

# Annual Report 2014-15



**GSEC**  
LIMITED

**Spreading the Wings**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS:

#### **Executive Directors**

Shri Rakesh R. Shah	-	Chairman and Managing Director (DIN: 00421920)
Shri Samir H. Mankad	-	Whole-time Director (DIN: 00421878)
Shri Shaishav R. Shah	-	Whole-time Director (DIN: 00019293)

#### **Non-executive/Independent Directors**

Shri Chinubhai R. Shah	-	Director (Independent) (DIN: 00558310)
Shri Shyamal S. Joshi	-	Director (Independent) (DIN: 00005766)
Shri Natwarlal M. Patel	-	Director (Independent) (DIN: 00027540)
Shri Bhalabhai C. Patel	-	Director (Independent) (DIN: 00373088)
Smt. Komal H. Shah	-	Director (DIN: 03176628) (Ceased w.e.f. 25.05.2015)

### BOARD COMMITTEES:

#### **Audit Committee**

Shri Shyamal S. Joshi  
Shri Chinubhai R. Shah  
Shri Bhalabhai C. Patel  
Shri Samir H. Mankad

#### **Nomination and Remuneration Committee**

Shri Chinubhai R. Shah  
Shri Natwarlal M. Patel  
Shri Bhalabhai C. Patel

#### **Share transfer and Grievances Committee**

Shri Rakesh R. Shah  
Shri Samir H. Mankad  
Shri Shaishav R. Shah

### COMPANY SECRETARY:

Shri Viral B. Mehta

### PROFESSIONAL ACQUAINTANCES:

#### **Statutory Auditors**

BJS & Associates  
Chartered Accountants  
Ahmedabad

#### **Internal Auditors**

Dharmesh Parikh & Co.  
Chartered Accountants  
Ahmedabad

#### **Corporate Law Advisors**

Umesh Parikh & Associates  
Company Secretaries  
Ahmedabad

### INVESTORS' CONTACT:

#### **Registered Office**

GSEC Limited,  
2nd Floor, Gujarat Chamber's Building,  
Ashram Road,  
Ahmedabad – 380 009.  
Tele: 079 – 26575757, 079-26585757  
Fax: 079-26584040  
Web: [www.gsecl.co.in](http://www.gsecl.co.in)  
Mail: [viral.mehta@gsecl.co.in](mailto:viral.mehta@gsecl.co.in)

#### **Registrar and Share Transfer Agent**

Sharepro Services (I) Private Limited  
Office No.416-420, 4th Floor,  
Devnandan Mega Mall,  
Opp Sanyas Ashram,  
Ashram Road, Ahmedabad - 380 006.  
Tele: 079 – 26 58 23 81/82/83/84  
Web: [www.shareproservices.com](http://www.shareproservices.com)  
Mail: [sharepro.ahmedabad@shareproservices.com](mailto:sharepro.ahmedabad@shareproservices.com)

### BANKERS:

DCB Bank Limited

UCO Bank Limited

## GSECL AT A GLANCE

GSEC Limited (Erstwhile Gujarat State Export Corporation Limited) is the core of the reputed GSEC Group of Companies headquartered at Gujarat. The company has been acquired under the disinvestment proposal from the Government of Gujarat in 2004.

GSEC Limited is primarily engaged in the activities of Export and Import facilities and trading business. GSEC Limited is a custodian of Air Cargo Complexes at Ahmedabad, Indore and Visakhapatnam. At Visakhapatnam, it operates the Air Cargo complex under an Operations and Maintenance Arrangement with Andhra Pradesh Trade Promotion Corporation Limited (APTPC).

GSEC Limited was the first private company to take over the Air Cargo Complex of Ahmedabad as a custodian. Since the acquisition of the Company from the then Government of Gujarat, there were many redefining exercises incorporated by the new management under the kind guidance of Shri Rakesh R. Shah and Shri Samir H. Mankad. The redefined infrastructure, speed of processing, delivery, security, computerized systems, state of the art facilities, service orientation and value addition to the clients' businesses today has made it an impeccable choice of many Corporate and Custom House Agents to patronize our services. GSEC Limited has made a strong market presence among the conventional and so called unbeatable Air Cargo services providers of the major western airports in a very short span of time. The company has been able to gain the continued trust of the trader community of Gujarat who felt the sense of security provided by the company.

Apart from Cargo handling, the company is also into the trading of dyes and intermediates; The Company has also been awarded with Exclusive Dealership for Furnace Oil and Bitumen by M/s. Essar Oil Limited for the State of Gujarat and Rajasthan. The Company imports and sells Bitumen; used for road construction and has created port based storage infrastructure on own/lease routes. The Company has added PETCOKE and Air Turbine Fuel (ATF) to its product portfolio last year.

GSEC Limited has continuously explored its business operations and opportunities to increase the commonwealth of its investors without limiting itself to the geographical boundaries. Result being that it has become a well diversified Company having 3 subsidiaries and presence in 3 states.

The trust put in by the investors and trade community has worked like a driving force for the growth of the Company and the company has shown its commitment towards that trust in numbers as well as in its overall performance. GSEC Limited, along with its subsidiaries, is poised to repeat its growth story of last decade in coming years without limiting itself against any adversity, whether internal or external.



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## CHAIRMAN'S LETTER TO THE STAKEHOLDERS

*"While I look at GSECL, I can see an association of people who have been witness of the great transition. I can see the people who believe in marching ahead despite adverse conditions. The people who trust each other and have faith in eternity."*



Dear Members,

I would like to congratulate you as my colleagues for having been with us in successfully marching through the rather challenging year for our Company in terms of our overall businesses.

On a good side, your Company has been continuously marching ahead of its time with respect to our core air cargo performance in terms of both, revenue as well as the volume of cargo handled. The revenue generated out of the air cargo operations has increased to Rs. 20.71 Crores from Rs. 18.72 Crores. The Company has registered a commendable growth in terms of in and out tonnage movement of air cargo. We have handled 31610 MTs of air cargo at all our air cargo complexes against 30035 MTs in the last year.

On a grim side, the Company has downsized its trading business, for all good reasons. Our total trading turnover in rupee terms stood at Rs. 233.82 Crores down from Rs. 332.19 Crores of the previous financial year. The turnover of previous financial year was quite higher due to many once in a time trading opportunities rightly grabbed by the Company.

Due to the recent changes in the provisions relating to computation of depreciation, the Company has registered loss in its Statement of Profit and Loss. However, there are no cash losses incurred by the Company during the year.

In coming year, the Company has all good reasons to rejoice. Two new Domestic Air Cargo Complexes i.e. Indore and Raipur to start with the operations under the Company's management, many others in pipeline to be applied for and many trading opportunities in line.

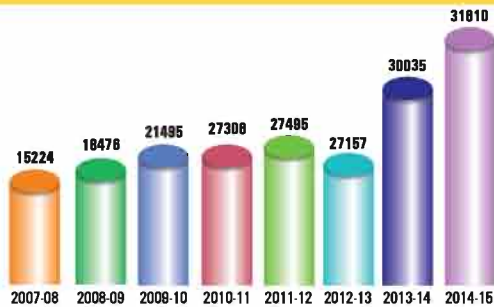
In conclusion, I take this opportunity to convey my sincere thanks and gratitude to all the Shareholders, Board Members, Airports Authority of India, Customs Department, Custom House Agents, IATA Agents and all our valued exporters and importers as well as associates, for their undisputed, wholehearted and continued support.

