in their best efforts to improve the performance of the company in the coming years.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

### DIVIDEND

The Board of Directors of the Company is not recommending any dividend for the year.

### SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was Rs. 20 Lakhs. During the year under review the company has not issued any shares or any convertible instruments.

### DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of section of 134 (3) (c) of the Companies Act, 2013, your directors state that:

- In the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule-III to the Act, have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- The Directors have prepared the annual accounts on a 'going concern' basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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## **CORPORATE GOVERNANCE:**

As per the SEBI Circular No: CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the Clause 49 of the Listing Agreement shall be applicable to all companies whose equity shares are listed on a recognized stock exchange. However, compliance with the provisions of Clause 49 shall not be mandatory, for the time being, in respect of the companies having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs. 25 crore, as on the last day of the previous financial year.

The Company's paid capital and net worth is much below the above criteria set at present for mandatory compliance of Clause 49 of Listing Agreement and therefore the compliance of the provisions of Clause 49 of the Listing Agreement are not being complied with by the Company except to extent those are also requirement of the Companies Act, 2013.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year, the Company had not entered into any contract / arrangement / transaction with related parties.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has reasonable system of internal control comprising authority levels and the powers, supervision, checks, policies and the procedures. The Company has re-constituted its Audit Committee on 8<sup>th</sup> February, 2016 as per the provisions of section 177 of the Companies Act, 2013 & Regulation 18 of the SEBI (LODR) 2015.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board consists of only Non-executive Directors, including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

The Company has received a resignation letter tendered by Mr. Shivaji Matkar (DIN: 01762861) the Director of the Company from the office of the Company's Directorship on account of his preoccupation and prior engagements with effect from 08/02/2016,

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under provisions of section 149 (6) the Act.

KMP of the Company are Mr. Sunil Mehta, the Chief Executive Officer, Mr. Shailendra Malakar, the Chief Financial Officer, and Mr. Sunil Kumar Patel as the Company Secretary and Compliance Officer of the company.

## **SELECTION, APPOINTMENT AND REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The above Policy is annexed as Annexure- I.

## **BOARD AND PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 read with rule 8 (4) of the Companies (Accounts) Rules, 2014, an exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit and Nomination and Remuneration Committees. The Directors expressed their satisfaction with the evaluation process.

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## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

## AUDITORS AND THEIR REPORT

### Statutory Auditors:

M/s H. N. Jhavar & Co., (Firm Registration No. 000544C) ,Chartered Accountants have been ratified appointment as statutory auditors of the company at the Annual General Meeting held on 30.09.2015 by members. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

The comments of the Auditors in their report read with the Notes forming part of the Accounts are self explanatory and do not call for further comments.

### Secretarial Auditor:

The Board has appointed Ms. Ruchi Joshi, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2016 is annexed herewith marked as an Annexure-II to this report. The qualifications and board's reply are as under:

**1. Company has not complied with the provisions of section 108 of the companies act and rules made there under.**

#### Board's reply:

The Company has very small number of shareholders and notice of AGM is sent by courier to all shareholders with all required details. The revenue from operations is negligible; therefore the company could not publish the notice in newspaper.

**2. Company has not maintained its website as required under clause 54 of the listing agreement.**

#### Board's reply:

The Company has very small number of shareholders and it is listed on Regional Stock Exchange i.e. Calcutta Stock Exchange. The revenue from operations is negligible; therefore the company could not maintain its website.

**3. Listing Status of company at Calcutta stock exchange was "suspended".**

#### Board's reply:

The Calcutta Stock Exchange (CSE) suspended trading of Company's script on ground of non-compliance of certain Clauses of Listing Agreement. The Company has submitted evidences (copies of acknowledgements) of timely compliances of all clauses and revocation of suspension is in process.

**4. The Company has not made uniform Listing Agreements entered into stock exchange(s) as per SEBI (LODR) 2015.**

#### Board's reply:

The Company has sent the new agreement to the Calcutta Stock Exchange (CSE) but signed copy not received from the exchange till date.

### Internal Auditors:

M/S JLN US & CO., Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

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## DEPOSITS

Your Company has not accepted any public deposit within the meaning of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment.

## DISCLOSURES:-

### PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

During the year The Company neither made any investments in securities nor provided any security/guarantee in connection with loan taken by any other Body Corporate or person.

### THE COMPOSITION OF THE COMPANY'S BOARD OF DIRECTORS AND MEETINGS HELD

During the financial year 2015-16 the Board of directors met 5 (Five) times on 29<sup>th</sup> May 2015, 11<sup>th</sup> August 2015, 6<sup>th</sup> November 2015, 08<sup>th</sup> February 2016 and 30<sup>th</sup> March 2016.

The composition of the Board of Directors and their attendance at the meetings during the year were as follows;

| Name                  | Number of meetings held during 2015-16. | No. of meetings attended | No. of membership in the Board of other Company | No. of Chairmanship(s) /Membership(s) in the Board Committee of other Co. |
|-----------------------|-----------------------------------------|--------------------------|-------------------------------------------------|---------------------------------------------------------------------------|
| Mr. Shivaji Matkar    | 04                                      | 04                       | 06                                              | -                                                                         |
| Mr. Pawan Kumar Jain  | 05                                      | 05                       | 11                                              | -                                                                         |
| Mr. Neeraj Kumar Jain | 05                                      | 05                       | 07                                              | -                                                                         |
| Mrs. Mukta Velhankar  | 05                                      | 05                       | 08                                              | -                                                                         |
| Mr. Sunil Lalge       | 05                                      | 05                       | 07                                              | -                                                                         |

The Board of Directors meet 5 (Fiver) times on 29<sup>th</sup> May 2015, 11<sup>th</sup> August 2015, 6<sup>th</sup> November 2015, 8<sup>th</sup> February 2016 and 30<sup>th</sup> March 2016 during the year.

## AUDIT COMMITTEE:

The Audit Committee of the company comprises of the following independent directors:

- |                          |   |          |
|--------------------------|---|----------|
| 1. Mr. Neeraj Kumar Jain | - | Chairman |
| 2. Mrs. Mukta Velhankar  | - | Member   |
| 3. Mr. Sunil Lalge       | - | Member   |

During the year under review, 4 (four) meetings of the Audit Committee held on 29<sup>th</sup> May 2015, 11<sup>th</sup> August 2015, 6<sup>th</sup> November 2015, 8<sup>th</sup> February 2016 for the financial year 2015-16 All the recommendations made by the Audit Committee were accepted by the Board.

## Vigil Mechanism:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the provisions of sub-section 9 of the Section 177 of the Companies Act, 2013. Protected disclosures can be made by a whistle blower to the Chairman of the Audit Committee.

## Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as **Annexure-III**, MGT-9 to this Report.

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

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Information as required under section 134 (3) (m) the Companies Act, 2013 read with the rule 8 (3) of the Companies (Accounts) Rules, 2014 has been provided in Annexure IV.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

### PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The company has the CEO and the CFO and details of their remuneration are given in attachment 5 of **Annexure III**. Further, sitting fees for attending each meeting has been paid to non-executive directors during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- |                                  |     |
|----------------------------------|-----|
| a) Employed throughout the year  | Nil |
| b) Employed for part of the year | Nil |

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure-V**

### PERSONNEL:

The Company continues to have cordial and harmonious, rooted in the philosophy of bilateralism in totality, with the Company's personnel. Our Employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market conditions.

