

# **Varun Mercantile Limited**

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## **Annual Report 2015-16**

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# VARUN MERCANTILE LIMITED

Corporate Identity Number : L51909DL1985PLC020108

Website : [www.vml.org.in](http://www.vml.org.in)

Regd. Office: 506, Chiranjiv Towers, 43, Nehru Place, New Delhi 110 019

Corporate Office: 84-A, Mittal Court, 8<sup>th</sup> Floor, 224, Nariman Point, Mumbai 400 021. Tel.: 22022365, Fax: 22871046

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE THIRTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF VARUN MERCANTILE LIMITED WILL BE HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2016 AT 10:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 506, CHIRANJIV TOWERS, 43, NEHRU PLACE, NEW DELHI - 110019 TO TRANSACT THE FOLLOWING BUSINESS:**

### Ordinary Business:

1. To 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 in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Shri Lalit Shroff (DIN: 00339894), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Lalit Shroff (DIN: 00339894), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), M/s. A. T. Jain & Co., Chartered Accountants (Registration No. 103886W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company."

By Order of the Board of Directors

Place: Mumbai

Dated: August 30, 2016

Registered Office:

506, Chiranjiv Towers,

43, Nehru Place,

New Delhi – 110 019

Website: [www.vml.org.in](http://www.vml.org.in)

F-S. Shah

Forum Shah

Company Secretary

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## Notes:

1. **A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

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

2. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. The prominent landmark for the venue is near Nehru Place Flyover.
4. **The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will be transacted through such voting.** Information and instructions including details of user id and password relating to e-voting are given in this Notice under Note No. 14. The communication relating to remote e-voting which *inter-alia* contains details about user id and password is attached.
5. In terms of Section 152 of the Act, Shri Lalit Shroff (DIN: 00339894), Director, retires by rotation at the Meeting and being eligible, has offered himself for re-appointment. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company commend his re-appointment.

Details of Director retiring by rotation, as required to be provided pursuant to the provisions of (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and (ii) Secretarial Standard on General Meeting ("SS-2"), issued by the Institute of Company Secretaries of India are provided herein below:

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Particulars	Shri Lalit Shroff
Age	63 years
Qualification	B.com
Experience (including expertise in specific functional area)/Brief Resume	43 years of experience in various business
Terms and Conditions of Re-appointment	As per the resolution passed by the shareholders at their Annual General Meeting held on September 30, 2014, Shri Lalit Shroff was re-appointed as a Director of the Company liable to retire by rotation
Remuneration last drawn	Nil
Remuneration proposed to be paid	Nil
Date of first appointment on the Board	September 18, 1991
Shareholding in the Company	Nil
Relationship with other Directors/Key Managerial Personnel	None
Number of meetings of the Board attended during the financial year	Please refer Directors Report of 2015-16
Directorships of other Boards as on 31/03/2016	8
Membership/Chairmanship of Committees of other Boards	Nil

6. Shri Lalit Shroff is interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his re-appointment. The relatives of Shri Lalit Shroff may be deemed to be interested in the said Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolutions set out under Item Nos. 1 to 3 of the Notice.
7. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.
8. 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 at the Meeting.
9. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.

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10. The Company's Registrars & Transfer Agents is Karvy Computershare Private Limited ("Karvy") having its office at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.
11. 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 mode are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company / Karvy.**
12. Members who have not registered / updated their **e-mail addresses with Karvy, if shares are held in physical mode or with their DPs, if shares are held in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically.**
13. The Register of Members and Transfer Books of the Company will be closed from September 18, 2016 to September 23, 2016 (both days inclusive).
14. **Information and instructions relating to e-voting are as under:**
  - (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide to its members a facility to exercise their right to vote on resolutions proposed to be passed at the Meeting by electronic means. The members may cast their vote(s) using an electronic voting system from a place other than the venue of the Meeting ('remote e- voting').
  - (ii) The facility for voting through electronic voting system ('Insta Poll') will be made available at the Meeting and the members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through 'Insta Poll'.
  - (iii) The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again.
  - (iv) The Company has engaged the services of Karvy Computershare Private Limited ('Karvy') as the Agency to provide e-voting facility.
  - (v) The Board of Directors of the Company has appointed Shri Devesh Vasavada, a Practicing Chartered Accountant, Mumbai as Scrutinizer to scrutinize the remote e-voting and Insta Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
  - (vi) Voting rights shall be reckoned on the paid-up value of shares registered in the

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name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 23, 2016.

- (vii) 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 / Insta Poll. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.
- (viii) Any person who becomes a member of the Company after despatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and password from Karvy in the manner as mentioned below:
- a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : **MYEPWD** <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

- b) If e-mail address or mobile number of the member is registered against Folio No. DP ID Client ID, then on the home page of [https:// evoting.karvy.com](https://evoting.karvy.com), the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c) Member may call Karvy's toll free number 1-800-3454-001.
- d) Member may send an e-mail request to [evoting.varun@karvy.com](mailto:evoting.varun@karvy.com).
- e) If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote(s) through remote e-voting.
- (ix) The remote e-voting facility will be available during the following period:  
Commencement of remote e-voting: From 9.00 a.m. (IST) on Monday, September 26, 2016

End of remote e-voting: Up to 5.00 p.m. (IST) on Thursday, September 29, 2016

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the

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cut-off date who are attending the Meeting and who have not already cast their vote through remote e-voting.

(x) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting (Insta Poll) and votes cast through remote e- voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with the consolidated Scrutinizer's Report will be placed on the website of the Company: [www.vml.org.in](http://www.vml.org.in) and on the website of Karvy at: <https://evoting.karvy.com>. The results will simultaneously be communicated to the Stock Exchange.

(xi) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Friday, September 30, 2016.

(xii) **Information and instructions relating to remote e-voting:**

1.A. **In case a member receives an email from Karvy** [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:

(a) Launch internet browser by typing the URL: <https://evoting.karvy.com>.

(b) Enter the login credentials (i.e. User ID and password) which are printed and available in the communication with respect to voting by electronic means enclosed with this Notice.

The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1800-3454-001 for your existing password.

(c) After entering these details appropriately, click on "LOGIN".

(d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (09) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting

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Event Number for Varun Mercantile Limited.

- (g) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR or AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST" but the total number under "FOR / AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- (j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- (k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.
- (l) Once you **confirm, you will not be allowed to modify your vote.**
- (m) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: [varun.scrutinizer@karvy.com](mailto:varun.scrutinizer@karvy.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."

**1.B. In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:**

- (i) User ID and initial password – Password is provided in the communication with respect to voting by electronic means enclosed with the Notice.
- (ii) Please follow all steps from Sr. No. (a) to (m) as mentioned in (A) above, to cast your vote.

1. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote



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again.

2. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
3. The members are requested to note the following contact details for addressing e-voting grievances:

Shri S. P. Venugopal, Deputy General Manager  
Karvy Computershare Private Limited,  
Karvy Selenium Tower B,  
Plot 31-32, Gachibowli, Financial District, Nanakramguda,  
Hyderabad 500 032.  
Phone No.: +91 40 6716 1700  
Toll-free No.: 1800-3454-001  
E-mail: [evoting.varun@karvy.com](mailto:evoting.varun@karvy.com)

By Order of the Board of Directors

**F.S. Shah**  
Forum Shah  
Company Secretary

Place: Mumbai  
Dated: August 30, 2016

Registered Office:  
506, Chiranjiv Towers,  
43, Nehru Place,  
New Delhi – 110 019  
Website: [www.vml.org.in](http://www.vml.org.in)

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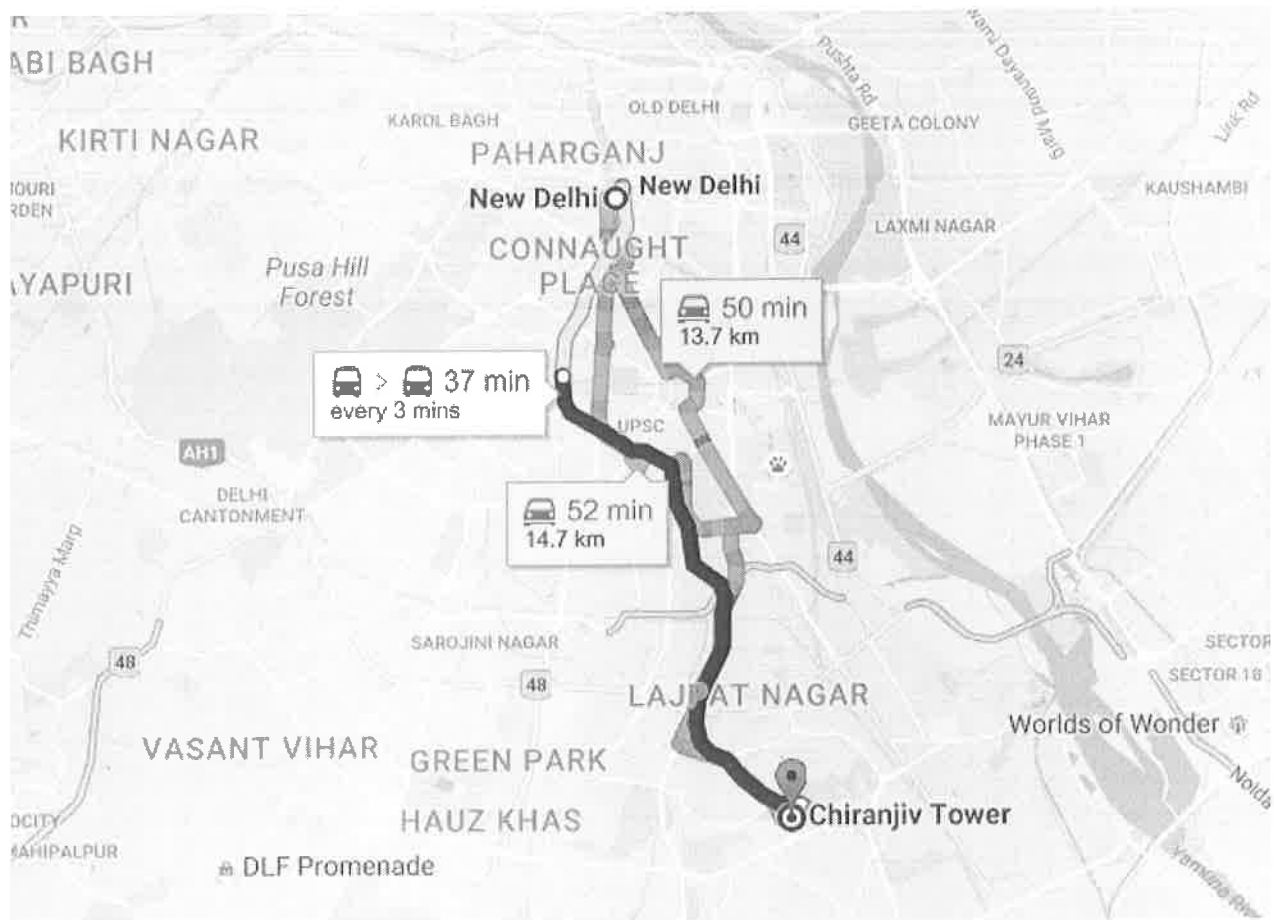
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## ROUTE MAP OF THE AGM VENUE



## ATTENDANCE SLIP

## Varun Mercantile Limited

CIN: L51909DL1985PLC020108

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 Corporate Office: 84-A, Mittal Court, 8<sup>th</sup> Floor, 224, Nariman Point, Mumbai 400 021  
 Tel: +91 22 2202 2365; Fax: +91 22 2287 1046; Website: www.vml.org.in

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL  
 Joint shareholders may obtain additional Slip at the venue of the Meeting.

DP Id*	
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Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

NAME AND ADDRESS OF THE SHAREHOLDER:

I hereby record my presence at the **THIRTY-FIRST ANNUAL GENERAL MEETING** of the members of the Company held on Friday, September 30, 2016 at 10:00 a.m. at the Registered Office of the Company at 506, Chiranjiv Towers, 43, Nehru Place, New Delhi – 110 0019

Signature of Shareholder / Proxy

\*Applicable for investors holding shares in electronic form.

## PROXY FORM

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

## Varun Mercantile Limited

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 Tel: +91 22 2202 2365; Fax: +91 22 2287 1046; Website: www.vml.org.in

Name of the Member(s):		e-mail Id:
Registered address:		Folio No./ *Client Id:
		*DP Id:

I/We, being the member(s) of \_\_\_\_\_ shares of Varun Mercantile Limited, hereby appoint:

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

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Thirty-First Annual General Meeting** of the members of the Company to be held on Friday, September 30, 2016 at 10:00 a.m. at the Registered Office of the Company at 506, Chiranjiv Towers, 43, Nehru Place, New Delhi – 110 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon		
2. Reappointment of Shri Lalit Shroff, a Director retiring by rotation		
3. Appointment of Auditors and fixing their remuneration		

\*Applicable for investors holding shares in electronic form.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of shareholder

Affix a  
15 paise  
Revenue  
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

**Notes:**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting.
- (2) A Proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- \*\* (4) This is only optional. Please put a '✓' in the appropriate column against the resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote at the Meeting in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a Member from attending the Meeting in person if he so wishes. When a Member appoints a Proxy and both the member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- (6) In case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
- (7) This form of Proxy shall be signed by the appointer or his attorney duly authorizing in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
- (8) This form of Proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- (9) Undated Proxy Form shall not be considered valid.
- (10) If Company receives multiple Proxies for the same holdings of a member, the Proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple Proxies shall be treated as invalid.

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## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Thirty-first Annual Report and the Company's audited financial statements for the financial year ended March 31, 2016.

### Financial Results:

The Company's financial performance, for the year ended March 31, 2016 is summarized below:

Particulars	Current Year (Rs.) (2015-16)	Previous Year (Rs.) (2014-15)
Income	37,52,125	37,94,766
Less: Expenses	12,06,219	3,19,961
Profit / (Loss) before Tax	25,45,906	34,74,805
Less: Tax Adjustments	12,19,696	10,15,810
Profit / (Loss) After Tax	13,26,210	24,58,995

### Working and State of Company's Affairs:

During the year under review, your Company earned net profit of Rs.13,26,210/- after incurring necessary expenditure and providing for tax. Your Directors continue their efforts to improve the working of the Company.