*"While I look at the future, I can see enormous potential for the Company to grow. I can see the tremendous opportunities lying ahead; waiting to be explored by the people working day and night. I can assure you the future full of possibilities and our commitment towards optimizing the same for our best interests."*

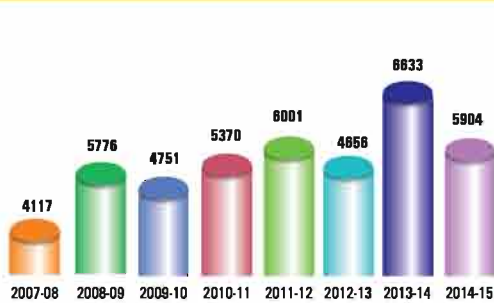
With kind regards,  
Rakesh Shah  
Chairman and Managing Director  
(DIN: 00421920)

## AIR CARGO OPERATIONS

**TOTAL TONNAGE MOVEMENT (In Metric Tonnes)**



**IMPORTS - AHMEDABAD AIR CARGO COMPLEX (In Metric Tonnes)**



**EXPORTS - AHMEDABAD AIR CARGO COMPLEX (In Metric Tonnes)**

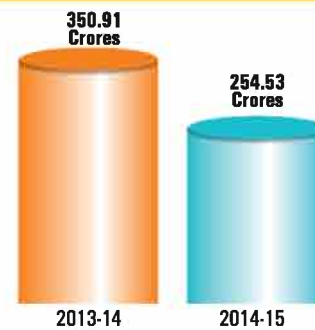


**TONNAGE MOVEMENT - AHMEDABAD AIR CARGO COMPLEX (In Metric Tonnes)**



## PERFORMANCE INDICATORS

**TOTAL TURNOVER (In ₹)**



**NET PROFIT (In ₹)**



**EPS (In ₹)**



**Business Operations of the Company**

**Air Cargo Handling Services at**



**Sardar Vallabhbhai Patel  
International Airport  
Ahmedabad, Gujarat**



**Devi Ahilyabai Holkar Airport  
Indore, Madhya Pradesh**



**Visakhapatnam Airport  
Vizag, Andhra Pradesh**



**Swami Vivekananda Airport,  
Raipur, Chhattisgarh**

**Trading Business of**



**Bitumen**



**Petro Products**



**Dyes and Chemicals**

## Inside of Air Cargo Complexes







**GSECL**  
LIMITED

## DIRECTORS' REPORT

To

The Members,

Your Directors hereby present herewith the 49th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended, 31st March, 2015.

**1. FINANCIAL RESULTS (STANDALONE):**

Particulars	₹ in Lacs	
	2014-15	2013-14
Revenue from operations and other Income	25,919.91	35,329.84
<b>Profit before financial charges, Depreciation and taxation</b>	<b>830.99</b>	<b>907.38</b>
Less: Financial charges	262.10	(384.02)
Less: Depreciation and amortization expenses	345.19	(171.86)
<b>Profit before exceptional and prior period items and tax</b>	<b>223.70</b>	<b>351.50</b>
Less: Exceptional items	180.00	(NIL)
Less: Prior period items	NIL	(NIL)
<b>Profit before tax</b>	<b>43.70</b>	<b>351.50</b>
Less: Current Tax	70.00	114.00
Less: Deferred Tax Liability	(61.55)	7.53
Less: Provision for tax of earlier years	14.75	2.77
<b>Profit after taxation</b>	<b>20.50</b>	<b>227.20</b>
Amount available for appropriation	NIL	227.20
Transfer to general reserve	NIL	25.00
<b>Proposed dividend and dividend tax</b>	<b>NIL</b>	<b>88.33</b>
<b>Balance carried to balance sheet</b>	<b>20.50</b>	<b>113.87</b>

**2. DIVIDEND:**

In view of the inadequate profits, your directors have thought fit not to recommend any dividend on equity shares for the year under review. .

**3. OPERATIONAL HIGHLIGHTS AND STATE OF AFFAIRS:**

**a) Air Cargo services:**

The Company currently operates three Air Cargo Complexes which are situated at Ahmedabad, Indore and Visakhapatnam.

Recently, the Company has been awarded the contracts of Operation and Management of the Domestic Air Cargo Complexes of Raipur, Chhattisgarh and Indore, Madhya Pradesh, airports by the Airports Authority of India. Operations at both the Airports will soon commence.

During the year, the Company has earned the service income of Rs. 2071.17 Lacs against Rs. 1871.72 Lacs of the previous year.

**b) Trading Business:**

Trading business forms a big part of the revenue generated by the Company and contributes to the operational profit to a great extent.

At the end of the financial year 2014-15, the sales turnover of the Company stood at Rs. 23,381.66 Lacs against Rs. 33,219.14 Lacs of previous year.

**4. MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY:**

The Company has disinvested its shareholding in M/s. Komoline Aerospace Limited with effect from 17th June, 2015. Henceforth, M/s. Komoline Aerospace Limited ceased to be a subsidiary of the Company.

Apart from above, no material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the company to which the financial statements relate, i.e. March 31, 2015 and the date of the Board's Report.

**5. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors is duly constituted with 7 (Seven) Directors with Independent Directors forming majority.

In complying with the provisions of Section 149 of the Companies Act, 2013 ("Act"), read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rule") the Company had appointed Ms. Komal Hetal Shah (DIN: 03176628) as Additional Director (Non-executive Woman Director) of the Company w.e.f. 16.03.2015 who has resigned from the Directorship of the Company with effect from 25.05.2015 under Section 168 of the Act.

Except above, there has been no other change in Directorship(s) or designation of Directors of the Company during the year under review.

Your company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and Senior Managerial Personnel forms part of the Corporate Governance Report which is the part of this Annual Report.

The Company has formalised Shri Viral B. Mehta, Company Secretary, as a Key Managerial Personnel under Section 203 of the Companies Act, 2013 during the year under review.

**6. DEPOSITS:**

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 during the period under review.

**7. SUBSIDIARY COMPANIES:**

A statement in Form AOC-1 pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 in respect of subsidiary companies is annexed herewith as Annexure – I.

During the year under review, GSEC Logistics Limited, our wholly owned subsidiary Company has achieved total revenue of Rs. 9.56 Lacs (Previous year Rs. 3 Lacs) and has earned Net Profit of Rs. 6.52 Lacs (Previous year Rs. 1.90 Lacs).

During the year under review, GSEC Green Energy Private Limited, our wholly owned subsidiary Company has achieved Revenue from operations of Rs. 246.10 Lacs (Previous year Rs. 256.04 Lacs) and has earned Net Profit of Rs. 102.61 Lacs (Previous year Net Loss Rs. 103.88 Lacs)

During the year under review, Komoline Aerospace Limited, ceased to be a subsidiary of the Company with effect from 17th June, 2015 and has achieved Revenue from operations of Rs. 673.82 Lacs (Previous year Rs. 555.53 Lacs) and has earned Net Profit of Rs. 16.79 Lacs (Previous year Net Loss Rs. 1.44 Lacs)

**8. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company states that –

- (a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (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 at the end of the financial year and of the Profit of the Company for that period.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts ongoing concern basis.

(e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 9. MEETINGS OF THE BOARD OF DIRECTORS:

During the current financial year, the Board of Directors of the Company duly met 5 (Five) times on 28th June, 2014, 6th August, 2014, 15th September, 2014, 12th December, 2014 and 16th March, 2015. Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act.

## 10. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as per Section 92 (3) of Companies Act, 2013 is annexed under Annexure – II to this Report

## 11. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, all related party transactions are entered on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Details of the concerned transactions are provided in Form AOC-2 under Annexure - III.

## 12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of loans, guarantee or investments made by your Company under Section 186 of the Companies Act, 2013 during the financial year 2014-15 are appended as Annexure - IV to this Report.

## 13. PARTICULARS OF EMPLOYEES:

No employee was drawing salary in excess of the limits prescribed under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time.

## 14. AUDITORS:

### Statutory Auditors –

In accordance with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, M/s. BJS & Associates, Chartered Accountants (Registration No. 113268W) were appointed as Statutory Auditors, for a term of five years to hold office till the conclusion of the Annual general Meeting to be held in the calendar year 2019, subject to the ratification by the members at every Annual general Meeting.

Accordingly, a resolution seeking members' ratification for their appointment from the conclusion of this Annual general Meeting till the conclusion of the next Annual general Meeting of the company is required. The Company has received certificate from the Statutory Auditors of not being disqualified.

### Secretarial Audit –

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Umesh Parikh and Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure – V.