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items/matters as there were no transactions or applicability with respect to these items/matters 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.
4. The Company neither has any subsidiaries or joint venture and Associate Company nor any company became or ceased to become its subsidiaries or joint venture and Associate Company during the year under review.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
6. The provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) are not applicable to the company.
7. As reasons explained supra, the clause 49 of the Listing Agreement, "CORPORATE GOVERNANCE", was not applicable to company during the year under review, therefore mandatory disclosures required under said clause such as Management Discussion and Analysis Report, Corporate Governance Report, Business Responsibility Report, Risk Management and its committee etc. have not been followed by the Company.

Your Directors further state that during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

Reg. Office: 2<sup>nd</sup> Floor of Main Building, 19 R. N. Mukherjee Road, Kolkata-700001

Phone: 03340053995

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## ACKNOWLEDGEMENTS:

Your Directors acknowledge the vital role played by conscientious and hardworking employees of the company at all levels towards its overall success. Your Directors also acknowledge the valuable support extended and confidence shown in the management of the Company by the Bankers to the Company, your Board takes this opportunity to record their appreciation in this regard, including that of valued investors and shareholders of the Company.

For & On Behalf of the Board

Place: Indore

Dated: 30/05/2016



Mukta Velhankar  
Director  
DIN-01660195



Neeraj Kumar Jain  
Director  
DIN-02245051

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

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## ANNEXURE I TO THE DIRECTORS' REPORT:

### A. POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

#### 1. INTRODUCTION

In terms of provisions of section 178 (2) of the Companies Act, 2013 for ensuring constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively, the Policy for selection of Directors and determining their independence is being prescribed.

#### 2. SCOPE

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

#### 3. INTERPRETATION

In this Policy, the following terms, unless the context otherwise requires, shall have the following meanings

**"Director"** means a director appointed to the Board of a company.

**"Nomination and Remuneration Committee"** means the committee constituted by Company's Board, in accordance with the provisions of Section 178 of the Companies Act, 2013.

**"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

#### 4. POLICY

##### Qualifications and criteria

1. The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience.

2. In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as

- a) General understanding of the Company's business;
- b) Educational and professional background;
- c) Standing in the profession;
- d) Personal and professional ethics, integrity and values;
- e) Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3. The proposed appointee shall also fulfil the following requirements

- a) Shall possess a Director Identification Number;
- b) Shall not be disqualified under the Companies Act, 2013;
- c) Shall give his written consent to act as a Director;
- d) Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- e) Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- f) Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- g) Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

4. The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

##### Criteria of Independence

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1. The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

2. The criteria of independence, as laid down in Companies Act, 2013 is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) Who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) Who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty Lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives—
  - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - iii. holds together with his relatives two per cent or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
  - v. Is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. Shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. Shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. Who is not less than 21 years of age.

3. The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

## Other directorships / committee memberships

1. The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance.

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Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

2. A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

3. A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4. A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

## **B. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

### **1. INTRODUCTION**

The Company has, in terms with the provisions of section 178 (3), formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives

1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

2. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

3. Ensuring that remuneration involves a balance between fixed and incentive pay affecting short and long term performance objectives appropriate to the working of the company and its goals.

### **2. SCOPE**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

### **3. INTERPRETATION**

In this Policy, the following terms, unless the context requires otherwise, shall have the following meanings

**"Director"** means a director appointed to the Board of the company.

**"Key Managerial Personnel"** means

- (I) the Chief Executive Officer or the Managing director or the Manager;
- (i) the Company Secretary;
- (ii) the Whole-time director;
- (iii) the Chief Financial Officer; and
- (iv) such other officer as may be prescribed under the Companies Act, 2013

**"Nomination and Remuneration Committee"** means the committee constituted by Gagan Commercial Agencies Limited's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

### **4. POLICY**

#### **Remuneration to Executive Directors and Key Managerial Personnel**

1. The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

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2. The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

3. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retiral benefits
- (vi) Annual Performance Bonus

4. The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

## Remuneration to Non-Executive Directors

1. The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders.

2. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

## Remuneration to other employees

1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization.

Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Place: Indore

Dated: 30/05/2016

 For & On Behalf of the Board

Mukta Velhankar  
Director  
DIN-01660195

  
Neeraj Kumar Jain  
Director  
DIN-02245051

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

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## ANNEXURE-III TO THE DIRECTOR REPORT

Form No. MGT-9

As on financial year ended on March 31, 2016

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

|            |                                                                                                                                                                     |                                                                                                                                                        |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>I</b>   | <b>Registration and Other Details</b>                                                                                                                               |                                                                                                                                                        |
| i)         | CIN:                                                                                                                                                                | L51909WB1982PLC035424                                                                                                                                  |
| ii)        | Registration Date [DDMMYY]                                                                                                                                          | 10/11/1982                                                                                                                                             |
| iii)       | Name of the Company                                                                                                                                                 | Gagan Commercial Agencies Limited                                                                                                                      |
| iv)        | Address of the Company and contact details                                                                                                                          | 2 <sup>nd</sup> Floor of Main Building, 19, R. N. Mukherjee Road, Kolkata, West Bengal-700001.<br>Tel.: 033-40053995.                                  |
| v)         | Category of the Company                                                                                                                                             | Public Company / Limited by Shares                                                                                                                     |
| vi)        | Whether shares listed Company                                                                                                                                       | Yes /No                                                                                                                                                |
| vii)       | Name, Address and contact details of Registrar & Transfer Agents, if any.                                                                                           | Ankit Consultancy Pvt. Ltd.<br>60, Electronic Complex, Indore (MP)-452010.<br>Tel.: 0731-2551745, 2551746<br>Fax: 0731-4065798<br>ankit_4321@yahoo.com |
| <b>II</b>  | <b>Principal Business Activities of The Company</b><br>(All the business activities contributing 10 % or more of the total turnover of the company shall be stated) | Trading                                                                                                                                                |
| <b>III</b> | <b>Particulars of Holding, Subsidiary and Associate Companies</b>                                                                                                   | Nil                                                                                                                                                    |
| <b>VI</b>  | <b>Share Holding Pattern</b><br>(Equity Share Capital Breakup as percentage of Total Equity)                                                                        |                                                                                                                                                        |
| i)         | Category-wise Share Holding                                                                                                                                         | Attachment -1                                                                                                                                          |
| ii)        | Shareholding of Promoters                                                                                                                                           | Attachment -2                                                                                                                                          |
| iii)       | Change in Promoters Holding                                                                                                                                         | NA                                                                                                                                                     |
| iv)        | Shareholding of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)                                                                 | Attachment -3                                                                                                                                          |
| v)         | Shareholding of Directors and Key Managerial Personnel                                                                                                              | Attachment -4                                                                                                                                          |
| <b>V</b>   | <b>Indebtedness</b>                                                                                                                                                 |                                                                                                                                                        |
|            | Indebtedness of the Company including interest outstanding/accrued but not due for payment                                                                          | Rs. 12,80,806/-                                                                                                                                        |
| <b>VI</b>  | <b>Remuneration of Directors and Key Managerial Personnel</b>                                                                                                       |                                                                                                                                                        |
| <b>A</b>   | Remuneration to Managing Director, Whole-time Directors and/or Manager:                                                                                             | Attachment -5                                                                                                                                          |
| <b>B</b>   | Remuneration to other Directors                                                                                                                                     | Attachment -6                                                                                                                                          |
| <b>C</b>   | Remuneration to Managerial Personnel other than MD/Manager/WTD                                                                                                      | Not Applicable                                                                                                                                         |
| <b>VII</b> | <b>Penalties/ Punishment/Compounding of Offences</b>                                                                                                                | Not Applicable                                                                                                                                         |