There is no change in the nature of business of the company.

### Material changes and commitments affecting the financial position of the company which have occurred between the end of the year and the date of the Report:

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.

### Reserves:

In order to conserve the resources, there is no transfer of profits to reserves during the year.

### Dividend:

Your Directors have not recommended any dividend on Equity Shares for the year under review.

### Management Discussion and Analysis:

#### Industry Structure, Developments, Opportunities and Outlook:

With the Government undertaking structural reforms and measures to improve productivity, increased thrust on development of physical infrastructure coupled with lower interest rates and

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its "Make in India" initiative by creating a conducive business environment, it is expected that this will spur activity in the sector.

The Company will continue to keep its focus in the trading of general commodities.

## Segment-wise or product-wise performance:

The Company is involved only in trading of general commodities and does not have segments.

## Challenges, Risks and Concerns:

Some of the challenges that hinder progress of the general commodities sector are easy access to finance, availability of materials and delays in project completion leading to cost and time overruns. However, the Government has undertaken some key reforms that include stronger co-operation between the private and public sectors, enforcing of a unified legal framework, creation of better dispute resolution mechanisms and removing bottlenecks. As a part of the overall risk management strategy, the Company consistently insures its assets and generally follows a conservative financial profile by following prudent business practices.

## Internal Controls:

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- providing assurance regarding the effectiveness and efficiency of operations;
- efficient use and safeguarding of resources;
- compliance with policies, procedures and applicable laws and regulations; and
- transactions being accurately recorded and promptly reported.

The Company continues to have periodical audits conducted of all its functions and activities to ensure that systems and procedures are followed across all areas.

The Audit Committee of Directors of the Company regularly reviews the adequacy of internal control systems through such audits. The Internal Auditor reports directly to the Audit Committee.

## Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

## Risk Management:

The Company has in place a Risk Management Policy which provides for a risk management framework to identify and assess risks such as operational, financial, regulatory and other risks. There is an adequate risk management infrastructure in place capable of addressing these risks.

# VARUN MERCANTILE LIMITED

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Corporate Office: 84-A, Mittal Court, 8<sup>th</sup> Floor, 224, Nariman Point, Mumbai 400 021. Tel.:22022365, Fax: 22871046

## Financial Performance and Operational Performance:

Other Income of the Company has decreased in comparison to the previous year. Due to increase in employee benefit and other expenses, the net profit of the Company has decreased in comparison to previous year.

During the year, the Board of Directors explored various avenues to increase its general trading activities and its operations.

## Material developments in Human Resources / Industrial Relations front, including number of people employed:

The Company does not have any employees on the pay roll of the Company.

## Disclosure of Accounting Treatment:

In the preparation of financial statements, no treatment different from that prescribed in an Accounting Standard has been followed.

## **Subsidiary, Associate and Joint Ventures:**

The Company has no Subsidiary, Associate and Joint venture companies.

## **Report on the highlights of performance of Subsidiary, Associates and Joint Venture Companies and their contribution to overall performance of the Company:**

The Company has no Subsidiary, Associate and Joint Venture Companies and therefore report on the highlights of performance of such companies and their contribution to overall performance of the Company is not given.

## **Policy for determination of material subsidiaries:**

The Company has formulated a policy for determining material subsidiaries. The policy may be accessed at the link [www.vml.org.in](http://www.vml.org.in).

## **Directors' Responsibility Statement:**

Your Directors state that:

- (a) 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 Companies Act, 2013 ("the Act"), have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- (c) 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

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assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) 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
- (f) 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.

## Contracts and arrangements with Related Parties:

Your Directors draw attention of the members to Note No. 16 to the financial statement which sets out related party disclosures pursuant to Accounting Standard 18 ("AS-18"). The transactions disclosed therein are in the ordinary course of business and are at an arm's length basis. Hence, they are not required to be reported in Form No. AOC-2 in terms of section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

## Directors and Key Managerial Personnel:

In accordance with the provisions of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, Shri Lalit Shroff (DIN : 00339894), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

During the year under review, Shri Hitesh Vora, Chief Financial Officer resigned wef February 2, 2016 and Shri Akshay Vyas was appointed in his place wef. February 2, 2016.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The Company has in place a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, feedback was obtained from all the Directors by way of a structured questionnaire for the evaluation of the Board, its Committees and the individual directors covering, inter-alia, various aspects of their performance including composition and skills, board dynamics, understanding of Company's operations, contribution at meetings and inter-personal skills. The responses received were evaluated by the Board.

The following policies of the Company are annexed herewith marked as **Annexure 'IA'** and **Annexure 'IB'**:

- a) Policy for selection of Directors and determining Directors' independence; and



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b) Remuneration Policy for Directors, Key Managerial Personnel and other employees

## Auditors and Auditors' Report:

M/s A. T. Jain & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

## Secretarial Auditor:

The Board has appointed Ms. Rakhi Jethlia, a Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as **Annexure 'II'** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

## Disclosures:

### Corporate Social Responsibility:

The provisions of Section 135 of the Act are not applicable to Company and hence no committee is constituted and the Company has not spend any amount on Corporate Social Responsibility.

## Audit Committee:

The Audit Committee comprises Shri Mukesh Shah (Chairman), Ms. Lopamudra Dixit, as Independent Directors and Shri Lalit Shroff, Director. Four meetings of the Committee were held during the year on May 28, 2015, July 29, 2015, October 29, 2015 and February 2, 2016.

### Attendance of each Member at the Audit Committee meetings held during the year:

Name of the Committee Member	No. of meetings attended
Mukesh Shah	4
Lopamudra Dixit	4
Lalit Shroff	1

All the recommendations made by the Audit Committee were accepted by the Board.

## Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises Ms. Lopamudra Dixit (Chairperson), Shri Mukesh Shah as Independent Directors and Shri Lalit Shroff, Director. Two meetings of the Nomination and Remuneration Committee were held on May 28, 2015 and February 12, 2016.

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Attendance of each Member at the Nomination and Remuneration Committee meetings held during the year:

Name of the Committee Member	No. of meetings attended
Lopamudra Dixit	2
Mukesh Shah	2
Lalit Shroff	1

All the recommendations made by the Committee were accepted by the Board.

## **Vigil Mechanism:**

The Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report genuine concerns or grievances including unethical behaviour, fraud or violation of the Company's Code of Conduct. The authority for the implementation of the policy rests with the Board of Directors. The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at [www.trtal.org.in](http://www.trtal.org.in).

## **Meetings of the Board:**

Twelve Board meetings were held during the year.

