

# GRACIOUS VANIJYA LIMITED

## ANNUAL REPORT 2016-17

### BOARD OF DIRECTORS:

- BHADRESHKUMAR B. SHAH
- RIDDHI PINAL SHAH
- RAJESHKUMAR VINODRAY TRIVEDI

### AUDITORS:

M/S. NIRAV S. SHAH & CO.  
CHARTERED ACCOUNTANTS  
AHMEDABAD

### BANKERS:

CENTRAL BANK OF INDIA

### REGISTRAR & SHARE TRANSFER AGENT:

**MCS SHARE TRANSFER AGENT LIMITED.**  
201, SHATDAL COMPLEX, OPP. BATA SHOW ROOM,  
ASHRAM ROAD-380009  
EMAIL: [mcsahmd@gmail.com](mailto:mcsahmd@gmail.com)

### REGISTERED OFFICE:

347, FLOOR-0, SHIVSHAKTI NAGAR,  
GENERAL JAGANNATH BHOSALE MARG,  
NARIMAN POINT, MUMBAI-400021  
EMAIL: [graciousvltd@gmail.com](mailto:graciousvltd@gmail.com)

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## **NOTICE**

NOTICE is hereby given that the **Thirty Third(33<sup>rd</sup>)** Annual General Meeting of the Members of the Company will be held on **Saturday, 23<sup>rd</sup> September, 2017 at 12.00 P.M.** at the registered office of the Company situated at 347, Floor 0, Shivshakti Nagar, General JagannathBhosale Marg, Nariman Point, Mumbai-400021 to transact the following businesses:

### **ORDINARY BUSINESS:**

- i.** To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2017 and Report of the Board of Directors and Auditors thereon.
- ii.** To Re-appoint **Shri Bhadreshkumar Bharatkumar Shah (DIN: 03628770)** who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
- iii.** To appoint Auditors of the Company and fix their remuneration

To consider and if thought fit, to give your assent/dissent to 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 and rules framed there under, as amended from time to time, **M/s Nirav S. Shah & Co., Chartered Accountants**, Ahmedabad be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of Thirty second (33<sup>rd</sup>) Annual General Meeting (AGM) till the conclusion of the Thirty Seventh (37<sup>th</sup>) Annual General Meeting of the Company to be held in the year 2021 (subject to ratification of their appointment at every AGM), at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

### **SPECIAL BUSINESS:**

- iv.** **Appointment of Mr. Rajeshkumar Vinodray Trivedi (DIN: 07193493) as the Independent Director of the Company:**

To consider and if thought fit, to give your assent/dissent to the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Sections 160 & 161 of the Companies act, 2013 and any other applicable provisions if any, **Mr Rajeshkumar Vinodray Trivedi**, who was appointed as an Additional Director on 27<sup>th</sup> January ,2017 be and is hereby appointed as Independent Director of the Company who is not liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Bhadresh B Shah, Managing Director of the Company, be and are hereby severally authorised to file relevant forms with the Registrar of companies, Karnataka, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment"

v. **Appointment of Mrs. Manishaben Kalpeshbhai Malvi (DIN: 07799919) as the Independent Director of the Company:**

To consider and if thought fit, to give your assent/dissent to the following resolution as **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Sections 160 & 161 of the Companies act, 2013 and any other applicable provisions if any, **Mrs. Manishaben Kalpeshbhai Malvi**, who was appointed as an Additional Director on 21<sup>st</sup> April ,2017 be and is hereby appointed as Independent Director of the Company who is not liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Bhadresh B Shah, Managing Director of the Company, be and are hereby severally authorised to file relevant forms with the Registrar of companies, Karnataka, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment”

**DATE: 24/08/2017**  
**PLACE: AHMEDABAD**

**SD/-**  
**BHADRESH B SHAH**  
**CHAIRMAN CUM MANAGING DIRECTOR**  
**(DIN: 03628770)**

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to Section 91 of the Companies Act, 2013, Register of Members and shares Transfer Books of the Company will remain closed from Saturday, 16<sup>th</sup>September, 2017 to Saturday23<sup>rd</sup>September, 2016 (both Days inclusive).
3. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business to be transacted at the meeting, is annexed hereto and forms part of this notice.
4. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
5. 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.

6. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
7. Members are requested to:
  - a) Intimate, if shares are held in the same name or in the order and names, but in more than one account to enable the Company to club the said accounts into one account.
  - b) Notified immediately the change in their registered address, if any, to the Company.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.
10. The Annual Report of the year 2016-17 of the Company circulated to the Members of the Company will be made available on the Company's website at [www.graciousvanijya.com](http://www.graciousvanijya.com).

**11. Voting through electronic means:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 33<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through poll paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **20/09/2017 (12:00 pm)** and ends on **22/09/2017(5:00 pm)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **16<sup>th</sup> September, 2017**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are as under:

**A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:**

- i. Open email and open PDF file viz; "e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
- ii. Launch internet browser by typing the following URL:  
<https://www.evoting.nsdl.com>
- iii. Click on "Shareholder – Login".
- iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- vii. Select "EVEN(E-voting Event Number)" of Gracious Vanijya Limited. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- viii. Now you are ready for "e-voting" as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [ketulshah30@googlemail.com](mailto:ketulshah30@googlemail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

- i. The initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
EVEN (e-voting Event Number):  
USER ID:  
PASSWORD/PIN:
- ii. Please follow the steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

**V.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL by email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**VI.** If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

**VII.** Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 16<sup>th</sup> September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**VIII.** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

**IX.** Mr. Ketul Shah, Practicing Company Secretary, has been appointed as the scrutinizers inter alia for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

**X.** The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "poll Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility

**XI.** The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through

remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

**XII.** The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.graciousvanijya.com](http://www.graciousvanijya.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

**12.** All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.



## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT**

#### **(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

The following statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

**Item No. 4 & 5: Appointment of Mr. Rajeshkumar Vinodray Trivedi Mrs. Manishaben Kalpeshbhai Malvi as Independent Directors of the company.**

The Board at its meeting held on 27/01/2017 and 21/04/2017, appointed **Mr. Rajeshkumar Vinodray Trivedi Mrs. Manishaben Kalpeshbhai Malvi** as additional Independent Directors respectively with effect from such Board meeting dates pursuant to Section 161 of the Companies Act, 2013. Hence, they will hold office up to the date of the ensuing annual General Meeting. The Company has received consent in writing to act as directors in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of section 164 of the Companies Act, 2013. The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Directors.