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[illegible]

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|                                                        |        |       |        |       |        |       |        |       |   |
|--------------------------------------------------------|--------|-------|--------|-------|--------|-------|--------|-------|---|
| Foreign Nationals                                      | -      | -     | -      | -     | -      | -     | -      | -     | - |
| Clearing Members                                       | -      | -     | -      | -     | -      | -     | -      | -     | - |
| Trusts                                                 | -      | -     | -      | -     | -      | -     | -      | -     | - |
| Foreign Bodies - D R                                   |        |       |        |       |        |       |        |       |   |
| <b>Sub-total (B)(2):-</b>                              | 35850  | 36480 | 72330  | 36.17 | 35850  | 36480 | 72330  | 36.17 | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)           | 35850  | 36480 | 72330  | 36.17 | 35850  | 36480 | 72330  | 36.17 | - |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> |        |       |        |       |        |       |        |       | - |
| <b>Grand Total (A+B+C)</b>                             | 119950 | 80050 | 200000 | 100   | 119950 | 80050 | 200000 | 100   | - |

## Attachment - 2

### Shareholding of Promoters:

| S N | Shareholder's Name              | Shareholding at the beginning of the year |                                  |                                                  | Share holding at the end of the year |                                  |                                                  | % change in share holding 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   | Mr. Padma Kalani                | 13000                                     | 6.50                             | -                                                | 13000                                | 6.50                             | -                                                | -                                         |
| 2   | Indore land Finance Pvt. Ltd.   | 9700                                      | 4.85                             | -                                                | 9700                                 | 4.85                             | -                                                | -                                         |
| 3   | Sunrise Properties Pvt. Ltd.    | 9700                                      | 4.85                             | -                                                | 9700                                 | 4.85                             | -                                                | -                                         |
| 4   | Dumet Wires Pvt.                | 9000                                      | 4.50                             | -                                                | 9000                                 | 4.50                             | -                                                | -                                         |
| 5   | Vindhya Cement Pvt. Ltd.        | 9000                                      | 4.50                             | -                                                | 9000                                 | 4.50                             | -                                                | -                                         |
| 6   | Devashish Ruthia                | 9000                                      | 4.50                             | -                                                | 9000                                 | 4.50                             | -                                                | -                                         |
| 7   | Abha Ruthia                     | 9000                                      | 4.50                             | -                                                | 9000                                 | 4.50                             | -                                                | -                                         |
| 8   | Mrs. Manisha Kalani             | 8700                                      | 4.35                             | -                                                | 8700                                 | 4.35                             | -                                                | -                                         |
| 9   | Seven Star Properties Pvt. Ltd. | 8000                                      | 4.00                             | -                                                | 8000                                 | 4.00                             | -                                                | -                                         |
| 10  | Pusti Tradings Pvt. Ltd.        | 8000                                      | 4.00                             | -                                                | 8000                                 | 4.00                             | -                                                | -                                         |
| 11  | Avnish Hasiha                   | 7000                                      | 3.50                             | -                                                | 7000                                 | 3.50                             | -                                                | -                                         |
| 12  | Abha Shastri                    | 7000                                      | 3.50                             | -                                                | 7000                                 | 3.50                             | -                                                | -                                         |
| 13  | Pawan Kumar Jain                | 6500                                      | 3.25                             | -                                                | 6000                                 | 3.25                             | -                                                | -                                         |
| 14  | Anshuman Properties Pvt.        | 5000                                      | 2.50                             | -                                                | 5000                                 | 2.50                             | -                                                | -                                         |
| 15  | Saurabh Properties Pvt.         | 5000                                      | 2.50                             | -                                                | 5000                                 | 2.50                             | -                                                | -                                         |
| 16  | High-skey Properties Pvt.       | 4000                                      | 2.00                             | -                                                | 4070                                 | 2.04                             | -                                                | 0.04                                      |

## Attachment - 3

### Shareholding of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

| S.NO. | Name of the Shareholder | Shares Held | Percent |
|-------|-------------------------|-------------|---------|
| 1     | Saka Trading Pvt. Ltd.  | 9700        | 4.85    |
| 2     | Ridhima Family Trust    | 9300        | 4.65    |

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|    |                                     |              |             |
|----|-------------------------------------|--------------|-------------|
| 3  | Kartikeya Family Trust              | 8750         | 4.37        |
| 4  | Vinayak Family Trust                | 8750         | 4.37        |
| 5  | Mrs. Manisha Kalani                 | 8700         | 4.35        |
| 6  | Vibgyor Laminates Pvt. Ltd.         | 8700         | 4.35        |
| 7  | Four Dimension Properties Pvt. Ltd. | 8700         | 4.35        |
| 8  | Mr. Deepak Dhar Gupta               | 5000         | 2.5         |
| 9  | Sanovi Trading Pvt. Ltd.            | 5000         | 2.5         |
| 10 | Ms. Usha Gupta                      | 4000         | 2           |
|    | <b>Total</b>                        | <b>76600</b> | <b>38.3</b> |

## Attachment - 4

### Shareholding of each Director and each Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel                                                                                                               | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|    |                                                                                                                                                                                | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|    | At the beginning of the year                                                                                                                                                   | 6500                                      | 3.25                             | -                                       | -                                |
|    | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | -                                         | -                                | -                                       | -                                |
|    | At the end of the year                                                                                                                                                         | 6500                                      | 3.25                             | -                                       | -                                |

## Attachment - 5

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

| SN | Particulars of Remuneration                                                         | Key Managerial Personnel |                        |                         |
|----|-------------------------------------------------------------------------------------|--------------------------|------------------------|-------------------------|
|    |                                                                                     | CEO                      | CS                     | CFO                     |
| 1  | Gross salary                                                                        | *Mr. Sunil Mehta         | *Mr. Sunil Kumar Patel | *Mr. Shailendra Malakar |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 11500                    | 11900                  | 15450                   |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 9461                     | 16900                  | 8347                    |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 Additional   | 5000                     | 12000                  | 5000                    |
| 2  | Stock Option                                                                        | -                        | -                      | -                       |
| 3  | Sweat Equity                                                                        | -                        | -                      | -                       |
| 4  | Commission                                                                          | -                        | -                      | -                       |
|    | - as % of profit                                                                    | -                        | -                      | -                       |
|    | Others specify...                                                                   | -                        | -                      | -                       |
| 5  | Others, please specify                                                              | -                        | -                      | -                       |
|    | <b>Total</b>                                                                        | <b>25961</b>             | <b>41000</b>           | <b>28798</b>            |