The details of Board meetings held are given below:

Date	Board Strength	No. of Directors Present
April 30, 2015	3	2
May 7, 2015	3	2
May 8, 2015	3	2
May 12, 2015	3	2
May 28, 2015	3	3
June 10, 2015	3	2
July 29, 2015	3	2
September 4, 2015	3	2
October 29, 2015	3	2
January 12, 2016	3	2
January 29, 2016	3	2
February 2, 2016	3	2

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Attendance of Directors at Board meetings, last Annual General Meeting (AGM) and number of other Directorship(s) in various companies:

Name of the Director	Attendance at meetings during 2015-16		No. of Other Directorship(s) as on 31-03-2016
	Board Meetings	Last AGM	
Shri Mukesh Shah	12	Yes	4
Ms. Lopamudra Dixit	12	Yes	1
Shri Lalit Shroff	1	Yes	8

## Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:

### A. Conservation of Energy:

- Energy conservation measures taken: Not Applicable.
- Steps taken by the Company for utilising alternate sources of energy: Not Applicable.
- Capital investment on energy conservation equipment's: Not Applicable.

### B. Technology Absorption:

- Major efforts made towards technology absorption: Not Applicable
- The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable
- Information regarding imported technology (Imported during the last three years): Not Applicable
- Expenditure incurred on research and development: Nil

### C. Foreign Exchange Earnings and Outgo:

Foreign exchange earned in terms of actual inflows- Nil

Foreign exchange outgo in terms of actual outflows- Nil

## Corporate Governance:

As per Regulation 15 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed companies having paid up equity share capital and net worth on the last day of the previous financial year not exceeding rupees ten crores and rupees twenty five crores respectively, are exempted to comply with provisions relating to Corporate Governance.

Since, the paid up equity share capital and net worth of the Company as on the last day of the financial year i.e. March 31, 2016 does not exceed rupees ten crores and rupees twenty five

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crores respectively, the Company is exempted from compliance of provisions relating to Corporate Governance.

## Extract of Annual Return:

Extract of Annual Return of the Company is annexed herewith as **Annexure 'III'** to this Report.

## Particulars of Employees and related disclosures:

The Company has not paid any remuneration attracting the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no information is required to be appended to this report in this regard.

Further the disclosure in the Board Report under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as per **Annexure 'IV'** and forms part of this Report.

## Net worth:

The net worth of the Company as on March 31, 2016 was Rs. 4,79,87,033 (Rs. 4,66,60,823/- as on March 31, 2015).

## General:

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

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to the employees of the Company under any scheme.
4. There are no loans given, investments made, guarantees given or securities provided in terms of Section 186 of the Act, during the year under review. Please refer to notes in the financial statement for disclosures in this regard.
5. The Company has no holding company or subsidiary company, hence the provisions of Section 197(14) relating to receipt of remuneration or commission by the Whole time Director from holding company or subsidiary company of the Company are not applicable to the Company.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
7. No fraud was reported by the Auditors to the Audit Committee or the Board of Directors of the Company.
8. Re-appointment of Independent Director by passing a Special Resolution.
9. Appointment of a Cost Auditor.
10. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

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

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## Acknowledgement:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Government, banks, other business constituents and members during the year under review.

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



**Mukesh Shah**  
Director  
DIN: 00014741



**Lopamudra Dixit**  
Director  
DIN: 02299572

**Place: Mumbai**

**Dated: August 30, 2016**

## Policy for Selection of Directors and determining Directors' independence

### 1. Introduction:

- 1.1 The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term policy approach to improve the quality of governance. Towards this, the Company ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. It aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

### 2. Scope and purpose:

- 2.1 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. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a director appointed to the Board of the company.
- 3.2 "Nomination and Remuneration Committee" means the committee constituted by the Company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

### 4. Policy:

#### 4.1 Qualifications and criteria

- 4.1.1 The Nomination and Remuneration Committee (NRC) 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 that are relevant for the Company's operations.
- 4.1.2 In evaluating the suitability of individual Board members, the NRC may take into account factors, such as:
  - General understanding of the Company's business dynamics, business and social perspective;
  - Educational and professional background;
  - Standing in the profession;

- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- 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;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

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

## 4.2 Criteria of Independence

4.2.1 The NRC 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.

4.2.2 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

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the company or its holding, subsidiary or associate company;
  - who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- 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;
- 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;
- 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 organization 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.

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

#### **4.3 Other directorships / committee memberships:**

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

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

4.3.3 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.



4.3.4 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 above 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.

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



**Mukesh Shah**  
Director  
DIN: 00014741



**Lopamudra Dixit**  
Director  
DIN: 02299572

**Place: Mumbai**  
**Dated: August 30, 2016**

## **Remuneration Policy for Directors, Key Managerial Personnel and other employees**

### **1. Introduction:**

This Remuneration Policy (Policy) of Varun Mercantile Limited has been formulated for its directors, key managerial personnel and other employees keeping in view the following objectives:

- 1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- 1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- 1.4 The Policy is in compliance with Section 178(3) and Section 178(4) of the Companies Act, 2013.

### **2. Scope of policy:**

The Policy applies to all directors, key managerial personnel and other employees.

### **3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a director appointed to the Board of the Company.
- 3.2 "Key Managerial Personal" means
  - (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the company secretary;
  - (iii) the whole-time director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013.
- 3.3 "Nomination and Remuneration Committee" means the committee constituted by Varun Mercantile Limited Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

### **4. Policy:**

#### **4.1 Remuneration to Director and Key Managerial Personnel**

- 4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Directors of the

Company within the overall limits permissible under the Companies Act, 2013.

- 4.1.2 The Board, on the recommendation of the NRC Committee, shall also review and approve the remuneration payable to the other Key Managerial Personnel of the Company.
- 4.1.3 The remuneration structure of the Directors and other Key Managerial Personnel shall include the following components:
- a. Total Fixed Cost: This includes base salary, other allowances, perquisites and retirement benefits.
  - b. Variable Cost: This includes incentives / performance bonus linked to Company and individual performance.
  - c. The sum total of the Total Fixed Cost and Variable Cost is called the Cost to Company in the remuneration package.

5. Remuneration to other employees

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.

6. Remuneration is annually reviewed for the Key Managerial Personnel and other employees who are eligible for compensation review keeping in view the remuneration objectives.

For and on behalf of the Board of Directors



**Mukesh Shah**  
Director  
DIN: 00014741



**Lopamudra Dixit**  
Director  
DIN: 02299572

Place: Mumbai

Dated: August 30, 2016

**RAKHI JETHLIA** B.com, ACS

COMPANY SECRETARIES

Office:-  
294/A, Govindwadi  
Room No. 18, Kalbadevi Road  
Mumbai- 400002.  
Phone: - 022-22077403  
7718829692

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

For the Financial year ended March 31, 2016

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

To,  
The Members,  
**Varun Mercantile Limited**

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016, according to the provisions of:



- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect May 15, 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and



v. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

vi. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1, 2015.
- ii. The erstwhile Listing Agreement entered into by the Company with stock exchange and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015;

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.



**RAKHI JETHLIA** B.com, ACS

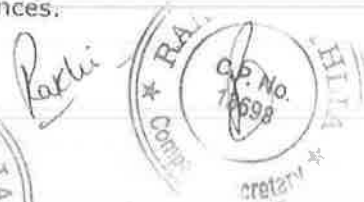
**COMPANY SECRETARIES**

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

We further report that during the audit period we have found that the company was generally regular in complying with various statutory compliances.