## 15. EXPLANATION OR COMMENTS ON AUDITORS' REPORT AND/OR SECRETARIAL AUDIT REPORT:

There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory and Secretarial Auditors in their Audit Reports. Hence, there are no comments to be required to be made herein.

## 16. INTERNAL CONTROL SYSTEM:

The Board has laid down the Internal Control System with adequate internal financial controls, commensurate with the size, scale and complexity of operations which operates effectively. The scope and authority of the Internal Audit (IA) function is well defined.

**17. RISK MANAGEMENT POLICY:**

The Management regularly reviewed the risk and take appropriate steps to mitigate the risk. The company has in place the Risk Management policy. The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

In the opinion of the board, there has been no identification of any element of risk which may threaten the existence or going concern of the Company.

**18. SIGNIFICANT AND MATERIAL ORDERS:**

There is no significant and/or material order passed by any Regulator(s) or Court(s) or Tribunal(s) during the year which would impact the going concern status of the Company and its operations.

**19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 is given in the Annexure - VI.

**20. ACKNOWLEDGEMENTS:**

Your Directors thank the Bankers, various Government agencies, suppliers, customers, Investors and all others for their wholehearted support during the year and look forward to their continued support in the years ahead.

Your Directors further appreciate and acknowledge the contributions made by the employees at all levels and other business associates for their commitment and dedication towards the operations of the Company.

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

**Date:** 22nd August, 2015

**Place:** Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**ANNEXURE - I****Form AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Sl. No.	1	2	3
2	Name of the subsidiary	GSEC Logistics Limited	GSEC Green Energy Private Limited	Komoline Aerospace Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2014 to 31-03-2015	01-04-2014 to 31-03-2015	01-04-2014 to 31-03-2015
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR	INR
5	Share capital	5,00,000	1,00,000	1,87,50,000
6	Reserves & surplus	1,841,085	(1,21,73,651)	1,46,78,455
7	Total Assets	39,846,586	4,02,63,776	10,10,29,675
8	Total Liabilities	37,505,501	5,23,37,428	6,76,01,220
9	Investments	NIL	15,000	1,37,500
10	Turnover	NIL	3,028,604	7,03,39,704
11	Profit before taxation	8,36,695	1,02,60,637	14,74,946
12	Provision for taxation	1,84,624	NIL	(2,04,780)
13	Profit after taxation	6,52,070	1,02,60,637	16,79,726
14	Proposed Dividend	NIL	NIL	NIL
15	% of Shareholding	100%	100%	51%

**Notes :** 1. Names of subsidiaries which are yet to commence operations: Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

	<b>Name of Associates/Joint Ventures</b>	<b>Name 1</b>	<b>Name 2</b>	<b>Name 3</b>
1.	Latest audited Balance Sheet Date	Not Applicable	Not Applicable	Not Applicable
2.	Shares of Associate/Joint Ventures held by the company on the year end (in Numbers)	Not Applicable	Not Applicable	Not Applicable
3.	Amount of Investment in Associates/Joint Venture	Not Applicable	Not Applicable	Not Applicable
4.	Extent of Holding %	Not Applicable	Not Applicable	Not Applicable
5.	Description of how there is significant influence	Not Applicable	Not Applicable	Not Applicable
6.	Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable
7.	Networth attributable to Shareholding as per latest audited Balance Sheet	Not Applicable	Not Applicable	Not Applicable
8.	Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	Not Applicable	Not Applicable	Not Applicable

- Notes :**
1. Names of associates or joint ventures which are yet to commence operations: Not Applicable
  2. Names of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

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

**Date:** 22nd August, 2015  
**Place:** Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**ANNEXURE - II****Form No. MGT – 9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2015**

[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	U52100GJ1965PLC001347
ii) Registration Date	14.10.1965
iii) Name of the Company	GSEC Limited
iv) Category/ Sub-Category of the Company	Company Limited by Shares / Indian Non-government Company
v) Address of the registered office and contact details	Gujarat Chambers Building, Ashram Road, Ahmedabad – 380009.
vi) Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services India Private Limited 416-420, Devnandan Mall, Opposite Sanyas Ashram, Ashram Road, Ahmedabad - Ph No.: 079-26582381-82-83-84 E-mail: sharepro.ahmedabad@shareproservices.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name and Description of main Products/ Services	NIC Code of the Product/ service	% total turnover of the company
1	Trading Business	51909	91.83

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

Sl. NO	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Komal Infotech Private Limited	U72200GJ2000PTC037463	Holding Company	63.36%	Sec. 2(46)
2	GSEC Logistics Limited	U62200GJ2006PLC049049	Subsidiary Company	100.00%	Sec. 2(87)
3	GSEC Green Energy Private Limited	U37200GJ2011PTC066904	Subsidiary Company	100.00%	Sec. 2(87)
4	Komoline Aerospace Limited	U29219GJ1991PLC070436	Subsidiary Company	51.00%	Sec. 2(87)



#### IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

##### i) Category-wise Share Holding

Sl. No.	Category of Shareholder(s)	Number of shares held at the beginning of the year				Number of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individuals/ HUF		2571990	2571990	34.07		2572140	2572140	34.07	0.00
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate		4783910	4783,10	63.36		4783910	4783910	63.36	0.00
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (A)(1)</b>		<b>7355900</b>	<b>7355900</b>	<b>97.43</b>	-	<b>7356050</b>	<b>7356050</b>	<b>97.43</b>	<b>0.00</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	Individuals/ HUF	-	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (A)(2)</b>	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A) = (1) + (2)</b>	-	<b>7355900</b>	<b>7355900</b>	<b>97.43</b>		<b>7355900</b>	<b>7355900</b>	<b>97.43</b>	<b>0.00</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-

(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	-	-	-	-	-	-	-	-	-
(f) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Others	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non - Institutions</b>									
(a) Bodies Corporate	-	29010	29010	0.38	-	27690	27690	0.38	0.00
(b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs.1 Lakh	10110	104580	114690	1.52	10110	104430	114540	1.52	0.00
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh	-	50400	50400	0.67	-	50400	50400	0.67	0.00
(c) Others	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2)</b>	<b>10110</b>	<b>183990</b>	<b>194100</b>	<b>2.57</b>	<b>10110</b>	<b>183840</b>	<b>193950</b>	<b>2.57</b>	<b>-</b>
<b>Total Public Shareholding (B) = (1) + (2)</b>									
<b>TOTAL (A)+(B)</b>									
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A+B+C)</b>	<b>10110</b>	<b>7539890</b>	<b>7550000</b>	<b>100.00</b>	<b>10110</b>	<b>7539890</b>	<b>7550000</b>	<b>100.00</b>	<b>-</b>

**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of Total shares of the Company	%of Shares Pledged / encumbe red to total shares	No. of Shares	% of Total shares of the Company	%of Shares Pledged / encumbe red to total shares	
1	KOMAL INFOTECH PVT LTD.	4783910	63.36	NIL	4783910	63.36	NIL	NIL
2	PRITI R. SHAH	1547670	20.50	NIL	1447670	19.17	NIL	(1.325)
3	RAKESH R. SHAH	635940	8.42	NIL	636090	8.42	NIL	0.001
4	SHAISHAV R. SHAH	387270	5.13	NIL	487270	6.45	NIL	1.325
5	KOMAL RAKESH SHAH	1110	0.01	NIL	1110	0.01	NIL	NIL
	<b>TOTAL</b>	<b>7355900</b>	<b>97.43</b>	<b>NIL</b>	<b>7356050</b>	<b>97.43</b>	<b>NIL</b>	<b>0.001</b>

**iii) Change in Promoters' Shareholding –**

Sl. No.		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>1</b>	<b>KOMAL INFOTECH PVT LTD</b>				
	At the beginning of the year	4783910	63.36	4783910	63.36
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the end of the year	4783910	63.36	4783910	63.36
<b>2</b>	<b>PRITI R SHAH</b>				
	At the beginning of the year	1547670	20.50	1547670	20.50
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	Increase/Decrease: Decrease Date: 16.03.2015 Reason: Transfer by way of Gift			
	At the end of the year	1447670	19.17	1447670	19.17