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

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Attachment - 6

Remuneration to other directors:

| SN. | Particulars of Remuneration                | Name of Directors |                |                   |                 |              | Total Amount |
|-----|--------------------------------------------|-------------------|----------------|-------------------|-----------------|--------------|--------------|
| 1   | INDEPENDENT DIRECTORS                      | Pawan Kumar Jain  | Shivaji Matkar | Neeraj Kumar Jain | Mukta Velhankar | Sunil Lalghe |              |
|     | Fee for attending board committee meetings | 600               | 600            | 600               | 600             | 600          | 3000         |
|     | Commission                                 | -                 | -              | -                 | -               | -            | -            |
|     | Others, please specify                     | -                 | -              | -                 | -               | -            | -            |
|     | TOTAL (1)                                  | 600               | 600            | 600               | 600             | 600          | 3000         |
| 2   | OTHER NON-EXECUTIVE DIRECTORS              | -                 | -              | -                 | -               | -            | -            |
|     | Fee for attending board committee meetings | -                 | -              | -                 | -               | -            | -            |
|     | Commission                                 | -                 | -              | -                 | -               | -            | -            |
|     | Others, please specify                     | -                 | -              | -                 | -               | -            | -            |
|     | TOTAL (2)                                  | -                 | -              | -                 | -               | -            | -            |
|     | TOTAL =(1+2)                               | 600               | 600            | 600               | 600             | 600          | 3000         |
|     | Total Managerial Remuneration              | 600               | 600            | 600               | 600             | 600          | 3000         |

Place: Indore  
Dated: 30/05/2016

  
Mukta Velhankar  
Director  
DIN-01660195

For & On Behalf of the Board

  
Neeraj Kumar Jain  
Director  
DIN-02245051

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

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## ANNEXURE IV TO THE DIRECTORS' REPORT:

[Information as required under section 134 (3) (m) the Companies Act, 2013 read with the rule 8 (3) Companies (Accounts) Rules, 2014]

### (A) Conservation of energy-

Since the company is a trading company and during the year under review the energy consumed by the company was as per its minimum requirement. The information pertaining to conservation of energy and technology absorption may be summaries as under:

- |                                                                               |   |     |
|-------------------------------------------------------------------------------|---|-----|
| (i) the steps taken or impact on conservation of energy                       | : | Nil |
| (ii) the steps taken by the company for utilising alternate sources of energy | : | Nil |
| (iii) the capital investment on energy conservation equipments                | : | Nil |

### (B) Technology absorption-

- |                                                                                                                |   |     |
|----------------------------------------------------------------------------------------------------------------|---|-----|
| (i) the efforts made towards technology absorption                                                             | : | Nil |
| (ii) the benefits derived like product improvement, cost reduction, product development or import substitution | : | Nil |
| (iii) Imported Technology                                                                                      | : | Nil |
| (iv) the expenditure incurred on Research and Development                                                      | : | Nil |

### (C) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

- |                                 |   |     |
|---------------------------------|---|-----|
| (i) the Foreign Exchange earned | : | Nil |
| (ii) the Foreign Exchange outgo | : | Nil |

Place: Indore

Dated: 30/05/2016

For & On Behalf of the Board

  
Mukta Velhankar  
Director  
DIN-01660195

  
Neeraj Kumar Jain  
Director  
DIN-02245051

# Gagan Commercial Agencies Limited

(CIN No. LW909WB1982PLC035424)

Reg. Office: 2<sup>nd</sup> Floor of Main Building, 19 R. N. Mukherjee Road, Kolkata-700001

Phone: 03340053995

## ANNEXURE V TO THE DIRECTORS' REPORT:

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

(I) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| S. No. | Name of Director/KMP and Designation  | Remuneration of Director/KMP For Financial year 2015-16 (Monthly) | % increase in Remuneration in the Financial Year 2015-16 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company |
|--------|---------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| 1.     | Sunil Kumar Patel (Company Secretary) | 41000                                                             | 84.84                                                    | -                                                                           | NA (please refer note (iii) herein below).                                       |
| 2.     | Sunil Mehta (CEO)                     | 25961                                                             | NIL                                                      | -                                                                           |                                                                                  |
| 3.     | Shailendra Malakar (CFO)              | 23785                                                             | -30.00                                                   | -                                                                           |                                                                                  |

## (II) EMPLOYEES DETAILS

- The median remuneration of employees of the Company during the financial year was Rs. 28,178;
- There were 3 permanent employees (including KMP) on the rolls of Company as on March 31, 2016;
- Relationship between average increase in remuneration and company performance: - The Loss before Tax for the financial year ended March 31, 2016 increased and compliances of the Company has increased so board has revised the salary of the employees accordingly.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For & On Behalf of the Board

Place: Indore  
Dated: 30/05/2016



Mukta Velhankar  
Director  
DIN-01660195



Neeraj Kumar Jain  
Director  
DIN-02245051

To  
The Board of Directors,  
Gagan Commercial Agencies Ltd

We have audited the quarterly financial results of **Gagan Commercial Agencies Ltd.** (the Company) for the quarter ended 31<sup>st</sup> March, 2016 and the year to date results for the period 01<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

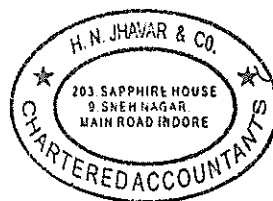
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

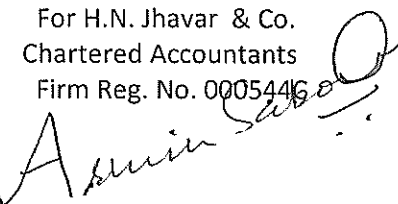
(i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) give a true and fair view of the loss and other financial information for the quarter ended 31<sup>st</sup> March, 2016 as well as the year to date results for the period from 01<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.

Place : Indore  
Date : 30.05.2016



For H.N. Jhavar & Co.  
Chartered Accountants  
Firm Reg. No. 000544G

  
(CA Ashish Saboo)  
Partner  
M.No. 079657

## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
GAGAN COMMERCIAL AGENCIES LIMITED

### **Report on Financial Statements**

We have audited the accompanying standalone financial statements of GAGAN COMMERCIAL AGENCIES LIMITED., which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

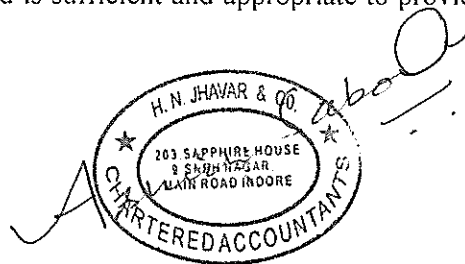
### **Auditor's Responsibility**

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 Rules made there under.

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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.

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



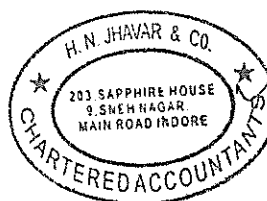
## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 31st 2016, and its Loss 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, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014).
  - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of information and according to the explanation given to us:
    - (i) The Company has disclosed the impact of pending litigation as at March 31st 2016, on its financial position in its financial statements;
    - (ii) The Company has made provisions, as required under the applicable law or accounting standards for material foreseeable losses, if any on long term contracts.
    - (iii) There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st 2016.