Place: Mumbai

Date: 30<sup>th</sup> August, 2016



Company Secretaries

ACS No.: 28351

CP No.: 13698

Form No. MGT-9  
**EXTRACT OF ANNUAL RETURN**  
as on the 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:-	L51909DL1985PLC020108
ii)	Registration Date	12/02/1985
iii)	Name of the Company	Varun Mercantile Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered office and contact details	506, Chiranjiv Towers, 43, Nehru Place, New Delhi 110019 Tel: +91 22 22022365 Fax: +91 22 22871046
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Tel: +91 40 6716 1700 Toll Free No: 1800 425 8998 Fax: +91 40 67161680
<b>II.</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10% or more of the total turnover of the company shall be stated:-	As per Attachment A
<b>III.</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Attachment B
<b>IV.</b>	<b>SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>	
i)	Category-wise Share Holding	As per Attachment C
ii)	Shareholding of Promoters	As per Attachment D
iii)	Change in Promoters' Shareholding	As per Attachment E
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment G
<b>V.</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
<b>VI.</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment I
B.	Remuneration to other directors	As per Attachment J
C.	Remuneration to Key Managerial Personnel other than MD/MANAGER/MTD	As per Attachment K
<b>VII.</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b>	As per Attachment L



Attachment A

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY

?

All the business activities contributing 10% or more of the total turnover of the company : -

Sr.No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the company
NIL			

## Attachment B

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES / BODIES CORPORATE

Sr. No.	Name of Company / Bodies Corporate	Address of Company	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable section
NIL						

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
a)	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any other...	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub - Total (A) (1) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2)</b>	<b>Foreign</b>									
a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any other...	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub - Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter(A) = (A)(1) + (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>B</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub - Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2</b>	<b>Non-institutions</b>									
a)	Bodies Corp.									
i)	Indian	0	7 56 650	7 56 650	37.99	0	7 75 650	7 75 650	38.94	0.95
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	16 400	16 400	0.82	0	16 400	16 400	0.82	0.00
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	12 18 950	12 18 950	61.19	0	11 99 950	11 99 950	60.24	-0.95
c)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub - Total (B) (2)</b>	<b>0</b>	<b>19 92 000</b>	<b>19 92 000</b>	<b>100.00</b>	<b>0</b>	<b>19 92 000</b>	<b>19 92 000</b>	<b>100.00</b>	<b>0.00</b>
	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>0</b>	<b>19 92 000</b>	<b>19 92 000</b>	<b>100.00</b>	<b>0</b>	<b>19 92 000</b>	<b>19 92 000</b>	<b>100.00</b>	<b>0.00</b>
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Grand Total (A+B+C) <sup>1</sup></b>	<b>0</b>	<b>19 92 000</b>	<b>19 92 000</b>	<b>100.00</b>		<b>19 92 000</b>	<b>19 92 000</b>	<b>100.00</b>	<b>0.00</b>

## Attachment D

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2015)			Shareholding at the end of the year (As on 31-03-2016)			
		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	% change in share holding during the year
1	Lalit Shroff	0	0.00	0.00	0	0.00	0.00	0.00
	<b>Total</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## Attachment E

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## iii) Change in Promoters' Shareholding

Sr. No.		Shareholding at the beginning of the year (As on 01-04-2015)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0.00	0	0.00
	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)	There is no change in the holding of promoters between 01-04-2015 and 31-03-2016			
	At the End of the year	0	0.00	0	0.00

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease In shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15) / end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Sun Wave Commercials Private Limited	97 950	4.92	-	0	-	97 950	4.92
2	Arman Commercials Private Limited	96 600	4.85	-	0	-	96 600	4.85
3	Techfo Venture Capital Private Limited	96 100	4.82	-	0	-	96 100	4.82
4	Sarisha Commercials Private Limited	94 600	4.75	-	0	-	94 600	4.75
5	Rohana Commercials Private Limited	93 600	4.70	-	0	-	93 600	4.70
6	Viddheswar Trading LLP (converted to LLP wef March 19, 2016)	93 100	4.67	-	0	-	93 100	4.67
7	Titan Farms Private Limited	92 600	4.65	-	0	-	92 600	4.65
8	Vasudhara Mercantile Private Limited	92 100	4.62	-	0	-	92 100	4.62
9	Mr. Kundan Mhatre jointly with Latika Mhatre	19 000	0.95	-	0	-	19 000	0.95
10	Leisure Life Commercials Private Limited	0	0.00	1-Apr-2015				
				10-Jun-2015	19 000	Transfer	19 000	0.95
		19 000	0.95	31-Mar-2016			19 000	0.95

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## v) Shareholding of Directors and Key Managerial Personnel

Sr.No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16)	
		No. of Shares at the beginning (01-04-15) /end of the year (31-03-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company
<b>A</b>	<b>DIRECTORS:</b>							
1	Lalit Shroff	0	0.00	-	0	-	0	0.00
2	Mukesh Shah Independent Director	0	0.00	-	0	-	0	0.00
3	Lopmudra Dixit Independent Director	0	0.00	-	0	-	0	0.00
<b>B</b>	<b>Key Managerial Personnel (KMP's)</b>							
1	Forum Shah Company Secretary	0 0	0.00 0.00	1-Apr-2015 31-Mar-2016	0	Nil movement during the year	0	0.00
2	Ramchandra Juvekar Manager	18000 0	0.90 0.00	1-Apr-2015 8-May-2015 31-Mar-2016	- 18 000	Transfer	0 0	0.00 0.00
3	Hitesh Vora Chief Financial Officer (Ceased w e f February 2, 2016)	18500 0	0.93 0.00	1-Apr-2015 8-May-2015 31-Mar-2016	- 18 500	Transfer	0 0	0.00 0.00
4	Akshay Vyas Chief Financial Officer (Appointed w e f February 2, 2016)	0 0	0.00 0.00	1-Apr-2015 31-Mar-2016	0	Nil movement during the year	0	0.00 0.00

## V. INDEBTENDNESS

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

Amount (Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01-04-2015)</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year (31-03-2016)</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Attachment I

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Ramchandra Juvekar (Manager)	Total Amount (Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others-payments on secondment	197641	197641
	<b>Total (A)</b>	<b>197641</b>	<b>197641</b>
	<b>Ceiling as per the Act</b>	Rs. 30 Lakhs (as per Schedule V of the Companies Act, 2013)	

## Attachment J

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Lalit Shroff	Mukesh Shah (Independent Director)	Lopamudra Dixit (Independent Director)	
1	Independent Directors				
	· Fee for attending board / committee meetings	-	-	-	-
	· Commission	-	-	-	-
	· Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				
	· Fee for attending board / committee meetings	-	-	-	-
	· Commission	-	-	-	-
	· Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	<b>Overall Ceiling as per the Act</b>	N.A.			