<b>3</b>	<b>RAKESH RAMANLAL SHAH</b>				
	At the beginning of the year	635940	8.42	635940	8.42
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	Increase/Decrease: Increase Date: 19.01.2015 Reason: Transfer			
	At the end of the year	636090	8.42	636090	8.42
<b>4</b>	<b>SHAISHAV RAKESH SHAH</b>				
	At the beginning of the year	387270	5.13	387270	5.13
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	Increase/Decrease: Increase Date: 16.03.2015 Reason: Transfer by way of Gift			
	At the end of the year	487270	6.45	487270	6.45
<b>5</b>	<b>KOMAL RAKESH SHAH</b>				
	At the beginning of the year	1110	0.01	1110	0.01
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the end of the year	1110	0.01	1110	0.01

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

Sl. No.		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>1</b>	<b>VASANT B. SHAH</b>				
	At the beginning of the year	38400	0.51	38400	0.51
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year (or on the date of separation, if separated during the year)	38400	0.51	38400	0.51

<b>2</b>	<b>ALEMBIC LIMITED</b>				
	At the beginning of the year	12210	0.16	12210	0.16
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	12210	0.16	12210	0.16
<b>3</b>	<b>MANOJKUMAR RAMANLAL GANDHI</b>				
	At the beginning of the year	12000	0.16	12000	0.16
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	12000	0.16	12000	0.16
<b>4</b>	<b>VASUNDHARA CANNING PVT. LTD.</b>				
	At the beginning of the year	4500	0.06	4500	0.06
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	4500	0.06	4500	0.06
<b>5</b>	<b>SHARDADEVI KANTILAL GURU</b>				
	At the beginning of the year	3240	0.04	3240	0.04
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	3240	0.04	3240	0.04

<b>6</b>	<b>KANTILAL MOHANLAL GURU</b>				
	At the beginning of the year	3210	0.04	3210	0.04
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	3210	0.04	3210	0.04
<b>7</b>	<b>TARUN UNAAGAR</b>				
	At the beginning of the year	3150	0.04	3150	0.04
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	3150	0.04	3150	0.04
<b>8</b>	<b>SHANTILAL M JARIWALA</b>				
	At the beginning of the year	3000	0.04	3000	0.04
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	3000	0.04	3000	0.04
<b>9</b>	<b>LALCHAND T MEHTA</b>				
	At the beginning of the year	2700	0.03	2700	0.03
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	2700	0.03	2700	0.03
<b>10</b>	<b>SHANKERLAL MOHANLAL GURU</b>				
	At the beginning of the year	2310	0.03	2310	0.03
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date of separation, if separated during the year)	2310	0.03	2310	0.03

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		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>1</b>	<b>RAKESH R. SHAH</b>	<b>CHAIRMAN AND MANAGING DIRECTOR</b>			
	At the beginning of the year equity etc.)	635940	8.42	635940	8.42
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	Increase/Decrease: Increase Date: 19.01.2015 Reason: Transfer			
	At the end of the year	636090	8.42	636090	8.42
<b>2</b>	<b>SAMIR H. MANKAD</b>	<b>WHOLE-TIME DIRECTOR</b>			
	At the beginning of the year equity etc.)	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NOT APPLICABLE			
	At the end of the year	NIL	NIL	NIL	NIL
<b>3</b>	<b>SHAISHAV R.SHAH</b>	<b>WHOLE-TIME DIRECTOR</b>			
	At the beginning of the year equity etc.)	387270	5.13	387270	5.13
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	Increase/Decrease: Increase Date: 16.03.2015 Reason: Transfer by way of Gift			
	At the end of the year	487270	6.45	487270	6.45
<b>4</b>	<b>CHINUBHAI R. SHAH</b>	<b>DIRECTOR (INDEPENDENT)</b>			
	At the beginning of the year equity etc.)	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NOT APPLICABLE			
	At the end of the year	NIL	NIL	NIL	NIL

<b>5</b>	<b>BHALABHAI C. PATEL</b>	<b>DIRECTOR (INDEPENDENT)</b>			
	At the beginning of the year equity etc.)	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NOT APPLICABLE			
	At the end of the year	NIL	NIL	NIL	NIL
<b>6</b>	<b>NATWARLAL M. PATEL</b>	<b>DIRECTOR (INDEPENDENT)</b>			
	At the beginning of the year equity etc.)	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NOT APPLICABLE			
	At the end of the year	NIL	NIL	NIL	NIL
<b>7</b>	<b>SHYAMAL S. JOSHI</b>	<b>DIRECTOR (INDEPENDENT)</b>			
	At the beginning of the year equity etc.)	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NOT APPLICABLE			
	At the end of the year	NIL	NIL	NIL	NIL
<b>8</b>	<b>VIRALKUMAR B. MEHTA</b>	<b>COMPANY SECRETARY</b>			
	At the beginning of the year equity etc.)	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NOT APPLICABLE			
	At the end of the year	NIL	NIL	NIL	NIL



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in ₹ )

Sl. Particulars No	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,12,13,631	17,38,08,983	NIL	19,50,22,614
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>2,12,13,631</b>	<b>17,38,08,983</b>	<b>NIL</b>	<b>19,50,22,614</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	NIL	40,06,49,781	NIL	40,06,49,781
- Reduction	1,77,46,547	44,07,08,189	NIL	45,84,54,735
<b>Net Change</b>	<b>(1,77,46,547)</b>	<b>(4,00,58,408)</b>	<b>NIL</b>	<b>(5,78,04,955)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	34,67,084	13,37,50,576	NIL	13,72,17,659
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>34,67,084</b>	<b>13,37,50,576</b>	<b>NIL</b>	<b>13,72,17,659</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. Particulars of no. Remuneration	Name of MD/WTD/ Manager			Total Amount
	Rakesh R. Shah, CMD	Samir H. Mankad, WTD	Shaishav R. Shah, WTD	
<b>1. Gross salary</b>				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 36,00,000/-	Rs. 18,84,000/-	Rs. 18,00,000/-	Rs. 75,84,000/-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
<b>2 Stock Option</b>	NIL	NIL	NIL	NIL
<b>3 Sweat Equity</b>	NIL	NIL	NIL	NIL
<b>4 Commision</b> - as % of profit - Others, specify...	NIL	NIL	NIL	NIL
<b>5 Others, please specify</b>	NIL	NIL	NIL	NIL
<b>Total (A)</b>	Rs. 36,00,000/-	Rs. 18,84,000/-	Rs. 18,00,000/-	Rs. 75,84,000/-
<b>Ceiling as per the Act</b>	Rs. 9,21,200/- (@10% of profits calculated as per Section 198 of the Companies Act, 2013)			

### B. Remuneration to other directors:

Sl. Particulars of no. Remuneration	Name of Directors				Total Amount
	Chinubhai Shah	Bhalabhai Patel	Natwarlal Patel	Shyamal Joshi	
<b>1. Independent Directors</b> - Fee for attending board committee meetings - Commission - Others, please specify	Rs. 30,000/-	Rs. 30,000/-	Rs. 15,000/-	Rs. 37,500/-	Rs. 1,12,500/-
<b>Total(1)</b>	<b>Rs. 30,000/-</b>	<b>Rs. 30,000/-</b>	<b>Rs. 15,000/-</b>	<b>Rs. 37,500/-</b>	<b>Rs. 1,12,500/-</b>
<b>2. Other Non-Executive Directors</b> - Fee for attending board committee meetings - Commission - Others, please specify	NOT APPLICABLE				
<b>Total (2)</b>	-	-	-	-	-
<b>Total (B)=(1+2)</b>	<b>Rs. 30,000/-</b>	<b>Rs. 30,000/-</b>	<b>Rs. 15,000/-</b>	<b>Rs. 37,500/-</b>	<b>Rs. 1,12,500/-</b>
<b>Overall Ceiling as per the Act</b>	Not applicable as the Non-executive Directors have only been paid the Sitting Fees for attending the meetings which is outside the perview of calculating the remuneration.				