Accordingly, the Board recommends the resolution Nos. 4 & 5, in relation to appointment of **Mr. Rajeshkumar Vinodray Trivedi, Mrs. Manishaben Kalpeshbhai Malvi** as Directors, respectively, for the approval by the shareholders of the Company.

**DATE: 24/08/2017**  
**PLACE: AHMEDABAD**

**SD/-**  
**BHADRESH B SHAH**  
**CHAIRMAN CUM MANAGING DIRECTOR**  
**(DIN:03628770)**

# BOARD'S REPORT

**Dear Members,**

Your Directors have pleasure in presenting the **33<sup>rd</sup> Annual Report** of your Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2016.

## **I. FINANCIAL RESULTS:**

The financial performance of the Company for the year ended 31st March, 2017 is summarized below:

(In Rupees)

<b>Particulars</b>	<b>Year ending on 31<sup>st</sup> March, 2017</b>	<b>Year ending on 31<sup>st</sup> March, 2016</b>
Sales	21,18,587	31,82,914
Other Income	23,17,120	8,74,248
<b>Total Income</b>	<b>44,35,707</b>	<b>40,57,162</b>
Less: Expenditure	42,84,594	39,22,675
Profit/Loss before interest, depreciation and tax	1,51,113	1,34,487
Less: Interest	0.00	0.00
Less: Depreciation & Amortization cost	0.00	0.00
<b>Profit/ (Loss) before Tax</b>	<b>1,51,113</b>	<b>1,34,487</b>
Less: Tax Expense	<b>46,694</b>	41,556
Add: Balance Brought Forward	<b>8,67,497</b>	---
<b>Profit/ (Loss) after Tax</b>	<b>9,71,916</b>	<b>92,931</b>

## **II. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:**

During the period under review your company has made a profit of Rs.9,71,916/- and your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year

## **III. DIVIDEND:**

Since the Company has not earned sufficient profits in the financial year ended 31.03.2017. Hence no dividend was declared and paid by the company.

## **IV. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Since there was no unpaid/unclaimed Dividend declared and paid in previous financial years, the provisions of Section 125 of the Companies Act, 2013 do not apply.

**V. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

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

**VI. PUBLIC DEPOSITS:**

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force). Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

**VII. MATERIAL CHANGES AND COMMITMENT:**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

**VIII. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the period under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls

**IX. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

**X. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has given loans covered under the provisions of section 186 of the Companies Act, 2013. The details of the loans given and investments made by company are disclosed in the financial statement of the Company (Please refer Note No. 2.6 of the financial statements).

**XI. STATE OF COMPANY'S AFFAIR :**

During the year under review, your company has not made any default in repayment of any of its term loans, have met generally all its obligation in time including its tax liabilities.

**XII. RELATED PARTY TRANSACTIONS:**

During the year no contracts or arrangements were made with related parties falling under the purview of Section 188 of the Companies Act, 2013.

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

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

**[A] Consumption Of Energy & Technology Absorption:**

The details as required under Section 134 (3) (m) of the Companies Act, 2013, in respect of Conservation of Energy, Technology Absorption are not applicable.

**[B] Foreign Exchange Earing & Outgo :**

Foreign Exchange Earning: NIL  
Foreign Exchange Outgo : NIL

**XIV. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**[A] Retirement by rotation and subsequent re-appointment:**

**Mr. Bhadresh B Shah (DIN: 03628770)** is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company and being eligible have offered himself for reappointment. Appropriate resolutions for the re-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 33<sup>rd</sup> AGM of your Company.

**[B] Cessation:**

The Board of Directors of the Company in their meeting held on 27<sup>th</sup> January, 2017 and 21<sup>st</sup> April, 2017 accepted the resignation of Mr. Pinak K Shah (DIN:05197449) and Mrs. Riddhi Pinal Shah (DIN: 05197462) from the directorship of the Company.

The Board places on record its appreciation for the assistance and guidance provided by Mr. Pinak K Shah and Mrs. Riddhi Pinal Shah during their tenure as Director of the Company.

**[C] Declaration of Independence:**

Mr. RAJESHKUMAR VINODRAY TRIVEDI (DIN: 07193493) and Mrs. MANISHABEN KALPESHBHAI MALVI (DIN: 07799919) are the existing Independent Directors the Company and the Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules framed thereunder as well as Regulation 16(1)(b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

**[D] Evaluation of Board's Performance:**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out.

**XV. NUMBER OF MEETINGS OF THE BOARD**

The Company had conducted Seven Board meetings during the financial year 2016-17 under review on:

- 20<sup>th</sup> April 2016, 30<sup>th</sup> May, 2016, 20<sup>th</sup> July 2016, 16<sup>th</sup> September 2016, 14<sup>th</sup> November 2016, 27<sup>th</sup> January, 2017 and 01<sup>st</sup> February, 2017.