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
		Company Secretary Forum Shah	CFO Hitesh Vora (upto February 2, 2016)	CFO Akshay Vyas (w.e.f. February 2, 2016)	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	-others, specify - Medical	-	-	-	-
5	Others-payments on secondment	168,300	336,870	3,848	509,018
	Interest Concession on loan	-	-	-	-
	<b>Total</b>	<b>168,300</b>	<b>336,870</b>	<b>3,848</b>	<b>509,018</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

For and on behalf of the Board of Directors

  
Mukesh Shah  
Director  
DIN: 00014741

  
Lopamudra Dixit  
Director  
DIN: 02299572

Place: Mumbai

Dated: August 30, 2016

## Annexure 'IV'

Details pertaining to remuneration of Directors and employees 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

The remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16 are as under:

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director / KMP for financial year 2015-16 (in Rs.)
1.	Lalit Shroff	Non-Executive Director	Nil
2.	Mukesh Shah	Non-Executive Director	Nil
3.	Lopamudra Dixit	Non-Executive Director	Nil
4.	Forum Shah	Company Secretary	1,68,300
5.	Hitesh Vora	Chief Financial Officer (upto 02.02.2016)	3,36,870
6.	Akshay Vyas	Chief Financial Officer (w.e.f. 02.02.2016)	3,848
7.	Ramchandra Juvekar	Manager	1,97,641

- (i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16:

There were no permanent employees in the Company and hence median remuneration of the employees is not given. The Company has not paid any remuneration to the Directors. Hence, ratio is not applicable.

- (ii) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2015-16: Non-Executive Directors were not paid any remuneration. Key Managerial Personnel were appointed during the financial year 2014-15 therefore, the percentage is not provided.
- (iii) Percentage increase in the median remuneration of employees in the financial year 2015-16: This percentage is not provided for, as the Company had no employees during the year under review.
- (iv) Number of permanent employees on the rolls of the Company: The Company does not have permanent employees on the rolls of the Company.

- (v) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 and its comparison with the percentile increase in the managerial remuneration: The Company had no employees and the Key Managerial Personnel were appointed during the financial year 2014-15. Therefore, average percentile increase in salaries is not given.
- (vi) The remuneration paid is as per the Remuneration Policy of the Company.

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



**Mukesh Shah**  
Director  
DIN: 00014741



**Lopamudra Dixit**  
Director  
DIN: 02299572

**Place: Mumbai**  
**Dated: August 30, 2016**



# A. T. JAIN & Co.

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF VARUN MERCANTILE LIMITED

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Varun Mercantile Limited (the Company), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 3(2) of the Companies (Indian Accounting Standards) Rules, 2015. 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.

### AUDITORS' RESPONSIBILITY

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the





accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) In the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

- a. We have sought and 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 it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards specified under section 133 of the Act, read with rule 3(2) of the Companies (Indian Accounting Standards) Rules, 2015.
- e. On the basis of the written representations received from the directors as on March 31, 2016, 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".

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.7 to the financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A.T. Jain & Co.  
Chartered Accountants  
(Firm Registration No. 103886W)

Shalini R Jain  
Partner  
Membership No.: 111421  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2016



**Annexure to the Auditor's Report**

**Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.**

1. According to the information and explanation given to us, the Company, during the year has no fixed assets. Therefore the provision of clause i(a),i(b) and i(c) of the Companies (Audit Report) Order, 2016 are not applicable.
2. According to the information and explanation given to us, the Company, during the year did not hold any inventory due to its nature of business activity. Therefore the provision of clause ii of the Companies (Audit Report) Order, 2016 are not applicable.
3. According to the information and the explanations given to us, the Company, during the year has, not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the companies Act, 2013. Therefore the provision of clause iii(a),iii(b) and iii(c) of the Companies (Audit Report) Order, 2016 are not applicable.
4. According to the information and explanation given to us, the Company, during the year neither made any investment nor provided any loan to directors and other body corporate and persons in pursuance to section 185 and 186 of the Act. Therefore the provisions of clause iv of the Companies (Audit Report) Order, 2016 are not applicable.
5. The company has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Companies Act, and rules framed there under and therefore the directives issued by the Reserve Bank of India are not applicable.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013.
7. In respect of Statutory Dues:  
  
(a) According to the information and explanation given to us, the company is regular in depositing income tax and other statutory dues with the appropriate authorities. There are no arrears of outstanding of these dues as at the last day of financial year for a period of more than six month from the date they become payable. The law relating to Provident Fund, Investor Education Protection Fund, Employee State Insurance, Sales





Tax, Custom Duty, Excise Duty and Cess do not apply to the company for the year under report.

(b) According to the information and explanations given to us and the records of Company examined by us as at 31<sup>st</sup> March, 2016, there are no undisputed dues of income tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Cess which have not been deposited.

8. According to the records examined by us and on the information and explanations given by the management, the Company was not having any loan or borrowing from financial institutions, banks, government or by way of debentures during the year. Therefore the provisions of clause viii of the Companies (Audit Report) Order, 2016 are not applicable.
9. In our opinion and on the basis of information and explanations given to us, money raised by way of initial public offer and the term loans were applied for the purposes for which they were raised.
10. According to the information and explanations given us, no fraud on or by the company was noticed or reported during the course of our audit.
11. According to the records examined by us and on the information and explanations given by the management, Company has not paid/provided any Managerial Remuneration during the year. Therefore the provisions of clause xi of the Companies (Audit Report) Order, 2016 are not applicable.
12. In our opinion and according to the explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph xii of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any transactions with relative defined under section 2(76) of the Act. Accordingly, paragraph xiii of the order is not applicable.
14. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph xv of the order is not applicable.





16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

A.T. Jain & Co.  
**Chartered Accountants**  
Firm Registration No: 103886W

  
(Shalini R. Jain)

Partner  
Membership No. :111421  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2016





**Annexure B to the Independent Auditor's Report of even date on the Financial Statements of VARUN MERCANTILE LIMITED**

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

We have audited the internal financial controls over financial reporting of Varun Mercantile Limited ("the Company") as of March 31, 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. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**





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

For A.T. Jain & Co.  
Chartered Accountants  
(Firm's Registration No.103886W)

A handwritten signature in blue ink, appearing to read 'Shalini R. Jain'.