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
<b>1.</b>	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	Rs. 3,39,612.00	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
<b>2.</b>	<b>Stock Option</b>	NIL	NIL	NIL	NIL
<b>3.</b>	<b>Sweat Equity</b>	NIL	NIL	NIL	NIL
<b>4.</b>	<b>Commission</b> - as % of profit - Others, specify...	NIL	NIL	NIL	NIL
<b>5.</b>	<b>Others, please specify</b>	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>Rs. 3,39,612.00</b>	<b>NIL</b>	<b>NIL</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 Punishment Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors,

Date: 22nd August, 2015

Place: Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**ANNEXURE - III****Form AOC – 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto**

**1. Details of material contracts or arrangements or transactions not at arm's length basis**

All contracts/arrangements/transactions entered into during the year ended March 31, 2015, were at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(₹ in Lacs)

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts /arrangements / transactions	Salient terms of the contracts or arrangements	Date(s) of approval by the Board, if any.	Amount paid as advances, if any.
Priti R. Shah (Relative of Director(s))	Lease/Rent Agreement	Not Applicable	Lease of Land owned by Director's Relative	Not Applicable	Not Applicable
Shaishav R. Shah (Whole-time Director)	Lease/Rent Agreement	Not Applicable	Lease of Godown owned by Director	Not Applicable	Not Applicable

For and on behalf of the Board of Directors,

Date: 22nd August, 2015

Place: Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

## ANNEXURE - IV

### Particulars of Loans, Guarantees and Investments

Amount outstanding as at 31st March, 2015

(₹ in Lacs)

Particulars	Amount
Loans given	148.11
Guarantee issued	800.00
Investments made	420.35

Loan, Guarantee and Investments made during the Financial Year 2014-15

(₹ in Lacs)

Name of Entity	Relation	Amount	Particulars	Purpose
GSEC Green Energy Pvt. Ltd.	Subsidiary	28.35	Loan	Business
GSEC Logistics Limited	Subsidiary	19.74	Loan	Business
Komal Infraventures Pvt. Ltd.	Sister Company	100.00	Loan	Business
Komoline Aerospace Limited *	Subsidiary	800.00	Guarantee	To facilitate bank finance
Mutual Funds#	N.A.	350.00	Investment	Cash Management
Axis Bank Limited	N.A.	40.36	Investment	Cash Management
State Bank of India	N.A.	29.99	Investment	Cash Management

\* The company ceased to be a subsidiary with effect from 17th June, 2015.

# Refer Note 12 of the Financial Statements

For and on behalf of the Board of Directors,

Date: 22nd August, 2015  
Place: Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

## ANNEXURE - V

### Form No. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2015  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**GSEC LIMITED**  
Gujarat Chambers Building,  
Ashram Road,  
Ahmedabad-380009.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GSEC 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, 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 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:

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, 2015 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) 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; (Not Applicable as the Company is not listed Company.)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable as the Company is not listed Company.)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable as Company is not listed Company.)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014 (Effective from 28th October, 2014); (Not Applicable as the Company is not listed Company.)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable as the Company has not issued any Debt Securities and got the same listed in any Stock Exchange during the year under review.)

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable as the Company's shares are not listed.)
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2008 (Not applicable as the Company is not listed Company.
- (i) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure - I**.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. ( not applicable as not notified during the year under review )
- ii. The Listing Agreements entered into by the Company with the Stock Exchanges (Not applicable as the Company is not listed with any stock exchange in India or abroad )

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 Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board took place during the year under review were carried out in compliance of the provisions of Act.

Adequate notice is given to all directors at least seven days in advance to schedule the Board Meetings and agenda and detailed notes on agenda were sent within adequate time 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.

Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. There were no dissenting views by any member of Board / Committee in the meetings held during the year under review.

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 Company has obtained necessary approval of members to mortgage its properties and to borrow money in excess of paid up share capital and free Reserve of the company i.e. up to Rs. 150 Crore in compliance of the provisions of section 180 (1) (a) and 180(1) (c) of the Companies Act, 2013 respectively during the audit period under review.

We further report that there were no other instances of:

- a) Public/Right issue/ preferential allotment of shares/ debentures/sweat equity, etc.
- b) Redemption / buy-back of securities
- c) Merger / amalgamation / reconstruction, etc.
- d) Foreign technical collaborations

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**For Umesh Parikh & Associates**  
Company Secretaries

**Place:** Ahmedabad  
**Date:** 22.08.2015

**Umesh G. Parikh**  
Proprietor  
FCS No. 4152 C P No.: 2413

## ANNEXURE I

### List of major laws applicable to the Company:

#### Copyright Laws:

1. Trade Marks Act 1999 & Copyright Act, 1957

#### Personnel Laws:

1. Employees Provident Fund & Miscellaneous Provisions Act, 1952
2. Shops and Establishment Act
3. Employees State Insurance Act, 1948
4. Payment of Bonus Act, 1965
5. Payment of Gratuity Act, 1972
6. Payment of Wages Act, 1936
7. Minimum Wages Act, 1948
8. Workmen's Compensation Act, 1923

#### Taxation Laws:

1. Income Tax Act, 1961
2. Wealth Tax Act, 1957
3. Central Sales Tax Act, 1956
4. Finance Act, 1994
5. Customs Act, 1962
6. Foreign Trade Policy

#### Other Laws:

1. Land Revenue laws of respective States;
2. Acts as prescribed under Shop and Establishment Act of various local authorities.
3. Major Port Trusts Act, 1963
4. Standards of Weights and Measures (Enforcement) Rules, 1992
5. The Airports Economic Regulatory Authority of India Act, 2008



To,  
The Members,  
**GSECLIMITED**

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done with respect to the complete secretarial records to ensure that correct facts are reflected therein. We believe that the processes and practices, we follow provide a responsible 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 provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of various procedures and practices followed and secretarial records maintained by the Company.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

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**For Umesh Parikh & Associates**  
Company Secretaries

**Place:** Ahmedabad  
**Date:** 22.08.2015

**Umesh G. Parikh**  
Proprietor  
FCS No. 4152 C P No.: 2413

## ANNEXURE - VI

## Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

<b>(A) Conservation of energy –</b>	
(i) the steps taken or impact on conservation of energy;	In order to conserve resources, the Company has taken measures and applied control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. On account of measures taken, it reduces the energy consumption.
(ii) the steps taken by the company for utilizing alternate sources of energy;	N.A.
(iii) the capital investment on energy conservation equipments	N.A.
<b>(B) Technology absorption –</b>	
(i) the efforts made towards technology absorption;	There is no technology absorption and Company has not incurred any Research and development expenditure.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year:-	N.A.
(a) the details of technology imported;	N.A.
(b) the year of import	N.A.
(c) whether the technology been fully absorbed	N.A.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	N.A.
(iv) the expenditure incurred on Research and Development	N.A.
<b>(C) Foreign Exchange Earning and Outgo:</b>	
(i) Foreign Exchange Earning	During the year under review, earnings in Foreign Currency amounted to NIL (Previous year Rs. 25.99 Lacs).
(ii) Foreign Exchange Outgo	During the year under review, outgo in Foreign Currency amounted to Rs. 70.99 Lacs (Previous year Rs. 59.65 Lacs).

For and on behalf of the Board of Directors,

Date: 22nd August, 2015

Place: Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

## CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) has introduced a code of corporate governance for listed companies which is implemented through the Listing Agreements with the Exchanges with which the Company is listed. We believe Good Corporate Governance is a sine qua non for the company and hence though the company's shares are not listed with any Stock Exchange, your directors have thought it advisable to follow certain aspects of corporate governance as per Clause 49 of the listing Agreement as a good corporate practice.

### 1. Company's Philosophy on Code of Corporate Governance:

The Company believes that good corporate governance leads to corporate growth and long term gain in shareholders' value. The Company is committed to maintain the highest standard of corporate governance in its conducts towards shareholders, employees, customers, suppliers and other stakeholders.

Our focus on sustainable growth, productivity improvement, commitment to quality and safety in operations is unrelenting.