**XVI. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of our Company confirm that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), 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 your Company as at 31<sup>st</sup> March, 2017 and of the profit and loss of the Company for the financial year ended 31st March, 2017;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in

force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**XVII. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:**

**[A] AUDIT COMMITTEE:**

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

➤ **Composition:**

The details of composition of Audit Committee are as follows:

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	NUMBER OF MEETINGS	
		HELD	ATTENDED
Mr. Pinal K. Shah	Non-Independent Executive	4	4
Mrs. Riddhi P. Shah	Independent Non Executive	4	4
Mr. Bhardeshkumar B. Shah	Non-Independent Non Executive	4	4
Mr. Rajeshkumar Vinodray Trivedi (w.e.f 27/01/2017)	Independent Non Executive	1	1

➤ **Terms of reference:**

The broad terms of reference of the Audit Committee are as under:

- Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- Discussions with Internal Auditor on any significant findings and follow up there on.

➤ **Meetings**

During the Year, **4 (four)** meetings of the Committee were held on 30/05/2016, 20/07/2016, 14/11/2016 and 01/02/2017. The necessary quorum was present at the Meetings

**[B] NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The composition of the Committee is in conformity with the provisions of the said section.

The Nomination and Remuneration Committee was reconstituted with effect from 27<sup>th</sup> January, 2017 and comprises as below:

➤ **Composition**

The details of composition of Nomination and Remuneration Committee are as follows:

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP
-----------------------	--------------------------

Mr. Bhardeshkumar B. Shah	Non-Independent Executive
Mrs. Riddhi P. Shah	Chairman and Independent Non Executive
Mr. Rajeshkumar Vinodray Trivedi	Non-Independent Non Executive

➤ **Terms of reference:**

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

➤ **Meetings:**

During the year under review, **1 (one)** meeting of the committee was held on 21/04/2016.

**XVIII. AUDITORS:**

**[A] Statutory Auditors:**

The Members of the Company at the 32<sup>nd</sup> Annual General Meeting held on 20th August, 2016 had appointed **M/s Nirav Shah & Associates**, Chartered Accountants, as a Statutory Auditors of the Company for the period of 5 (five) years. The present Auditors of the Company were appointed for a period of 5 (five) at this Annual General Meeting to hold office till the conclusion of 37<sup>th</sup> Annual General Meeting to be held in 2021.

**[B] Cost Auditor:**

As the cost audit is not applicable to the Company, therefore the Company has not appointed the Cost Auditor pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

**[C] Secretarial Auditor:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary.



Mr. Ketul Shah, Practising Company Secretary had been appointed to issue Secretarial Audit Report for the period ended on 31st March 2017. The Company provided all assistance and facilities to the secretarial Auditor for conducting their Audit. The Secretarial Audit report for the year 2015-16 is annexed herewith as "**Annexure A**"

**XIX. EXTRACT OF ANNUAL RETURN:**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure "B"** and is attached to this Report

**XX. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

**XXI. RISK MANAGEMENT:**

The Company does not have any Risk Management Policy or any statement concerning development and implementation of risk management policy of the company as the elements of risk threatening the Company's existence are very minimal.

**XXII. COMPANY'S POLICY RELATING TO PAYMENT OF REMUNERATION TO DIRECTORS:**

The Board determines the remuneration payable to the Executive Directors taking into account their qualification, expertise and contribution and based on recommendations of the Nomination and Remuneration Committee. Non-Executive Directors are eligible to receive sitting fees for attending Board / Committee Meetings as decided by the Board within the limits prescribed under the Companies Act, 2013

The Remuneration policy of the Company is as under:

**i. Remuneration to Non-Executive Directors:**

- A Non-Executive Director is eligible to receive sitting fees for each meeting of the Board or Committee of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014.

**ii. Remuneration to Executive Directors:**

- The Board in consultation with the Nomination & Remuneration Committee decides the remuneration structure for Executive Directors. On the recommendation of the Nomination & Remuneration Committee the Remuneration paid/payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

**XXIII. CORPORATE GOVERNANCE:**

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is not having the paid up share capital exceeding Rs. 10 crores and Net worth is exceeding Rs. 25 crores.

**XXIV. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on the company. Therefore the company has not constituted CSR committee.

**XXV. PARTICULARS REGARDING EMPLOYEES:**

During the year under report, none of the employees was in receipt of remuneration exceeding the limit prescribed under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**XXVI. APPRECIATION:**

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hardwork, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

**For and on behalf of the Board**

**Date: 24/08/2017**  
**Place: Ahmedabad**

**Sd/-**  
**Bhadresh B. Shah**  
**Managing Director**  
**(DIN: 03628770)**

**Sd/-**  
**Rajesh Trivedi**  
**Director**  
**(DIN: 07193493)**

# GRACIOUS VANIJYA LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **1. Overall Review**

The Growth rate has been on the downward trend as compared to the previous year with unfavorable market conditions which reflect the Negativity of the market.

### **2. Financial Review**

During the year the company has continue the business activities and has Profit of Rs. (1.04) Lacs.

### **3. Risk and Concern**

High level of completion in manufacturing of machineries will affect profitability of Company. Changes in technologies may create some risk for the Company. However the company has proper planning and management to take care of the risk factors.

### **4. Internal Control System and their adequacy**

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliance of guide lines and policies, adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management.

### **5. Environmental Issues**

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

### **6. Financial Performance with Respect to Operation Performance**

The Company has all the plans for tight budgetary control on key operational performance indication with judicious deployment of funds without resorting to any kind borrowing where ever possible.