Shalini R. Jain  
Partner  
Membership no. 111421  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2016

# Varun Mercantile Limited

## Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016	Amount in ₹ As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	1 99 20 000	1 99 20 000
Reserves and Surplus	2	2 80 67 033	2 67 40 823
		<u>4 79 87 033</u>	<u>4 66 60 823</u>
<b>Current Liabilities</b>			
Trade Payable	3	-	-
i) Outstanding dues of micro enterprises and small enterprises		-	-
ii) Outstanding dues of creditors other than micro enterprises and small enterprises		7 11 591	15 112
Other Current Liabilities	4	2 44 301	2 31 934
		<u>9 55 892</u>	<u>2 47 046</u>
<b>TOTAL</b>		<u><u>4 89 42 925</u></u>	<u><u>4 69 07 869</u></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Non-Current Investments	5	50 00 000	1 00 00 000
Deferred Tax Assets (Net)	6	-	-
Long Term Loans and Advances	7	1 60 752	63 758
		<u>51 60 752</u>	<u>1 00 63 758</u>
<b>Current Assets</b>			
Cash and Bank Balances	8	4 28 29 685	3 56 77 393
Other Current Assets	9	9 52 488	11 66 718
		<u>4 37 82 173</u>	<u>3 68 44 111</u>
<b>TOTAL</b>		<u><u>4 89 42 925</u></u>	<u><u>4 69 07 869</u></u>

Significant Accounting Policies  
See accompanying Notes to the Financial Statements 1 to 19

As per our Report of even date

For and on behalf of the Board

For A.T.Jain & Co.  
Chartered Accountants  
Registration No.103886W

(Shalini Jain)  
Partner  
Membership No.111421  
Mumbai  
Dated : 30th May, 2016



*Mukesh Shah*

Mukesh Shah Director

*Lopamudra Dixit*

Lopamudra Dixit Director

*F.S. Shah*

Forum Shah Company Secretary

*Akshay Vyas*

Akshay Vyas Chief Financial Officer



# Varun Mercantile Limited

## Statement of Profit and Loss for the year ended 31st March, 2016

	Note	2015-2016	Amount in ₹ 2014-2015
<b>INCOME:</b>			
Other Income	10	37 52 125	37 94 766
<b>Total Revenue</b>		<u>37 52 125</u>	<u>37 94 766</u>
<b>EXPENSES:</b>			
Employee Benefit Expenses	11	7 06 658	-
Other Expenses	12	4 99 561	3 19 961
<b>Total Expenses</b>		<u>12 06 219</u>	<u>3 19 961</u>
Profit Before Tax		25 45 906	34 74 805
Tax Expenses			
Current Tax		11 60 000	9 98 000
Taxes for Earlier Years		59 696	17 810
Profit for the year		<u>13 26 210</u>	<u>24 58 995</u>
<b>Earnings per equity share</b>			
Face value of ₹10/- each			
Basic and Diluted	13	0.67	1.23
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 19		

As per our Report of even date

For and on behalf of the Board

**For A.T.Jain & Co.**  
Chartered Accountants  
Registration No.103886W

(Shalini Jain)  
Partner  
Membership No.111421  
Mumbai  
Dated : 30th May, 2016



*Mukesh Shah*  
**Mukesh Shah** Director  
*Lopamudra Dixit*  
**Lopamudra Dixit** Director

*F.S.Shah*  
**Forum Shah** Company Secretary

*Akshay Vyas*  
**Akshay Vyas** Chief Financial Officer

**Varun Mercantile Limited**

**Cash Flow Statement for the year ended 2015-16**

Amount in ₹  
2014-2015

**A CASH FLOW FROM OPERATING ACTIVITIES**

Net profit before tax as per Statement of Profit and Loss	25 45 906	34 74 805
Adjusted for		
Interest Income	( 37 52 125)	( 37 94 766)
<b>Operating profit before working capital changes</b>	<b>( 12 06 219)</b>	<b>( 3 19 961)</b>
Adjusted for		
Trade & Other Receivable	2 14 230	( 46 988)
Trade & Other Payable	7 08 846	2 500
<b>Cash Generated From operations</b>	<b>( 2 83 143)</b>	<b>( 3 64 449)</b>
Taxes paid	( 13 16 690)	( 9 92 221)
<b>Net Cash (Used In ) Operating Activities</b>	<b>( 15 99 833)</b>	<b>( 13 56 670)</b>

**B CASH FLOW FROM INVESTING ACTIVITIES**

Redmption of Investments	50 00 000	
Interest income	37 52 125	37 94 766
<b>Net Cash From Investing Activities</b>	<b>87 52 125</b>	<b>37 94 766</b>

**C CASH FLOW FROM FINANCING ACTIVITIES**

<b>Net Cash generated from Financing Activities</b>		
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>71 52 292</b>	<b>24 38 096</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>3 56 77 393</b>	<b>3 32 39 297</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>4 28 29 685</b>	<b>3 56 77 393</b>

Note:

The previous year's figures have been regrouped and reclassified wherever necessary

As per our Report of even date

For and on behalf of the Board

For A.T.Jain & Co.  
Chartered Accountants  
Registration No.103886W

(Shalini Jain)  
Partner  
Membership No.111421  
Mumbai  
Dated: 30 th May, 2016



*Mukesh Shah*

Mukesh Shah Director

*Lopamudra Dixit*  
Lopamudra Dixit Director

*F.S. Shah*  
Forum Shah Company Secretary

*Akshay Vyas*  
Akshay Vyas Chief Financial Officer

# Varun Mercantile Limited

## SIGNIFICANT ACCOUNTING POLICIES

### A. BASIS OF ACCOUNTING

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 read with Rule 7 of the Companies(Accounts) Rules, 2014.

### B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

### C. RECOGNITION OF INCOME & EXPENDITURE

The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis. Interest income is recognized on the time proportion basis taking into account the amount outstanding and rate applicable.

### D. INVESTMENTS

Non Current investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

### E. INCOME TAX

Tax Expenses comprises of current tax and defer tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing difference between taxable income and accounting income for the period and reversal of timing difference of the earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except the deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realised the same.

### F. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provision are not discounted to their presents value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in financial Statements.

### G. EARNING PER SHARE

Basis and Diluted earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of the equity shares outstanding during the year.

### H. CASH FLOW STATEMENT

Cash flows are reported using the indirect -method,whereby profit before tax is adjusted for the effects of transactions of a non-cash nature,any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows.The cash flows from operating, investing and Financing activities of the company are segregated.

### I. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents comprise cash and cash deposit with banks. The company considers all highly liquid investments with remaining maturity of the date of purchase a three months or less and that are readily convertible to the known amount or cash to be cash equivalent.



## Varun Mercantile Limited

### Notes on Financial Statement for the year ended 31st March, 2016

#### 1 SHARE CAPITAL

	Amount in ₹
	As at 31st March, 2016
	As at 31st March, 2015
<b>Authorised Share Capital</b>	
30 00 000 Equity Shares of ₹10 each (30 00 000)	3 00 00 000 3 00 00 000
<b>Issued, Subscribed and Paid up:</b>	
19 92 000 Equity Shares of ₹10 each fully paid up (19 92 000)	1 99 20 000 1 99 20 000
<b>TOTAL</b>	<b>1 99 20 000</b> <b>1 99 20 000</b>

1.1 The reconciliation of the number of shares outstanding as at the beginning and at the end of the reporting period.

	As at 31st March, 2016 Number	As at 31st March, 2015 Number
Equity		
Shares outstanding at the beginning of the year	19 92 000	19 92 000
Shares Issued during the year	-	-
Shares outstanding at the end of the year	19 92 000	19 92 000

1.2 Rights, Preferences and Restrictions attached to Equity Shares.

The Company's equity shares have a face value of ₹ 10 per share. Each equity shareholder is entitled to one vote per share. The dividend In the event of liquidation, the equity shareholders are eligible to receive the assets of the Company remaining after distribution of all

1.3 None of the Share holder holds more than 5% shares as at 31st March, 2016 and at 31st March 2015.



# Varun Mercantile Limited

## Notes on Financial Statement for the year ended 31st March, 2016

2 RESERVES AND SURPLUS	Amount in ₹
As at 31st March, 2016	As at 31st March, 2015

General Reserve		
As per last Balance Sheet	10 000	10 000

### Surplus in the Statement of Profit and Loss

As per last Balance Sheet	2 67 30 823	2 42 71 828
Profit for the year	13 26 210	24 58 995
	2 80 57 033	2 67 30 823

<b>TOTAL</b>	<b>2 80 67 033</b>	<b>2 67 40 823</b>
--------------	--------------------	--------------------

3 TRADE PAYABLE	Amount in ₹
As at 31st March, 2016	As at 31st March, 2015

Outstanding dues of micro enterprises and small enterprises	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises	7 11 591	15 112

<b>TOTAL</b>	<b>7 11 591</b>	<b>15 112</b>
--------------	-----------------	---------------

Based on the available information with the Company / intimation received from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, amounts unpaid as at year end / interest paid during the year / payable at the year end to such Enterprises under this Act is Nil.