### 2. Board of Directors:

#### Composition –

The Board of directors consists of Seven Directors, of whom Shri Rakesh Shah is the Chairman and Managing Director, whereas Shri Samir Mankad and Shri Shaishav Shah are the Whole-time Directors of the Company. The composition of Board of Directors is in compliant with the requirement of Clause 49 (IIA) i.e. more than 50% of Directors are Non-executive Directors/Independent Directors.

The detailed composition of the Board and other related information is given in the table below.

#### Board meetings –

The Board of Directors met five times during the Financial Year 2014-15. Board meetings were held on (1) 28-06-2014, (2) 06-08-2014, (3) 15-09-2014, (4) 12-12-2014 and (5) 16-03-2015.

The composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship are given below:

Sr. No.	Names of Directors	Category	No. of Board Meetings Attended	Attendance at last AGM	No. of Directorships in other Companies*
1	Shri Rakesh Shah	Managing Director	5	Yes	6
2	Shri Samir Mankad	Executive Director	5	Yes	2
3	Shri Shaishav Shah	Executive Director	5	Yes	5
4	Shri Chinubhai Shah	Non-executive Director	3	Yes	11
5	Shri Bhalabhai Patel	Non-executive Director	3	Yes	1
6	Shri Natwarlal Patel	Non-executive Director	3	Yes	7
7	Shri Shyamal Joshi	Non-executive Director	4	Yes	11

As per the latest notices of disclosure received from the respective Directors.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure. Among others, this includes:

- Operating plans, capital budget and updates and reviews thereof,
- Quarterly review of results of the company and business segments,
- Opportunities of expansion, new projects, acquisition ,
- Proposal for diversification, investments, disinvestments, restructuring,
- Minutes of committee meetings.

### 3. Board Committees:

#### Audit Committee –

Audit Committee of Directors constituted w.e.f. 30-08-2010 under the provisions of Section 292A of Companies Act, 1956.

The composition of Committee and the qualifications are in compliance with the requirements of the provisions of the Companies Act, 2013.

The Company's Audit Committee consists of four directors out of which three directors are non-executive directors. The members of the committee are Shri Shyamal Joshi, Shri Chinubhai Shah, Shri Bhalabhai Patel, and Shri Samir Mankad, of whom Shri Shyamal Joshi acts as the Chairman.

During the year, Two Committee Meetings were held on 06-08-2014 and 16-03-2015. ;

#### Nomination and Remuneration Committee –

The Company's Nomination and Remuneration Committee consists of three non-executive Directors. The members of the committee are Shri Chinubhai Shah, Shri Bhalabhai Patel and Shri Natwarlal Patel of whom Shri Chinubhai Shah is the Chairman. The nomenclature of the committee has been modified during the year.

The scope/role of Nomination and Remuneration Committee is to recommend to the board of Directors, appointment and remuneration payable to executive directors, key managerial personnel and other senior employees of the Company, as and when they come for review.

Details of remuneration paid to the executive directors for the year ended 31-03-2015 are as below:

Name	Position held During the period	Total Remuneration ₹ in Lacs
Shri Rakesh R. Shah	Chairman & Managing Director	36.00
Shri Samir H. Mankad	Whole-time Director	18.84
Shri Shaishav R. Shah	Whole-time Director	18.00

The Company has paid sitting fees to the Non-executive Directors during the year under review.

#### Share Transfer and Grievances Committee –

The Board of Directors of the Company has constituted Share Transfer and Grievances Committee which looks in to the matters relating to transfer of shares.

The constitution of the Committee has been changed during the year. The committee consists of Shri Rakesh Shah, Shri Samir Mankad and Shri Shaishav Shah of whom Shri Rakesh Shah is Chairman.

As a measure of good corporate governance and to focus on the Shareholders' request as to the transfer of shares, the committee deals with issue of approval of transfer/ transmission of shares, deletion/ transposition of names in the shares, matters relating to splitting, sub-division, consolidation of shares and to issue fresh share certificate etc. The Committee also deals with the matter relating to investor / shareholders grievances.

### 4. General Body Meetings:

#### Annual General Meetings –

The last three Annual General Meetings were held as under:

Financial year ended	Date	Time	Venue
31-03-2014	15-09-2014	11.00 a.m.	Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009
31-03-2013	18-09-2013	11.00 a.m.	Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009
31-03-2012	24-09-2012	11.00 a.m.	Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009

**Extra Ordinary General Meeting(s) –**

No Extra-ordinary meeting of the members of the Company held during the year under review.

**5. Disclosures:**

In preparation of financial statements, the Company has followed the Accounting Standards as applicable to the Company. The significant accounting policies that are consistently applied have been set out in the Notes to the Accounts.

Apart from Accounting Standards we have also initiated a good corporate and compliance practice of following certain Secretarial Standard(s) issued by the Institute of Company Secretaries of India.

Related Party Transactions during the year have been disclosed as required under Accounting Standard 18 issued by the Institute of Chartered Accountants of India. Details of related party transactions were periodically placed before the Board. These transactions are not likely to have any conflict with the Company's interest.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risk.

**6. General Shareholder Information:**

Date, time and venue of AGM	Monday, 29th September, 2015, at 11.00 a.m. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries Building, Ahmedabad - 380 009
Record Date	N.A.
Listing on Stock Exchanges	N.A.
ISIN NO.	INE825P01010
Stock Exchange's Script Code	N.A.
Dividend Payment Date	Within 30 days of AGM
Registrar and Share Transfer Agent	M/s. Sharepro Services (I) Limited Devnandan Mega Mall, Office No.416-420, 4th Floor, Opp Sanyas Ashram, Ashram Road, Ahmedabad - 380 006.

**7. Dematerialization of Shares, Registrar & Transfer Agent & Share Transfer System:**

**(A) Share Transfer System –**

Transfer of shares in physical form has been delegated by the Board to certain officials of the Registrars, to facilitate speedy service to the shareholders. Shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within 15 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks.

**(B) Dematerialisation of shares–**

All requests for dematerialization of shares are processed, if found in order and confirmation is given to the respective depository i.e. National Securities Depository Ltd (NSDL) within 21 days.

As on 31st, March, 2015, 10110 equity shares of the Company are in demat form.

**8. Investors Correspondence:**

For any queries, requests and other correspondence, the Shareholders are requested to contact;

<b>Registered Office</b> GSEC Limited, 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad – 380 009. Tele: 079 – 26575757, 079 – 26585757, Fax: 079-26584040 Web: www.gsecl.co.in Mail: viral.mehta@gsecl.co.in	<b>Registrar and Share Transfer Agent</b> Sharepro Services (I) Private Limited 416-420, Devnandan Mega Mall, Opp Sanyas Ashram, Ashram Road, Ahmedabad - 380 006. Tele: 079 – 26 58 23 81/82/83/84 Web: www.shareproservices.com Mail: sharepro.ahmedabad@shareproservices.com
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**9. Secretarial Audit for Reconciliation of Capital:**

The Company is not listed with any stock exchange, hence secretarial Audit for reconciliation of capital is not applicable.

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

**Date:** 22nd August, 2015

**Place:** Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

## **Annexure to the Corporate Governance Report**

### **Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Senior Employees of GSEC limited**

#### **I. TERMS OF REFERENCE TO THE NOMINATION AND REMUNERATION COMMITTEE:**

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
2. To recommend to the Board their appointment and removal and shall carry out evaluation of directors performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
4. To recommend to the Board, a policy relating to the remuneration for the directors, key managerial personnel and other employees.”

#### **II. APPLICATION:**

This Policy applies to the Board of Directors, Key Managerial Personnel and Senior Management Personnel of GSEC Limited ('the Company'). The policy envisages the framework for nomination, remuneration and evaluation of Board of Directors, Key Managerial Personnel and Senior Management Personnel in accordance with provisions of Companies Act, 2013 ('the Act') including the rules made thereunder as may be applicable.

#### **III. OBJECTIVITY:**

The Company aims to achieve balance of merits, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management Personnel.