Place : Indore Date : 30.05.2016



For H.N. Jhavar & Co.  
Chartered Accountants  
Firm Reg. No. 000344C

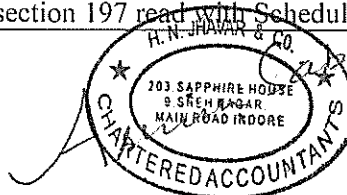
(CA Ashish Saboo)  
Partner  
M.No. 079657

# ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements section of our report of even date)

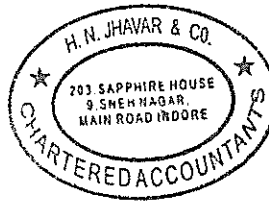
In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that –

|        |     |                                                                                                                                                                                                                                                                                                                                                  |
|--------|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)    | (a) | The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.                                                                                                                                                                                                                 |
|        | (b) | Major items of fixed assets have been physically verified by the management during the year in accordance with a programmed of verification, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.                             |
|        | (c) | The company does not own any immovable property hence this clause of the order is not applicable.                                                                                                                                                                                                                                                |
| (ii)   | (a) | Since the company does not possess any inventories, thus Paragraph 3(ii) of the Order is not applicable.                                                                                                                                                                                                                                         |
| (iii)  |     | In our opinion and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured to the Companies, Firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence clause No, 3 (a) (b) and (c) of the CARO 2015 order are not applicable. |
| (iv)   |     | In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.                                                                                                                                    |
| (v)    |     | The Company has not accepted any deposits from public within the meaning of Section 73 and 74 of the Act and the rules framed there under to the extent notified.                                                                                                                                                                                |
| (vi)   |     | The Central Government has not prescribed maintenance of cost records under of sub- section (1) of Section 148 of the Act, for the nature of industry in which the Company is doing business.                                                                                                                                                    |
| (vii)  | (a) | Undisputed statutory dues including Income Tax, Excise Duty, Service Tax, Cess and any other statutory dues have been regularly deposited with the appropriate authorities. No material undisputed statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they become payable.                  |
|        | (b) | There are no dues of Income Tax, Service Tax and Cess which have not been deposited on account of any dispute.                                                                                                                                                                                                                                   |
|        | (c) | There is no amount which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules there under.                                                                                                                                   |
| (viii) |     | The company did not have any outstanding dues to financial institutions, bank or debenture holders during the year.                                                                                                                                                                                                                              |
| (x)    |     | No instance of material fraud on or by the Company, notice or reported during the year, nor have we been informed of any such case by the Management.                                                                                                                                                                                            |
| (xi)   |     | 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)  |  | The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.                                                                                                                                                      |
| (xiii) |  | The 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)  |  | The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.                                                                                                          |
| (xv)   |  | The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.                                                                                      |
| (xvi)  |  | The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.                                                                                                                                                |

Place : Indore  
Date : 30.05.2016



For H.N. Jhavar & Co.  
Chartered Accountants  
Firm Reg. No. 000544C

*Ashish Saboo*

(CA Ashish Saboo)  
Partner  
M.No. 079657

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of GAGAN COMMERCIAL AGENCIES LIMITED ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

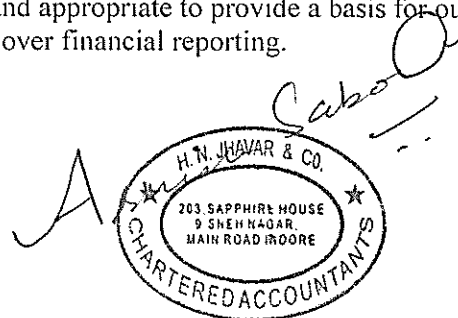
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

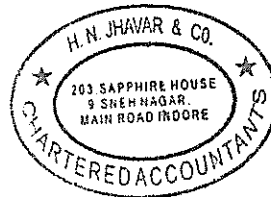
### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Indore  
Date : 30.05.2016



For H.N. Jhavar & Co.  
Chartered Accountants  
Firm Reg. No. 0005440

(CA Ashish Saboo)  
Partner  
M.No. 079657

# Gagan Commercial Agencies Limited

CIN NO. L51909WB1982PLC035424  
BALANCE SHEET AS AT 31ST MARCH, 2016

| BALANCE SHEET AS AT 31ST MARCH, 2016 |       |                                |                                 |
|--------------------------------------|-------|--------------------------------|---------------------------------|
| PARTICULARS                          | NOTES | (In ₹)                         |                                 |
|                                      |       | CURRENT YEAR<br>AS AT 31.03.16 | PREVIOUS YEAR<br>AS AT 31.03.15 |
| <b>EQUITIES AND LIABILITIES</b>      |       |                                |                                 |
| <b>Shareholders' Funds :</b>         |       |                                |                                 |
| Share Capital                        | 1     | 2,000,000                      | 2,000,000                       |
| Reserves & Surplus                   | 2     | (81,392)                       | 4,131                           |
|                                      |       | <u>1,918,608</u>               | <u>2,004,131</u>                |
| <b>Current liabilities</b>           |       |                                |                                 |
| Short term borrowing                 | 3     | 1,280,806                      | -                               |
| Other Current liabilities            | 4     | 311,542                        | 249,810                         |
|                                      |       | <u>1,592,348</u>               | <u>249,810</u>                  |
| <b>TOTAL</b>                         |       | <u><b>3,510,956</b></u>        | <u><b>2,253,941</b></u>         |
| <b>ASSETS</b>                        |       |                                |                                 |
| <b>Non Current Assets</b>            |       |                                |                                 |
| <b>Fixed Assets :</b>                |       |                                |                                 |
| Tangible Assets                      | 5     | 1                              | 1                               |
| Non Current Investments              | 6     | 1,005                          | 1,005                           |
| Long term Loans & Advances           | 7     | 1,440,000                      | 1,990,836                       |
|                                      |       | <u>1,441,006</u>               | <u>1,991,842</u>                |
| <b>Current Assets</b>                |       |                                |                                 |
| Current Investments                  | 8     | 25,065                         | 25,065                          |
| Trade Receivable                     | 9     | 1,802,736                      |                                 |
| Cash and Bank Balances               | 10    | 22,563                         | 8,554                           |
| Short term Loans & Advances          | 11    | 219,586                        | 228,480                         |
|                                      |       | <u>2,069,950</u>               | <u>262,099</u>                  |
| <b>TOTAL</b>                         |       | <u><b>3,510,956</b></u>        | <u><b>2,253,941</b></u>         |

Significant Accounting Policies  
Notes of Financial Statement

1 to 15

As per our report of even date annexed  
For H.N. Jhavar & Co.,  
Chartered Accountants  
Firm Registration Number 000544C

For GAGAN COMMERCIAL AGENCIES LTD.

CA Ashish Saboo  
Partner  
M.No. 079657  
Place : Indore  
Dated : 30.05.2016



DIRECTOR

DIRECTOR

CHIEF FINANCIAL OFFICER

COMPANY SECRETARY

MUKTA VELHANKAR NEERAJ KUMAR JAIN  
CIN NO 1880195 CIN NO 02245251

SHALENDRA MALAKAR

SUNIL KUMAR PATEL

**Gagan Commercial Agencies Limited**  
CIN NO. L51909WB1982PLC035424  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016**

| PARTICULARS                                                | Notes | 2015-16          | 2014-15          |
|------------------------------------------------------------|-------|------------------|------------------|
| (in ₹)                                                     |       |                  |                  |
| <b>INCOME</b>                                              |       |                  |                  |
| Other Income                                               |       | 1,251,900        | 1,019,040        |
| <b>Total Income</b>                                        |       | <u>1,251,900</u> | <u>1,019,040</u> |
| <b>EXPENDITURE</b>                                         |       |                  |                  |
| Employee Benefits Expenses                                 | 12    | 977,022          | 571,607          |
| Finance Cost                                               |       | 69,828           | 92,915           |
| Other Expenses                                             | 13    | 300,107          | 305,624          |
| <b>Total Expenses</b>                                      |       | <u>1,346,957</u> | <u>970,146</u>   |
| Profit Before Tax                                          |       | (95,057)         | 48,894           |
| Tax Expenses                                               |       |                  |                  |
| Less : Current Tax                                         | 14    | (9,534)          | 9,531            |
| <b>Total Tax expenses</b>                                  |       | <u>(9,534)</u>   | <u>9,531</u>     |
| <b>Profit/(Loss) after tax</b>                             |       | <u>(85,523)</u>  | <u>39,363</u>    |
| <b>Earning per equity share of face value of ₹ 10 each</b> |       |                  |                  |
| Basic and diluted ( in ₹. )                                | 15    | (0.43)           | 0.20             |

Significant Accounting Policies  
Notes of Financial Statement

1 to 15

As per our report of evendate

For H.N.Jhavar & Co.,  
Chartered Accountants  
Firm Registration Number 000544C

For GAGAN COMMERCIAL AGENCIES LTD.