### **7. Cautionary Statement**

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially, from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward - looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

# Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2017

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

### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L27109MH1982PLC096029
ii)	Registration Date	02/09/1982
iii)	Name of the Company	GRACIOUS VANIJYA LIMITED
iv)	Category/Sub-Category of the Company	Company limited by Shares/Non-govt company
v)	Address of the Registered office and contact details	347, Floor - 0, Shivshakti Nagar, General Jagannath Bhosale Marg, Nariman Point Mumbai Mumbai City MH 400021 IN
vi)	Whether listed company	Listed
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS SHARE TRANSFER AGENT 101, Shatdal Complex, 1st Floor, Opp. Bata Show Room, Ashram Rd, Shreyas Colony, Ahmedabad, Gujarat 380009

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Machinery, equipment and supplies	996118	100%

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

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
N.A.					







<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>2,84,200</b>	<b>22,84,200</b>	<b>100</b>	<b>20,44,200</b>	<b>2,40,000</b>	<b>22,84,200</b>	<b>100</b>	<b>0.00</b>
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*ii) Shareholding of Promoters*

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Nitinkumar Jhota	10000	10000	-	10000	10000	10000	-

*iii) Change in Promoters' Shareholding (please specify, if there is no change)*

Sl. No.		Shareholding at the beginning of		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	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):	NA			
	At the end of the year				



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

Sr. No.		Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	<b>For each of the Top 10 Shareholders</b>					
1.	<b>KALPESHKUMAR ASHVINKUMAR SHAH</b>	-	55000	2.41%	55000	2.41%
2.	<b>Sureshkumar Darji</b>		55000	2.41%	55000	2.41%
3.	<b>Ashaben Darji</b>		55000	2.41%	55000	2.41%
4.	<b>Ranjitji Kahrecha</b>		55000	2.41%	55000	2.41%
5.	<b>Ramesh M. Solanki</b>		55000	2.41%	55000	2.41%
6.	<b>Bharatbhai Parmar</b>		55000	2.41%	55000	2.41%
7.	<b>JAGDISHKUMAR L. BHATIYA</b>		55000	2.41%	55000	2.41%
8.	<b>Ratilal A. Darji</b>		40700	1.78	40700	1.78
9.	<b>Antraben D. Jadav</b>		40700	1.78	40700	1.78
10.	<b>Chandu Vaghela</b>		40700	1.78	40700	1.78

v) *Shareholding of Directors and Key Managerial Personnel:*

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Pinal Kanakchandra Shah</b>				
	At the beginning of the year	1000	0.42	1000	0.42
	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):	0	0	0	0
	At the end of the year	1000	0.42	1000	0.42
2.	<b>Riddhi Pinal Shah</b>				
	At the beginning of the year	1000	0.42	1000	0.42

Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		
At the end of the year	1000	0.42	1000	0.42

## Vi. INDEBTNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	11,99,600	-	11,99,600
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>11,99,600</b>	-	<b>11,99,600</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	(5,00,000)	-	(5,00,000)
<b>Net Change</b>	-	<b>(5,00,000)</b>	-	<b>(5,00,000)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	6,99,600	-	6,99,600
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>		<b>6,99,600</b>		<b>6,99,600</b>

## Vii.) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD	Total Amount
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, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

***B. Remuneration to other directors:***

SN.	Particulars of Remuneration	Name of Directors					Total Amount
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)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act						

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

SN	Particulars of Remuneration	Key Managerial Personnel		
				Total
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, please specify	-	-	-
	Total			

**V. 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					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

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

SN	Particulars of Remuneration	Key Managerial Personnel		
				Total
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, please specify	-	-	-
	Total			

**V. 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					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2017

To,  
The Members,  
M/s. Gracious Vanijya Limited

I Ketul Shah have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Gracious Vanijya Limited (Hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 and complied with the statutory provisions to the extent applicable as 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- **Not Application**
- (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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Applicable with effect from 1<sup>st</sup> December, 2015)
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- Not Applicable.



- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable.
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- Not applicable as company is not registered as a registrar and transfer agent.
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;- Not applicable.
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India.

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

Company had not appointed CFO and Company Secretary.

**I further report that**

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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.

Place: Ahmedabd  
Date: 17-08-2017



**KETUL JAGDISHBHAI SHAH**  
M No.: 37822  
COP No.: 17187

APPENDIX - A

To,  
The Members  
Citizen Yarns Limited

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

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





## Independent Auditors' Report

TO THE MEMBERS OF,  
GRACIOUS VANIJYA LIMITED

➤ **Report on the Financial Statements**

We have audited the accompanying financial statements of Gracious Vanijya Limited, which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

➤ **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

➤ **Auditor's Responsibility**

(1) 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.

(2) 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.

(3) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend

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

(4) 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;

1. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
2. In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
3. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

➤ **Report on other Legal and Regulatory Requirements**

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 statement on the matters Specified in Paragraph 3 and 4 of the Order.

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

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ~~[and proper returns adequate for the purposes of our audit have been received from the branches not visited by us]~~
- ~~[The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly~~

~~dealt by us in preparing this report.]~~

- d) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account. ~~[And the returns received from the branches not visited by us.]~~
- e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ~~f) The going concern matter described in sub paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.~~
- g) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- h) In our Opinion and to the best of our information and according to the explanation given to us, we report as under with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rule 2014 :
  1. The company does not have any pending litigations which would impact its financial statement.
  2. The company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  3. There has not been an occasion in case of the company during the year under report to transfer any sums to the Investors Education and Protection Fund. The question of delay in transferring such sums does not arise.

For, Nirav S. Shah & Co.  
**Chartered Accountants**

**(Nirav S. Shah)**

Proprietor

M. No. 133345

FRN No. 130244w

Date: 30.05.2017

Place: Ahmedabad

## ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of GRACIOUS VANIJYA LIMITED for the year ended 31<sup>st</sup> March, 2017.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) There is no Fixed Assets, Hence Not Applicable.  
(b) N.A.
  
2. (a) There is No Inventory at the end of the Year, hence Not Applicable.  
(b) N.A.  
(c) N.A.
  