#### **IV. DEFINITIONS:**

1. “Board” means Board of Directors of the Company.
2. “Committee” means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board from time to time.
3. “Key Managerial Personnel” (KMP) means:
  - a) Chief Executive Officer or Managing Director or the Manager,
  - b) Whole-time Director
  - c) Chief Financial Officer
  - d) Company Secretary and
  - e) Such other officers as may be prescribed under the Act from time to time
4. “Senior Management Personnel” (SMP) means personnel of the Company who are members of the core management team, excluding Board of Directors and are one level below the Executive Directors including all Functional Heads.
5. “Company Policy” means the policy of Human Resource Department of the Company as laid down from time to time.

#### **V. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SMP:**

1. The Committee shall consider criteria such as qualifications, skills, expertise and experience of the person to be appointed as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
2. The age of person to be appointed as a Non-Executive Director shall not be less than 21 years and more than 75 years. The Committee at its discretion may recommend to the Board continuation of Director for further term of appointment who has completed 75 years.
3. The age of person to be appointed as an Executive Director shall not be less than 21 years and not more than 70 years. The Committee at its discretion may recommend to the Board continuation of Director for further term of appointment who has completed 70 years.
4. The Company should ensure that the person so appointed as Director is not disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

5. The Director/ Independent Director / KMP / SMP shall be appointed as per the provisions and procedure laid down under the Companies Act, 2013 including rules made thereunder, as may be applicable or any other enactment for the time being in force.
6. The Committee may recommend to the Board for removal of a Director on account of any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground. The Committee may also recommend to the Board for removal of KMP or SMP subject to the provisions and compliance of the applicable Act, rules and regulations.
7. Term and tenure of a Director shall be in accordance with the provisions of the Companies Act, 2013 rules made thereunder as may be applicable and amended from time to time.

## **VI. REMUNERATION OF DIRECTORS, KMP AND SMP:**

### **A) DIRECTORS –**

The Board of Directors of the Company shall decide the remuneration of Executive / Non-Executive Directors on the basis of recommendation of the Committee subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder, including any amendments, modifications and re-enactments thereto ('the Act') and in compliance with the provisions of the listing agreement as applicable from time to time.

The remuneration of Directors shall be approved by the shareholders of the Company as and when required.

### **(I) EXECUTIVE DIRECTORS –**

The Company shall enter into a contract with every Executive Director, which will set out the terms and conditions of appointment and tenure, as recommended by the Committee and approved by the Board.

The Board may vary any terms or conditions of the contract from time to time within the tenure subject to such approvals as may be required under the Act.

The remuneration components shall include inter alia:

#### **A. Fixed salary:**

Each Executive Director shall be paid fixed salary consisting of basic salary and such allowances and perquisites as may be recommended by the Committee and decided by the Board and performance evaluation of each Executive Director from time to time, subject to overall limits as prescribed under the Act.

The salary may be reviewed;

- i) From time to time as thought fit by the Committee.
- ii) Annually within the limits as set by the Company within the overall limit as fixed by the shareholders of the Company.

#### **B. Commission:**

The Board may approve payment of commission subject to the limits provided in the Act. The eligibility and the amount of commission to be paid to each Director shall be recommended by the Committee on the basis of the performance evaluation of the Director undertaken by the Committee and the Board.

#### **C. Separation / Retirement benefits:**

Executive Director shall be eligible to the following perquisites which shall be included in the computation of the ceiling on remuneration provided in the Act:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 or any amendment thereof,
- (b) Gratuity payable at a rate not exceeding one month's salary for each completed year of service and
- (c) Encashment of leave at the end of the tenure. In case of loss or inadequacy of profits of the Company, the aforesaid perquisites shall not be included in computation of the ceiling on remuneration provided in the Act.



**D. Non-monetary Benefits:**

Executive Director shall be eligible to the following non-monetary benefits which shall, subject to the terms and conditions of the appointment of Executive Director by the shareholders of the Company, not be included in the computation of the limit/ceiling on remuneration:

Executive Directors may be entitled to club membership, company vehicle with driver, petrol reimbursement, vehicle maintenance, telephone, fax, internet at residence, reimbursement of mobile phone bills, fully furnished accommodation (in case of use of own residential property for accommodation) or house rent allowance in lieu thereof, soft and hard furnishings, reimbursement of house maintenance expenditure, gas, electricity bill, water and other utilities and repairs at residence, medical expenditure, including hospitalization expenses for self and family, leave travel assistance and entertainment expenses.

Executive Director may also be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance or any other benefit as per Company policy.

Executive Director may be entitled to such other additional benefits as per the Company Policy.

**(II) NON-EXECUTIVE DIRECTORS –**

The Company shall issue a letter of appointment to every Non-Executive Independent Director. The components of payment of remuneration to Non-Executive Directors shall include:

**A. Sitting Fees:**

Sitting fees shall be paid for Board Meetings and any Committee Meetings attended by the Director. Different amount of sitting fees may be paid for different types of meetings within limits as prescribed under the Act. Committee shall include Audit Committee, Nomination and Remuneration Committee Share Transfer and Shareholders' Grievances Committee or such other Committees as may be constituted by the Board from time to time.

**B. Commission:**

The Board may approve payment of commission subject to the limits provided in the Act. The eligibility and the amount of commission to be paid to each director shall be recommended by the Committee on the basis of annual performance evaluation of the director.

**C. Professional Fees:**

Non Independent Directors may be paid fees for services of professional nature, if in the opinion of Committee, the Director possesses the requisite qualification for the practice of the profession. Such professional fees shall not be considered as remuneration for the purpose of Act.

Independent Directors may be paid the fees for providing services of professional nature on an arm's length basis, if in the opinion of Committee, the Director possesses the requisite qualification for the practice of the profession.

**B) KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL –**

The Company shall issue an appointment letter to every KMP and SMP. The remuneration components payable to KMP/SMP may be:

**A. Fixed Salary:**

Each KMP / SMP shall be paid fixed salary consisting of basic salary and such allowances and perquisites as per service rules of the Company. The band of the salary shall be determined according to the industry standards, market conditions, scale of Company's business relating to the position, educational qualification parameters and experience in the industry as detailed in the service rules of the Company and such other factors as may be prescribed therein. The same shall be reviewed annually based on the Company's annual appraisal policy.

**B. Variable Pay:**

Apportion of the overall salary may be paid as variable pay to every KMP/SMP. This shall be as per the Performance Linked Pay Scheme of the Company, which is designed to bring about increase in overall organizational effectiveness through alignment of Company, Functional and Individual objectives.

## **C. Perquisites / Other Benefits Perquisites / Other Benefits:**

These are to be benchmarked with Industry practices from time to time keeping an overall salary structure in mind. These may include petrol reimbursement, vehicle maintenance, telephone, reimbursement of mobile phone bills, leave travel assistance and reimbursement of medical expenditure for self and family and such other benefits as per the Company Policy.

KMP / SMP may be entitled to personal accident insurance, group accident insurance coverage, medical insurance coverage, term insurance and such other benefits as per Company policy.

## **D. Annual Pay Revision / Promotion Evaluation of KMP / SMP:**

This shall be based on appraisal against stated Objectives / Goals of the individual which in turn shall be aligned to the Functional and Enterprise Score Card. Key Result Areas (KRAs) are set at the beginning of the year in consultation with the Executive Director. Pay revisions / promotions will be achievement oriented and will also have reference to Industry benchmarks, where appropriate. e. Separation / Retirement benefits Separation / retirement benefits as per Company policy which shall include contribution to provident fund, superannuation, gratuity and leave encashment.

## **C) DIRECTORS AND OFFICERS LIABILITY INSURANCE-**

The Company will take Directors and Officers Liability Insurance or such insurance of like nature for indemnifying any of the Directors, KMP and SMP against any liability in respect of any negligence, default, misfeasance, breach of duty or trust for which they may be guilty in relation to the Company. The premium paid on such insurance shall not be treated as part of remuneration payable to Managing Director, Whole Time Director, Chief Executive Officer, Chief Financial Officer or Company Secretary. Provided that if any such person is proved to be guilty, the premium paid shall be treated as part of the remuneration.