4 OTHER CURRENT LIABILITIES	Amount in ₹
As at 31st March, 2016	As at 31st March, 2015

Statutory Dues	12 367	-
Others	2 31 934	2 31 934

<b>TOTAL</b>	<b>2 44 301</b>	<b>2 31 934</b>
--------------	-----------------	-----------------



# Varun Mercantile Limited

## Notes on Financial Statement for the year ended 31st March, 2016

### 5 NON-CURRENT INVESTMENTS

Amount in ₹

As at  
31st March, 2016

As at  
31st March, 2015

#### Long-term investment (Others)

#### In Bonds - Unquoted, fully paid up

Non-Convertible Redeemable Taxable Capital Gain Tax  
Exemption Bonds Series VIII (2012-13) of ₹10000/-Each

- Rural Electrification Corporation Ltd.  
(500) 50 00 000

Non-Convertible Redeemable Taxable Bonds (Series XIV)  
With benefits under Section 54EC of ₹10000/-Each

500 National Highways Authority of India  
(500) 50 00 000 50 00 000

Total Non Current Investment 50 00 000 1 00 00 000

Aggregate amount of Unquoted Investment 50 00 000 1 00 00 000



# Varun Mercantile Limited

## Notes on Financial Statement for the year ended 31st March, 2016

6 DEFERRED TAX ASSETS (NET)	Amount in ₹
	As at
	31st March, 2016
	31st March, 2015
Deferred Tax Liability	
Related to Fixed Assets	-
Deferred Tax Assets	
On account of brought forward losses	15 35 273
	15 35 273
<b>TOTAL</b>	<b>15 35 273</b>

However, deferred tax assets has not been recognized on ground of prudence.

7 LONG TERM LOANS AND ADVANCES	Amount in ₹
	As at
	31st March, 2016
	31st March, 2015
(Unsecured and Considered good )	
Advance Income Tax	1 60 752
(Net of Provision for Taxation )	63 758
	63 758
<b>TOTAL</b>	<b>63 758</b>

8 CASH AND BANK BALANCES	Amount in ₹
	As at
	31st March, 2016
	31st March, 2015
Cash and Cash Equivalents	
Balances with Bank	
In current account	57 734
In Fixed Deposits with maturity less than 3 months	83 822
	6 50 663
	7 34 485
<b>Other Bank Balance</b>	
Bank Deposit With Maturity more than 3 months but Less than 12 months	4 27 71 951
	3 49 42 908
	3 49 42 908
<b>TOTAL</b>	<b>3 56 77 393</b>

9 OTHER CURRENT ASSETS	Amount in ₹
	As at
	31st March, 2016
	31st March, 2015
(Unsecured and Considered good )	
Interest Accrued but not due	9 52 488
	11 66 718
<b>TOTAL</b>	<b>11 66 718</b>





# Varun Mercantile Limited

## Notes on Financial Statement for the year ended 31st March, 2016

10	OTHER INCOME	Amount in ₹	
		2015-2016	2014-2015
	Interest income		
	From Fixed Deposit With Bank.	32 00 823	31 94 766
	From Capital Gain Bonds.	5 51 302	6 00 000
		37 52 125	37 94 766
	<b>TOTAL</b>	<b>37 52 125</b>	<b>37 94 766</b>
11	EMPLOYEE BENEFIT EXPENSES	Amount in ₹	
		2015-2016	2014-2015
	Salaries	7 06 658	-
	<b>TOTAL</b>	<b>7 06 658</b>	<b>-</b>
12	OTHER EXPENSES	Amount in ₹	
		2015-2016	2014-2015
	Filing Fees	45 938	24 090
	Legal & Professional Charges	44 624	8 350
	Rates & Taxes	2 500	2 500
	Advertisement Expenses	1 25 804	1 36 472
	Listing Fees	2 24 720	1 29 214
	Auditors' Remuneration	13 800	10 112
	General Expenses	42 175	9 223
	<b>TOTAL</b>	<b>4 99 561</b>	<b>3 19 961</b>





# Varun Mercantile Limited

## Notes on Financial Statement for the year ended 31st March, 2016

13 Earnings per share	2015-2016	2014-2015
Numerator - Profit after tax (₹)	13 26 210	24 58 995
Denominator - Weighted average number of equity shares	19 92 000	19 92 000
Nominal value per equity share (₹)	10	10
Basic and Diluted earnings per equity share (₹)	0.67	1.23

### 14 Auditors Remuneration Amount in ₹

Particulars	As AT 31.03.2016	As AT 31.03.2015
Statutory Audit Fees	11 500	7 865
Certification	2 300	2 247
Total	13 800	10 112

### 15 Segment Reporting

Since the company is holding Investments and that other activities are incidental thereto, in the opinion of the management there are no separate reportable segment. Accordingly AS-17 in respect of segment reporting is not applicable to the company.

### 16 Related Party

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:-

#### i) List of related parties with whom transactions have taken place and relationship:

Sr. No.	Name of the Related Party	Relationship
1	Shri Mukesh Shah	Key Managerial Personnel
2	Ms.Forum shah	Key Managerial Personnel
3	Ms.Lopamudra Dixit	Key Managerial Personnel
4	Shri Akshay Vyas	Key Managerial Personnel

#### ii) Transactions during the year with related parties:

Nature of Transactions	Amount in ₹
Salaries paid	7 06 658
	( - )

17 The Income Tax assessment of the Company are completed up to Assessment year 2013-2014. The total demand raised by the income tax department up to the said assessment year is ₹ Nil

18 Details of Investment made u/s 186 (4) of the Companies Act, 2013. are given under the respective head.

19 The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

As per our Report of even date

For A.T.Jain & Co.  
Chartered Accountants  
Registration No. 103886W

(Shalini Jain)  
Partner  
Membership No. 111421  
Mumbai  
Dated: 30th May, 2016



For and on behalf of the Board

*Mukesh Shah*  
Mukesh Shah Director

*Lopamudra Dixit*  
Lopamudra Dixit Director

*F.S. Shah*  
Forum Shah Company Secretary

*Akshay Vyas*  
Akshay Vyas Chief Financial Officer