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.  
  
(a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.  
  
(b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.  
  
(c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
  
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. The company has not accepted any deposits.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7.
  - (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
  - (b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.
8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.

13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR, Nirav S. Shah

**CHARTERED ACCOUNTANTS**

**(Nirav Shah)**

PROPRIETOR

Membership # 133345

FRN No. 130244W

PLACE: AHMEDABAD

DATE : 30<sup>th</sup> May, 2017

**GRACIOUS VANIJYA LIMITED**

**NOTES FORMING PARTS OF ACCOUNTS  
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

The significant accounting policies followed by the company are as stated below:

**I. ACCOUNTING CONVENTION :**

The financial statement is prepared under the historical cost convention and follows the mercantile system of accounting and recognizes income and expenditure on the accrual basis except those with significant uncertainties. Sales & Purchase is accounted exclusive of excise duty.

**II. FIXED ASSETS :**

There are no fixed assets available.

**III. DEPRECIATION :**

There are no fixed assets hence not applicable.

**IV. INVENTORIES :**

There is no inventory at the year ended 31-03-2017, hence not applicable.

**V. INVESTMENT :**

There is no Investment.

**VI. MISCELLANEOUS EXPENSES :**

At the end of the year the balance of Miscellaneous Expenditure is W/O and the Balance is NIL.

**VII. CONTINGENT LIABILITIES :**

No Provision is made for liabilities, which are contingent in nature but, if material, the same all disclosed by way notes to the accounts.

## B. NOTES ON ACCOUNTS:

- I. Previous years figures have been regrouped wherever necessary.
- II. Balances of creditors, Loans & Advances and Debtors are subject to confirmation by the parties concerned.
- III. In respect of sales tax / income tax liability company does not expect any more liability than provided in the books of accounts.
- IV. Expenditure on Employees getting remuneration not less Rs.156000/- per year employed throughout the year and Rs.25000/- per month employed for part of year :

a. <u>No. of Employees</u>	<u>Amount Rs.</u>	<u>Amount Rs.</u>
b. Employed through out the year	Nil (Nil)	Nil (Nil)
c. Employed for a part of a year	Nil (Nil)	Nil (Nil)

### V. Value of import calculates on CIF basis:

1. Raw Material	Nil	(Nil)
2. Components & Spare Parts	Nil	(Nil)
3. Capital Goods.	Nil	(Nil)



VI. Expenditure in Foreign Currency on account of :

1. Royalty	Nil	(Nil)
2. Knowhow.	Nil	(Nil)
3. Professional Consultancy	Nil	(Nil)
4. Other Matters	Nil	(Nil)

(c) The amount remitted in foreign currency on  
Account of dividends to non- residents Nil (Nil)

VII. Auditor's Remuneration.

	31-03-2017	31-03-2016
a. As Auditors	18000.00	15000.00
a. Tax Audit Fees	NIL	NIL
In other Capacity		
1. For Income Tax	NIL	NIL
2. For Company Law - Matter	NIL	NIL
3. For Certification Work	NIL	NIL
4. For Other Works	NIL	NIL

VIII. We relied on vouchers duly certified by the Assessee wherever original bills are not available during the test checked conducted in the course of our audit.

IX. In the opinion of the Directors of the Company the current assets, Loans & Advances appearing in the balance sheet are approximately of the value as stated if realized in the ordinary course of business.

- X. Cash on hand at the year end certified by the management. Moreover we have not physically verified the Cash Balance as on 31-03-2017.
- XI. We are unable to express our opinion regarding diminution, if any, in the value of the investments as no documentary evidence were available or verification / judgment of the same.

**FOR, Nirav S. Shah & Co.**

**FOR, GRACIOUS VANIJYA LIMITED**

**CHARTERED ACCOUNTANTS**

**(Nirav Shah)**

**DIRECTOR**

**DIRECTOR**

**PROPRIETOR**

**BHADRESH SHAH**

**RAJESH TRIVEDI**

**Membership # 133345**

**DIN: 03628770**

**DIN: 07193493**

**FRN No. 130244W**

**PLACE: AHMEDABAD**

**PLACE: AHMEDABAD**

**DATE : 30<sup>th</sup> May, 2017**

**DATE : 30<sup>th</sup> May, 2017**

**GRACIOUS VANIJYA LIMITED**  
**Balance Sheet as at 31st March, 2017**

[Amount in Rs.]

Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016
<b>Equity and Liabilities</b>			
<b>Shareholders' Fund</b>			
Share capital	2.1	2 28 42 000	2 28 42 000
Reserves and surplus	2.2	81 26 616	80 22 197
Money received against share warrants		<u>                    </u>	<u>                    </u>
		<b>3 09 68 616</b>	<b>3 08 64 197</b>
<b>Share Application Money Pending</b>			
<b>Non-Current liabilities</b>			
Long term borrowings	2.3	6 99 600	11 99 600
Deferred Tax Liabilities (Net)		<u>                    </u>	<u>                    </u>
		<b>6 99 600</b>	<b>11 99 600</b>
<b>Current liabilities</b>			
Short term borrowing		-	-
Trade payables	2.4	22 65 268	2 80 754
Other current liabilities		-	-
Short term provision	2.5	<u>2 52 836</u>	<u>2 03 142</u>
		<b>25 18 104</b>	<b>4 83 896</b>
		<u><b>3 41 86 320</b></u>	<u><b>3 25 47 693</b></u>
<b>Assets</b>			
<b>Non-Current assets</b>			
Fixed assets			
Tangible assets		-	-
Intangible assets		-	-
Capital work in progress		-	-
Intangible assets under development		-	-
Fixed asset held for sale		-	-
Non current investment		-	-
Long Term Loans & Advances	2.6	2 85 04 442	2 86 33 381
Other non current assets	2.7	<u>7 62 278</u>	<u>3 41 224</u>
		<b>2 92 66 720</b>	<b>2 89 74 605</b>
<b>Current Assets</b>			
Current investment			
Inventories		-	-
Trade receivables	2.8	26 64 735	26 64 735
Cash and cash equivalents	2.9	20 07 955	8 50 235
Short term loan and advances		-	-
Other current assets	2.10	<u>2 46 910</u>	<u>58 118</u>
		<b>49 19 600</b>	<b>35 73 088</b>
		<u><b>3 41 86 320</b></u>	<u><b>3 25 47 693</b></u>