CA Ashish Saboo  
Partner  
M.No. 079657  
Place : Indore  
Dated :30.05.2016



DIRECTOR  
MUKTA VELHASKAR  
DIN NO 1650195

DIRECTOR  
NEERAJ KUMAR JAIN  
DIN NO 02245051

CHIEF FINANCIAL OFFICER  
SHALENDRA MALAKAR

COMPANY SECRETARY  
SUNIL KUMAR PATEL

**GAGAN COMMERCIAL AGENCIES LIMITED, KOLKATA**  
CIN NO. L51909WB1982PLC035424

**Cash Flow Statement**

Pursuant to clause 32 of the listing agreement for the year ended 31<sup>st</sup> March 2016

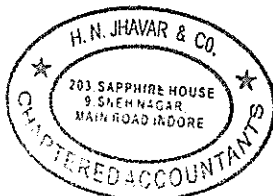
| PARTICULARS                                          | AS ON 31.03.16<br>AMOUNT IN ₹ | AS ON 31.03.15<br>AMOUNT IN ₹ |
|------------------------------------------------------|-------------------------------|-------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>       |                               |                               |
| Net Profit Before Tax and extraordinary items        | (85523)                       | 48894                         |
| Adjustments for:                                     |                               |                               |
| Depreciation                                         | -                             | -                             |
| Loss on Sale of Shares                               | -                             | -                             |
| Interest paid                                        | 69828                         | 92915                         |
| Dividend                                             | -                             | -                             |
| Operating Profit before working capital changes      | (15695)                       | 141809                        |
| Adjustments for :                                    |                               |                               |
| Decrease (Increase) in Sundry Debtors                | (1802736)                     | -                             |
| Decrease (Increase) in Loans & Advances              | 559730                        | 1035746                       |
| Increase (Decrease) in Sundry Creditors              | 61732                         | 213653                        |
| Cash generated from operations                       | (1198969)                     | 1391208                       |
| Less : Extra Ordinary Item & Income Tax              | -                             | 9531                          |
| Net cash from operating activities                   | (1196969)                     | 1381677                       |
| <b>ACTIVITIES</b>                                    |                               |                               |
| Increase ( Decrease) in Investment                   | -                             | -                             |
| Proceeds from Sale of Fixed Asset                    | -                             | -                             |
| Interest received                                    | -                             | -                             |
| Dividend received                                    | -                             | -                             |
| Net Cash used in Investing activities                | -                             | -                             |
| <b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>         |                               |                               |
| Repayment of short term borrowings                   | 1280806                       | (1288046)                     |
| Interest Paid                                        | (69828)                       | (92915)                       |
| Net cash used in financing activities                | 1210978                       | (1380961)                     |
| Net Increase (decrease) in cash and cash equivalents | 14009                         | 716                           |
| Cash and cash equivalents as at 01.04.2015           | 8554                          | 7838                          |
| Cash and cash equivalents as at 31.03.2016           | 22563                         | 8554                          |

For H.N. Jhavar & Co.,  
Firm Registration Number 000544C  
Chartered Accountants

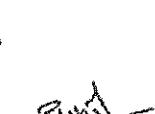
CA Ashish Saboo  
Partner  
M.No. 079657

Place : Indore

Dated :30.05.2016



For GAGAN COMMERCIAL AGENCIES LTD.

|                                                                                                                                      |                                                                                                                                          |                                                                                                                                       |                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <br>DIRECTOR<br>MUKTA VELHANKAR<br>DIN NO 1660195 | <br>DIRECTOR<br>NEERAJ KUMAR JAIN<br>DIN NO 82245051 | <br>CHIEF FINANCIAL OFFICER<br>SHAIENDRA MALAKAR | <br>COMPANY SECRETARY<br>SURIL KUMAR PATEL |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|

# Gagan Commercial Agencies Limited

## NOTES TO BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2016

| Particulars                                                                      | 31.03.2016        | 31.03.2015        |
|----------------------------------------------------------------------------------|-------------------|-------------------|
| <b>SHARE CAPITAL</b>                                                             |                   |                   |
| <b>Authorised</b>                                                                |                   |                   |
| 1000000 Equity Shares of Rs.10/- each<br>(1000000 Equity Shares of Rs.10/- each) | 10,000,000        | 10,000,000        |
|                                                                                  | <u>10,000,000</u> | <u>10,000,000</u> |

### **Issued, subscribed & Paid up**

|                                                                                 |                  |                  |
|---------------------------------------------------------------------------------|------------------|------------------|
| 200000 Equity Shares of Rs. 10/- each<br>(200000 Equity Shares of Rs.10/- each) | 2,000,000        | 2,000,000        |
|                                                                                 | <u>2,000,000</u> | <u>2,000,000</u> |

### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

#### Equity Shares

|                                         | 31st March 2016 |                  | 31st March 2015 |                  |
|-----------------------------------------|-----------------|------------------|-----------------|------------------|
|                                         | Nos.            | Amount in ₹      | Nos.            | Amount in ₹      |
| At the beginning of the period          | 200,000         | 2,000,000        | 200,000         | 2,000,000        |
| Issued during the period - Bonus Shares | -               | -                | -               | -                |
| Outstanding at the end of the period    | <u>200,000</u>  | <u>2,000,000</u> | <u>200,000</u>  | <u>2,000,000</u> |

### b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled on poll to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

### c. Details of shareholders holding more than 5% shares in the company

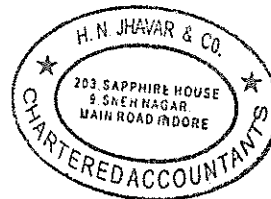
|                   | 31st March 2016 |                        | 31st March 2015 |                        |
|-------------------|-----------------|------------------------|-----------------|------------------------|
|                   | Nos.            | % holding in the class | Nos.            | % holding in the class |
| Smt. Padma Kalani | 13,000          | 6.50                   | 13,000          | 6.50                   |

As per records of the company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### NOTES - 2 :