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**FOR. NIRAV S. SHAH & CO.**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

*Proprietor*  
Membership No. 133345  
Firm Registration No # 130244w

*Director*                      *Director*  
BHADRESH SHAH      RAJESH TRIVEDI  
DIN: 03628770      DIN: 07193493

Place : Ahmedabad  
Date : 30th May, 2017

Place : Ahmedabad  
Date : 30th May, 2017

**GRACIOUS VANIJYA LIMITED**

**Profit and Loss Account for the year ended 31st March, 2017**

[Amount in Rs.]

Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016
<b>Income</b>			
Revenue from operations	2.11	21 18 587	31 82 914
Other Income	2.12	<u>23 17 120</u>	8 74 248
<b>Total Revenue</b>		<b>44 35 707</b>	<b>40 57 162</b>
<b>Expenses</b>			
Cost of material consumed	2.13	13 16 514	27 47 728
Changes in inventories of finished goods, work-in-progress		-	-
Employee benefits expense	2.14	1 56 000	2 93 500
Finance costs	2.15	3 063	2 939
Depreciation and amortization expenses		-	-
Administration and other expenses	2.16	<u>28 09 017</u>	8 78 508
<b>Total Expenses</b>		<b>42 84 594</b>	<b>39 22 675</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>1 51 113</b>	1 34 487
Exceptional items		-	-
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>1 51 113</b>	1 34 487
Extraordinary items		-	-
Profit/loss on sale of fixed assets		<u>-</u>	<u>-</u>
<b>Profit / (Loss) before tax</b>		<b>1 51 113</b>	1 34 487
<b>Tax Expenses</b>			
Current Tax		46 694	41 556
Deferred Tax		<u>-</u>	<u>-</u>
		<b>46 694</b>	<b>41 556</b>
<b>Profit / (Loss) for the year</b>		<b>1 04 419</b>	92 931
Balance Brought Forward		8 67 497	-
Add : Adjustment for Reconstruction		<u>-</u>	<u>-</u>
		<b>8 67 497</b>	<b>-</b>
<b>Balance Carried to Balance Sheet</b>		<b>9 71 916</b>	<b>92 931</b>
Earnings per equity share: Basic and diluted		<b>0.10</b>	0.09

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**FOR, NIRAV S. SHAH & CO.**  
*Chartered Accountants*

**FOR AND ON BEHALF OF THE BOARD**

*Proprietor*  
Membership No. 133345  
Firm Registration No # 130244W

*Director*  
BHADRESH SHAH  
DIN: 03628770

*Director*  
RAJESH TRIVEDI  
DIN: 07193493

Place : Ahmedabad  
Date : 30th May, 2017

Place : Ahmedabad  
Date : 30th May, 2017

**GRACIOUS VANIJYA LIMITED**

Notes forming part of accounts

**2.1 Share Capital**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>(a) Authorised</b>		
40,00,000 Equity Shares of Rs. 10/- each	<b>4 00 00 000</b>	4 00 00 000
<b>(b) Issued, Subscribed and Fully Paid-up</b>		
22,84,200 fully paid up equity shares each of Rs.10/-	<b>2 28 42 000</b>	2 28 42 000

**Note :**

- During the period of two financial years immediately preceding the Balance Sheet date, the company has not:
- (i) allotted any fully paid-up equity shares by way of bonus shares;
  - (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
  - (iii) bought back any equity shares

**(c) Rights, Preferences and Restrictions**

**Equity Shares :** The Company has only class of equity shares having a par value of ` 10/- (P.Y. ` 10/-) per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

**2.2 Reserves and surplus**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Security Premium</b>	<b>71 54 700</b>	71 54 700
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance as per previous financial statements	<b>8 67 497</b>	7 74 566
Add : Profit for the year	<b>1 04 419</b>	92 931
Balance available for appropriation	<b>9 71 916</b>	8 67 497
Less : Appropriations	-	-
<b>Net Surplus / (Deficit)</b>	<b>9 71 916</b>	8 67 497
<b>Total</b>	<b>81 26 616</b>	80 22 197

**2.3 Long term Borrowings**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Secured Loan</b> (Secured against Building & machineries)	-	-
<b>Unsecured Loan</b>	<b>6 99 600</b>	11 99 600
<b>Total</b>	<b>6 99 600</b>	11 99 600

**2.4 Trade payables**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
For Expenses	<b>22 65 268</b>	2 80 754
<b>Total</b>	<b>22 65 268</b>	2 80 754

**GRACIOUS VANIJYA LIMITED**

Notes forming part of accounts

**2.5 Short Term Provisions**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provisions for employee benefits	-	-
Provisions for Income Tax	46 694	41 556
Provision for Expenses	2 06 142	1 61 586
<b>Total</b>	<b>2 52 836</b>	<b>2 03 142</b>

**2.6 Long Term Loans & Advances**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Advance for Purchase of Flat	3 00 000	3 00 000
Other Loans & Advances	2 82 04 442	2 83 33 381
<b>Total</b>	<b>2 85 04 442</b>	<b>2 86 33 381</b>