#### RESERVES & SURPLUS

|                                    | 31st March 2016  | 31st March 2015  |
|------------------------------------|------------------|------------------|
|                                    | Amount in ₹      | Amount in ₹      |
| <b>Capital Reserve</b>             |                  |                  |
| As per last Balance Sheet          | 365,200          | 365,200          |
|                                    | <u>365,200</u>   | <u>365,200</u>   |
| <b>Profit &amp; Loss Account</b>   |                  |                  |
| Balance as per last Balance sheet  | (361,069)        | (400,432)        |
| Profit / (Loss) for the year       | (85,523)         | 39,363           |
|                                    | <u>(446,592)</u> | <u>(361,069)</u> |
| <b>Total Reserve &amp; Surplus</b> | <u>(81,392)</u>  | <u>4,131</u>     |



**NOTES - 3 :****Short- term borrowing**

|                             | 31st March 2016<br>Amount in '₹ | 31st March 2015<br>Amount in '₹ |
|-----------------------------|---------------------------------|---------------------------------|
| Loan ( unsecured )          |                                 |                                 |
| Kalani Industries Pvt. Ltd. | 1,280,806                       | -                               |
|                             | <u>1,280,806</u>                | <u>-</u>                        |

**NOTES - 4 :****Other current liabilities**

|                              | 31st March 2016<br>Amount in '₹ | 31st March 2015<br>Amount in '₹ |
|------------------------------|---------------------------------|---------------------------------|
| TDS payable on Interest      | 5,801                           | 9,173                           |
| TDS on Professional Fees     | 859                             | 674                             |
| TDS on Director Fees         | -                               | 80                              |
| TDS payable on Advertisement | -                               | 48                              |
| MAT Payable                  | -                               | 9,531                           |
| Professional Tax payable     | 2,500                           | 2,500                           |
| Other Liabilities            | 302,382                         | 227,804                         |
|                              | <u>311,542</u>                  | <u>249,810</u>                  |

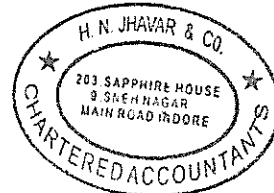
**NOTES - 6 :****Non- Current investments**

|                                                              | 31st March 2016<br>Amount in '₹ | 31st March 2015<br>Amount in '₹ |
|--------------------------------------------------------------|---------------------------------|---------------------------------|
| Trade investments ( Valued at cost unless stated otherwise)  |                                 |                                 |
| Investment in LLP                                            |                                 |                                 |
| 0.09% ( 31 March 15 0.09%) in the Chitrakoot Mercantiles LLP | 1,005                           | 1,005                           |
|                                                              | <u>1,005</u>                    | <u>1,005</u>                    |

**Details of Investment in LLP / Partnership Firm****Investment in Chitrakoot Mercantile LLP**

The Chitrakoot Mercantile Pvt. Ltd.  
Has been converted into Chitrakoot  
Mercantile LLP on 04.08.11 and the  
shareholders of company become  
the partner in the LLP

| Name of the Partners & Share in profits (%)                              | 31st March 2016 | 31st March 2015 |
|--------------------------------------------------------------------------|-----------------|-----------------|
| Gagan Commercial Agencies Ltd.                                           | 0.09            | 0.09            |
| Prem Swarup Kalani                                                       | 0.18            | 0.18            |
| Vinayak Kalani                                                           | 49.41           | 49.41           |
| Kartikaya Kalani as a Trustee and<br>representing Kartikaya Family Trust | 9.50            | 9.50            |
| Padma Kalani as a Trustee and<br>representing Vinayak Family Trust       | 1.50            | 1.50            |
| Padma Kalani                                                             | 39.23           | 39.23           |
| Olive Commercial Co. Ltd.                                                | 0.09            | 0.09            |
| Total Capital of the Firm                                                | 1,100,000       | 1,100,000       |

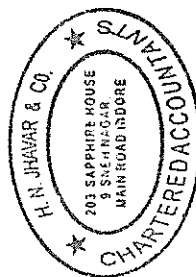


GAGAN COMMERCIAL AGENCIES LTD.

NOTES - 5  
Tangible Assets

(In ₹)

|                    | GROSS BLOCK |          |           | DEPRICIATION |          |         |         | NET BLOCK |          |
|--------------------|-------------|----------|-----------|--------------|----------|---------|---------|-----------|----------|
|                    | As on       | Addition | Deduction | As on        | Upto     | For the | Written | As on     | As on    |
|                    | 01.04.15    |          |           | 31.03.16     | 01.04.15 | Year    | Back    | 31.03.16  | 31.03.15 |
| A S S E T S        |             |          |           |              |          |         |         |           |          |
| Computer & Printer | 29550       | 0        | 0         | 29550        | 29549    | 0       | 0       | 29549     | 1        |
| TOTAL              | 29550       | 0        | 0         | 29550        | 29549    | 0       | 0       | 29549     | 1        |
| Previous Year      | 29550       | 0        | 0         | 29550        | 27690    | 1859    | 0       | 29549     | 1860     |



**NOTES - 7 :****Loans & Advances**

|                                                                       | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-----------------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Other loans &amp; advances</b>                                     |                                  |                                  |
| Long Term Capital Advance                                             |                                  |                                  |
| Advance against booking of plot ( Wanderland Real Estates Pvt. Ltd. ) | 1,440,000                        | 1,990,836                        |
|                                                                       | <u>1,440,000</u>                 | <u>1,990,836</u>                 |

**NOTES - 8 :****Current investments**

|                                                                 | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-----------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Current portion of long-term investment( valued at cost)</b> |                                  |                                  |
| Equity shares ( Unquoted )                                      |                                  |                                  |
| 2500 ( 2500 ) Shares of Archisan Design Solution Pvt. Ltd.      | 25,065                           | 25,065                           |
|                                                                 | <u>25,065</u>                    | <u>25,065</u>                    |

**NOTES - 9 :****Trade Receivable**

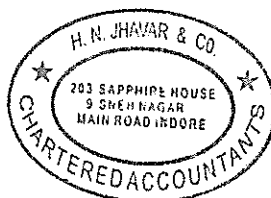
|                          | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|--------------------------|----------------------------------|----------------------------------|
| Sanovi Trading Pvt. Ltd. | 1,802,736                        | -                                |
|                          | <u>1,802,736</u>                 | <u>-</u>                         |

**NOTES - 10 :****Cash and cash equivalents**

|                                               | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-----------------------------------------------|----------------------------------|----------------------------------|
| <b>Balance with banks on current accounts</b> |                                  |                                  |
| Axis Bank Ltd.                                | 21,576                           | 7,252                            |
| <b>Cash in hand</b>                           | 987                              | 1,302                            |
|                                               | <u>22,563</u>                    | <u>8,554</u>                     |

**NOTES - 11 :****Short Term Loans & Advances**

|                                     | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-------------------------------------|----------------------------------|----------------------------------|
| <b>Inter Corporate Loans</b>        |                                  |                                  |
| Kalani Industries Pvt. Ltd.         | -                                | 24,402                           |
| <b>Advance to Depository</b>        |                                  |                                  |
| Central Depository Services Ltd.    | 40,357                           | 43,821                           |
| National Securities Depository Ltd. | -                                | 562                              |
| <b>Advance for Expenses</b>         | 10,000                           | -                                |
| <b>MAT Credit Entitlementnet</b>    |                                  |                                  |
| Assessment Year 2006-07             | 3,744                            | 3,744                            |
| Assessment Year 2007-08             | 2,420                            | 2,420                            |
| Assessment Year 2009-10             | 70,522                           | 70,522                           |
| Assessment Year 2010-11             | 4,463                            | 4,463                            |
| Assessment Year 2012-13             | 78,546                           | 78,546                           |
| Assessment Year 2015-16             | 9,534                            | -                                |
| <b>Total</b>                        | <u>219,586</u>                   | <u>228,480</u>                   |