**2.7 Other Non Current Assets**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Miscellaneous Expenses</b>		
Opening Balance	3 41 224	-
Add: Expenses during the Year	6 32 950	4 26 530
Less: 1/5th of Total Expenses Written Off	2 11 896	85 306
	<b>7 62 278</b>	<b>3 41 224</b>

**2.8 Trade receivable**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Trade receivables outstanding for a period less than six months from the date they are due for</b>		
Secured , Considered good	-	-
Unsecured, Considered good	-	26 64 735
Doubtful	-	-
	-	26 64 735

**Trade receivables outstanding for a period exceeding six months from the date they are due for payment**

**GRACIOUS VANIJYA LIMITED**

**Notes forming part of accounts**

Secured , Considered good	-	-
Unsecured, Considered good	26 64 735	-
Doubtful	-	-
	<u>26 64 735</u>	-
<b>Total</b>	<u><u>26 64 735</u></u>	<u>26 64 735</u>

**2.9 Cash and cash equivalents**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Balance with Banks (CBI)	18 85 738	5 07 815
Cash on hand	1 22 217	3 42 420
<b>Total</b>	<u><u>20 07 955</u></u>	<u>8 50 235</u>

**2.10 Other Current Assets**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
TDS Receivables	2 46 910	58 118
<b>Total</b>	<u><u>2 46 910</u></u>	<u>58 118</u>

**2.11 Revenue from operations**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Sale from Operation	21 18 587	31 82 914
<b>Total</b>	<u><u>21 18 587</u></u>	<u>31 82 914</u>

**2.12 Other income**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Interest Income	23 17 120	8 74 248
<b>Total</b>	<u><u>23 17 120</u></u>	<u>8 74 248</u>

**2.13 Cost of material consumed**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Stock (including consumables)	-	-
Purchases of Raw Material	13 16 514	1 23 65 430
Less : Closing Stock (including consumables)	-	-
<b>Total</b>	<u><u>13 16 514</u></u>	<u>1 23 65 430</u>

**GRACIOUS VANIJYA LIMITED**

**Notes forming part of accounts**

**2.14 Employee benefits expense**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
a. Salaries and incentives	1 44 000	2 93 500
Bonus Exp.	12 000	-
b. Contributions to provident fund(Employers's Contribution)	-	-
Contributions to E.S.I.(Employers's Contribution)	-	-
c. Gratuity expense	-	-
d. Leave Encashment Exp	-	-
<b>Total</b>	<b>1 56 000</b>	<b>2 93 500</b>

**2.15 Finance Costs**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Bank Charges	3 063	2 939
Interest Exp	-	-
<b>Total</b>	<b>3 063</b>	<b>2 939</b>

**2.16 Other Costs**

[Amount in Rs.]

Particulars	As at 31st March, 2017	As at 31st March, 2016
Accounting Fees	60 000	-
Business Loss	19 68 000	-
CDSL Fees	7 020	43 326
CS Fees	29 500	-
Legal & Professional Fees	10 487	67 918
Miscellaneous Office Expenses	2 88 799	-
NSDL Fees	6 900	18 474
Office Expenses	-	90 741
Office Rent Expenses	96 000	1 17 000
Petrol & Conveyance Expenses	22 586	-
Preliminary Expenses Written Off	2 11 896	85 306
ROC Fees	8 600	-
Share Registry Expenses	22 425	-
Stationary Expenses	49 804	25 668
Stock Exchange Fees	-	4 15 075
Website Expenses	9 000	-
<b>Payment to Auditor as:</b>		
a. Auditor	18 000	15 000
<b>Total</b>	<b>28 09 017</b>	<b>8 78 508</b>



## GRACIOUS VANIJYA LIMITED

## Cash Flow Statement

PARTICULARS	2016-17		2015-16	
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax		1 51 113		1 34 487
<b>Add:</b>				
(a) Transfer to General Reserve	-	-	-	-
(b) Depreciation	-	-	-	-
(c) Miscellaneous Expenses (Amortized)	2 11 896	-	85 306	-
(d) Financial & Interest Expenses	-	-	-	-
(e) Loss on sale of Fixed Assets	-	-	-	-
<b>Deduct:</b>				
(a) Interest income	-	-	-	-
(b) Transfer to Reserves	-	-	-	-
(c) Profit on Sale of Fixed Assets	-	-	-	-
other income	-	2 11 896	-	85 306
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>3 63 009</b>		<b>2 19 793</b>
<b>Add/Deduct:</b>				
(a) Increase/Decrease in Long Term Provisions	-	-	-	-
(b) Increase/Decrease in Trade Payables	19 84 514	-	-	-
(c) Increase/Decrease in Current Liabilities	-	-	4 33 310	-
(d) Increase/Decrease in Short Term Provisions	49 694	-	-	-
(e) Increase/Decrease in Long Term Loans & Advances	1 28 939	-	11 99 600	-
(f) Increase/Decrease in Inventories	-	-	-	-
(g) Increase/Decrease in Trade Receivables	-	-	-	-
(h) Increase/Decrease in Short Term Loans & Advances	-	-	-	-
(i) Increase/Decrease in Current Assets	( 1 88 792)	-	( 4 31 003)	-
		19 74 355		12 01 907
<b>CASH GENERATED FROM OPERATIONS</b>		<b>23 37 364</b>		<b>14 21 700</b>
<b>Deduct:</b>				
Direct Taxes paid (net)	46 694	-	41 556	-
Preliminary Expenses	6 32 950	-	-	-
		6 79 644		41 556
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>16 57 720</b>		<b>13 80 144</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
<b>Inflow:</b>				
(a) Sale of Fixed Asset	-	-	-	-
(b) Interest Income	-	-	-	-
<b>Outflow:</b>				
(a) Purchase of Fixed Assets & CWIP	-	-	-	-
		-		-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>-</b>		<b>-</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>				
<b>Inflow:</b>				
(a) Increase in Share Capital	-	-	2 04 38 000	-
(b) Increase in Unsecured borrowings	-	-	-	-
(c) Increase in Bank Borrowings	-	-	-	-
(d) Securities Premium Received	-	-	71 53 300	-
<b>Outflow:</b>				
(a) Decrease in Unsecured borrowings	5 00 000	-	-	-
(b) Long Term Loans Given	-	-	( 2 83 27 981)	-
(b) Financial & Interest Expenses	-	-	-	-
		5 00 000		( 7 36 681)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>( 5 00 000)</b>		<b>( 7 36 681)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>11 57 720</b>		<b>6 43 463</b>
<b>OPENING BALANCE- CASH AND CASH EQUIVALENT</b>		<b>8 50 235</b>		<b>2 06 772</b>
<b>CLOSING BALANCE- CASH AND CASH EQUIVALENT</b>		<b>20 07 955</b>		<b>8 50 235</b>

For and on behalf of the Board of Directors of  
GRACIOUS VANIJYA LIMITED

Director  
BHADRESH SHAH  
DIN: 03628770

Director  
RAJESH TRIVEDI  
DIN: 07193493

As per our report of even date  
Nirav S. Shah & Co.  
Chartered Accountants

Proprietor  
Membership No. 133345  
Firm Registration No # 130244W  
Place: Ahmedabad

Date: 30th May, 2017  
Place: Ahmedabad

Date: 30th May, 2017  
Place: Ahmedabad

## ANNEXURE I

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)**

<b><u>GRACIOUS VANIJYA LIMITED</u></b>				
<b><u>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017</u></b>				
<i>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</i>				
<b>I.</b>	<b>SL No.</b>	<b>Particulars</b>	<b>Audited Figures (In Rs.) (as reported before adjusting for qualifications)</b>	<b>Adjusted Figures (In Rs.) (audited figures after adjusting for qualifications)</b>
	1.	Turnover / Total income	4,435,707	4,057,162
	2.	Total Expenditure	4,284,594	3,922,675
	3.	Net Profit/(Loss)	104,419	92,931
	4.	Earnings Per Share	0.10	0.09
	5.	Total Assets	34,186,320	32,547,693
	6.	Total Liabilities	3,217,704	1,683,496
	7.	Net Worth	30,968,616	30,864,197
	8.	Any other financial item(s) (as felt appropriate by the management)		

<p><b>II.</b></p>	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification: N.A.</b></p> <p>b. <b>Type of Audit Qualification: N.A.</b></p> <p>c. <b>Frequency of qualification: N.A.</b></p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: N.A.</b></p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p style="padding-left: 40px;">(i) <b>Management's estimation on the impact of audit qualification:</b></p> <p style="padding-left: 40px;">(ii) <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p style="padding-left: 40px;">(iii) <b>Auditors' Comments on (i) or (ii) above</b></p>
<p><b>III.</b></p>	<p><b><u>Signatories:</u></b></p> <p><b>CEO/Managing Director :</b></p> <p style="text-align: center;">SD/- BHADRESH SHAH (DIN: 03628770)</p> <p><b>Audit Committee Chairman :</b></p> <p style="text-align: center;">SD/- RAJESH V TRIVEDI (DIN: 07193493)</p> <p><b>Statutory Auditor :</b></p> <p style="text-align: center;">SD/- NIRAV SHAH (NIRAV S. SHAH &amp; CO.) (M. No: 133345) (F.R.No: 130244W)</p> <p><b>Place: Ahmedabad</b> <b>Date: 30.05.2017</b></p>

## **ATTENDANCE SLIP**

I/We.....R/o..... hereby record my/our presence at the Annual General Meeting of the Company on Saturday, 23<sup>rd</sup> September, 2017 at 12.00 P.M. at 347, Floor 0, Shivshakti Nagar, General JagannathBhosale Marg, Nariman Point, Mumbai-400021

DPID * :	Folio No. :
Client Id * :	No. of Shares :

\* Applicable for investors holding shares in electronic form.

Signature of shareholder(s)/proxy

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.
2. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
3. Electronic copy of the Annual Report for 2017 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
4. Physical copy of the Annual Report for 2017 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

## Proxy form

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

CIN: **L17119GJ1990PLC013708**  
Name of the Company: **GRACIOUS VANIJYA LIMITED**  
Registered office: **347, Floor - 0, Shivshakti Nagar, General Jagannath  
Bhosale Marg, Nariman Point Mumbai Mumbai City MH  
400021 IN**

**NAME OF THE MEMBER(S):**

**REGISTERED ADDRESS:**

**E-MAIL ID:**

**FOLIO NO/ CLIENT ID:**

I/ We being the member of ....., holding.....shares, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature: ....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of members of the Company, to be held on 23<sup>rd</sup> September, 2017 at the registered office of the Company at 347, Floor - 0, Shivshakti Nagar, General Jagannath Bhosale Marg, Nariman Point Mumbai Mumbai City MH 400021 IN and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1) To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2017 and Report of the Board of Directors and Auditors thereon.

2) To Reappoint Shri Bhadreshkumar Bharatkumar Shah (DIN: 03628770) who retires by rotation at this meeting and being eligible, offers himself for reappointment.

Affix  
Revenue  
Stamp

3) To appoint Auditors of the Company and fix their remuneration.

4) Appointment of Mr. Rajeshkumar Vinodray Trivedi (DIN: 07193493) as the Independent Director of the Company.

5) Appointment of Mrs. Manishaben Kalpeshbhai Malvi (DIN: 07799919) as the Independent Director of the Company.

Signed this ..... day of..... 2017

Signature of Shareholder

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.**