**NOTES - 12 :****Employee benefit expense**

|                                 | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|---------------------------------|----------------------------------|----------------------------------|
| Remuneration to Staff           | 6,000                            | 6,000                            |
| Salary                          | 420,150                          | 239,715                          |
| Special Allowance               | 194,351                          | 155,806                          |
| Education Allowance             | 7,200                            | 4,200                            |
| House Rent Allowance            | 161,625                          | 95,886                           |
| Conveyance Allowance            | 57,600                           | -                                |
| Group Medical Insurance Charges | 13,096                           | -                                |
| Reimbursement of Expenses       | 117,000                          | 70,000                           |
|                                 | <u>977,022</u>                   | <u>571,607</u>                   |

**NOTES - 13 :****Other expenses**

|                                | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|--------------------------------|----------------------------------|----------------------------------|
| <b>Establishment Expenses</b>  |                                  |                                  |
| Rent                           | 6,000                            | 6,445                            |
| Lease Rent                     | 120,000                          | 120,000                          |
| Professional Tax               | 2,500                            | 2,500                            |
| Legal & Professional Charges   | 99,537                           | 69,065                           |
| Advertisement Expenses         | 9,480                            | 9,678                            |
| Listing Fees                   | 34,750                           | 23,034                           |
| Filing Fees                    | 7,350                            | 8,596                            |
| Depository charges             | 10,305                           | 3,371                            |
| Demat Expenses                 | -                                | 1,124                            |
| Conveyance Charges             | -                                | 1,001                            |
| Stationery & Printing Expenses | 850                              | 260                              |
| Director's sitting fees        | 3,000                            | 245,074                          |
| Auditors Remuneration          | 6,289                            | 4,000                            |
| Share of Loss from LLP         | 20                               | 6,125                            |
| Sundry Balance Written Off     | (1)                              | 15                               |
| Interest on TDS                | 27                               | 50,410                           |
|                                | <u>300,107</u>                   | <u>305,624</u>                   |



# NOTES - 13.1

## Auditors Remuneration

|                       | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-----------------------|----------------------------------|----------------------------------|
| Audit Fees            | 3,664                            | 3,596                            |
| Certification Charges | 2,625                            | 2,529                            |
|                       | <u>6,289</u>                     | <u>6,125</u>                     |

# NOTES - 14

|                               | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-------------------------------|----------------------------------|----------------------------------|
| Current Tax (MAT)             | -                                | 9531                             |
| Less : MAT credit entitlement | 9,534                            | -                                |
| Net Current Tax               | <u>(9,534)</u>                   | <u>9,531</u>                     |

# NOTES - 15

## EARNING PER SHARES

|                                                                                                     | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-----------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹) | (85,523)                         | 39,353                           |
| ii) Number of equity shares used as denominator for calculating EPS                                 | 200,000                          | 200,000                          |
| iii) Basic and Diluted Earning per shares (₹)                                                       | (0.43)                           | 0.20                             |
| iv) Face Value per equity shares (₹)                                                                | 10                               | 10                               |

As per our report of evendate

For H.N.Jhavar & Co.,

Chartered Accountants

Firm Registration Number 099544C

For GAGAN COMMERCIAL AGENCIES LTD.

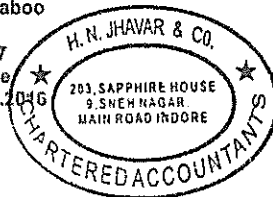
CA Ashish Saboo

Partner

M.No. 079657

Place : Indore

Dated : 30.05.2016



DIRECTOR

MUKTA VELHANGAR

DIR IND 1660155

DIRECTOR

HEERAJI KUNWAR JAIN

DIR IND 03245051

CHIEF FINANCIAL OFFICER

EDWILEORA MALAVATI

COMPANY SECRETARY

SUNITA KUMAR PATEL

## **GAGAN COMMERCIAL AGENCIES LIMITED**

### **Notes to financial statements for the year ended 31 March 2016**

#### **SIGNIFICANT ACCOUNTING POLICIES.**

##### **i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Financial Statements are prepared under the historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India.

##### **ii) USE OF ESTIMATES:**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual result could differ from the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### **iii) FIXED ASSETS :**

Fixed Assets includes all expenditure of capital nature and are stated at cost of acquisition, installation, commissioning and improvement less depreciation.

##### **iv) DEPRECIATION:**

Depreciation on all the assets is charged on Straight Line Method on the estimated useful life of the asset as prescribed in Schedule II of the Companies Act, 2013

##### **v) IMPAIRMENT OF ASSETS:**

An asset is treated as impaired, and when carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the year of which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the recoverable amount.



**vi) INVESTMENTS**

Investments are classified into current investments and long term investments. Current Investments are valued, scrip wise, at cost or net realizable value.

**vii) EARNING PER SHARE**

The basic earning per share is computed by dividing the net profit/loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earning per share comprises the weighted average number of shares considered for deriving earning per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only preferential equity shares that are dilutive and that reduce profit/loss per share are included.

**viii) TAXATION**

**a) Provision for Taxation: -**

Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.

**b) Deferred Taxation : -**

In accordance with Accounting Standard 22- Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences is accounted for, using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets arising from timing differences are recognized only on the consideration of prudence.

**ix ) PROVISIONS, CONTINGENT LIABILITIES AND ASSETS**

Provisions are recognized when the company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



x) **RELATED PARTY DISCLOSURE: (AS-18)**

| Key Management Personnel | Details of Transaction | Amount (Rs.) |
|--------------------------|------------------------|--------------|
|--------------------------|------------------------|--------------|

----- NIL -----

xi) Previous year's figures have been regrouped/ rearranged/ recasted wherever considered necessary.



## SUB NOTES

### NOTES 3 :OTHER LIABILITIES

|                                     | 31st March 2016<br>Amount in '₹' | 31st March 2015<br>Amount in '₹' |
|-------------------------------------|----------------------------------|----------------------------------|
| Padma Homes Pvt. Ltd.               | 200,000                          | 200,000                          |
| Kalani Brothers ( Indore) Pvt. Ltd. | 500,000                          | 500,000                          |
| H.N. Jahavar & Co.                  | 5,382                            | 3,596                            |
| Shilpesh Dalal & Co.                | 15,000                           | -                                |
| Dinesh Kumar Gupta                  | 800                              | -                                |
| Ruchi Joshi                         | 8,000                            | -                                |
| Ankit Consultancy Pvt. Ltd.         | 26,165                           | 6,068                            |
| Lease Rent Payable                  | 70,000                           | 120,000                          |
| Rent Payable                        | 6,000                            | -                                |
| Director Sitting Fees Payable       | 360                              | 720                              |
| Salary Payable                      | 46,141                           | 73,494                           |
| Indira Securities Ltd.              | 1,124                            | 1,124                            |
| Advance to Employees                | 71,837                           | 31,762                           |
| K. Bhati & Associates               | 5,500                            | -                                |
| Releasmy AD Media Pvt. Ltd.         | 2,112                            | -                                |
| National Securities Depository Ltd. | 10,305                           | -                                |
| Total                               | <u>968,726</u>                   | <u>936,764</u>                   |