## **D) STOCK OPTIONS-**

The Committee may recommend issue of stock options to Directors (other than Independent Directors and Promoter Directors), KMP / SMP, which may be granted by the Board subject to the compliance of the provisions of applicable laws.

## **VII. CRITERIA FOR EVALUATION OF BOARD:**

The evaluation of Board shall be carried out annually as per the provisions of the Companies Act, 2013 and rules made thereunder as may be applicable. Performance evaluation of each Director will be based on the criteria as laid down from time to time by the Nomination and Remuneration Committee.

Criteria for performance evaluation shall include aspects such as attendance for the meetings, participation and independence during the meetings, interaction with Management, Role and accountability to the Board, knowledge and proficiency and any other factor as may be decided by the Nomination and Remuneration Committee. Further, performance evaluation of an Executive Director will also be based on business achievements of the Company.

## **VIII. AMENDMENT:**

Based on the recommendation of the Committee, the Board reserves its right to amend or modify this Policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of the Companies Act, 2013 and rules made thereunder as may be applicable.

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

**Date:** 22nd August, 2015

**Place:** Indore

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

## INDEPENDENT AUDITOR'S REPORT

### To the Members of GSEC Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of GSEC Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and 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 matters stated in section 134(5) of companies Act, 2013 ("the act") 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 Companies (Accounts) Rules, 2014. This responsibility 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.

#### 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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.

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, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit 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, 2015 ('the order') issued by 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 para 3 & 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 purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account
  - d) 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.
  - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) There are no other matters included in the Auditor's Report to the best of our information and according to the explanations given to us.
3. 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 does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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For BJS & Associates,  
Chartered Accountants  
Firm Registration No. 113268W

Date : 22nd August, 2015

Place : Ahmedabad

**Bipin J. Shah**  
Partner  
Membership No. 10712

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

**To the Members of**

**GSEC Limited**

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2015 of GSEC Limited, Ahmedabad)

- I.
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
  - b. As explained to us, all the fixed assets are physically verified once in a year, which is considered reasonable in relation to the size of the Company. No material discrepancies were noticed on such verification.
- II.
  - a. Physical verification has been conducted by the management at reasonable intervals.
  - b. In our opinion and according to information and explanation provided to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed of physical verification of inventories as compared to book records.
- III. In respect of the loans, secured or unsecured granted or taken by the Company to/ from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - (a) According to the information and explanation given to us the details of unsecured loan granted by the Company covered in the register maintained under Section 189 of the Companies Act, 2013.

In our opinion the rate of interest and other terms and conditions on which loans have been taken from or granted to companies listed in the register maintained under section 189 of the Companies Act, 2013, are not, prima facie, prejudicial to the interest of the company.

Particulars	No. of Parties	Amount ` in Lacs
Opening balance	2	899.70
Granted during the year	3	58.11
Received during the year	3	317.00
Closing Balance	2	639.53

According to the information and explanation given to us the details of unsecured loan taken by the Company covered in the register maintained under Section 189 of the Companies Act, 2013.

Particulars	No. of Parties	Amount ` in Lacs
Opening balance	4	1738.09
Taken during the year	4	3902.50
Repaid during the year	4	4303.08
Closing Balance	4	1337.51

- (b) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest. There is no overdue amount of loans granted to companies, firms or parties listed in the register maintained under section 189 of the Companies Act, 2013.

**IV.** In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and sale of goods and services.

During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

**V.** According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (V) of the Order are not applicable to the Company.

**VI.** Maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the Company.

**VII Statutory and other dues:**

According to information and explanation given to us in respect of statutory and other dues, the Company has been generally regular in depositing undisputed statutory dues including Provident fund, Income tax, Service tax, Investors' Education and Protection Fund and other statutory dues with appropriate authorities during the year.

According to information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, value added tax, service tax, custom duty and excise duty were outstanding as at 31st March, 2015 for the period of six months from the date they became payable.

Details of dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved ( Rs. In Lacs)
Customs Act, 1962	Custom Duty	Appellate Authority up to Commissioner Level	2011-12	310.26
VAT Act, Gujarat	Value Added Tax	Tribunal	2007-08 and 2008-09	862.39
Service Tax	Service Tax on Exempted Income	Additional Commissioner, Service Tax - Ahmedabad	2009-10 to 2012-13	39.02
Income Tax	Income Tax (Assessment)	CIT (Appeals)	2009-10	1.62
Income Tax	Income Tax (Assessment)	CIT (Appeals)	2011-12	14.21

The Company has transferred Rs. 18,720/- to the Investor Education and Protection Fund in accordance with the provisions of Companies Act, 1956 during the year.

**VIII** The Company has no accumulated losses at the end of financial year exceeding 50 percent of net worth and it has not incurred cash losses in the financial year covered by the audit and in the immediately preceding financial year.

**IX** Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to banks, financial institutions.

- X** The Company has given guarantees for loans taken by others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
  - XI** The Company has not taken any term loans during the year.
  - XII** To the best of our knowledge and according to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the year.
- 

For BJS & Associates,  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin J. Shah**  
Partner  
Membership No. 10712

**Date :** 22nd August, 2015  
**Place :** Ahmedabad

## Balance Sheet as at 31st March, 2015

		₹ in Lacs	
Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	755.00	755.00
(b) Reserves and Surplus	2	1,533.87	1,513.37
<b>2 Share Application Money pending allotment</b>		-	-
<b>3 Non-current Liabilities</b>			
(a) Long-term Borrowings	3	7.60	34.67
(b) Deferred tax Liabilities (Net)		-	0.91
(c) Other Long-term Liabilities	4	127.14	213.63
(d) Long-term Provisions		-	-
<b>4 Current liabilities</b>			
(a) Short-term Borrowings	5	1765.20	2,777.93
(b) Trade Payables	6	395.87	2,318.08
(c) Other Current Liabilities	7	176.89	900.29
(d) Short-term Provisions	8	11.33	96.26
<b>TOTAL</b>		<b>4,772.90</b>	<b>8,610.14</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
<b>1 (a) Fixed Assets</b>	9	<b>1,242.23</b>	<b>1,376.49</b>
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		-	-
(iv) Intangible Assets under development		-	-
(b) Non-current Investments	10	507.20	444.14
(c) Deferred tax Assets (net)		60.65	-
(d) Long-term Loans and Advances	11	221.85	274.19
(e) Other Non-current Assets		-	-
<b>2 Current Assets</b>			
(a) Current Investments	12	350.00	-
(b) Inventories	13	71.42	46.10
(c) Trade Receivables	14	699.84	3,355.07
(d) Cash and Cash Equivalents	15	642.37	969.16
(e) Short-term Loans and Advances	16	971.28	2,141.50
(f) Other Current Assets	17	6.06	3.49
<b>TOTAL</b>		<b>4,772.90</b>	<b>8,610.14</b>
Significant Accounting Policies & Other Notes on Financial Statements	23		

As per our attached report of even date

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

For and on behalf of the Board

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore



## Statement of Profit and Loss for the year ended 31st March, 2015

₹ in Lacs

Particulars	Note No.	2014-15	2013-14
<b>I. Revenue from Operations</b>			
Sale of Products		23,381.66	33,219.14
Sale of Services		2,071.17	1,871.72
Other Operating Revenues		9.16	7.56
<b>II. Other Income</b>	18	457.92	231.41
<b>III. Total Revenue (I + II)</b>		<b>25,919.91</b>	<b>35,329.83</b>
<b>IV. Expenses:</b>			
Cost of Trading Goods Sold		23,435.87	32,936.62
Changes in Inventories of Stock-in Trade	19	(25.32)	(31.09)
Employee Benefits Expense	20	262.16	214.22
Finance Costs	21	262.10	384.02
Depreciation and Amortization Expense		345.19	171.86
Other Expenses	22	1,416.21	1,302.70
<b>Total Expenses</b>		<b>25,696.21</b>	<b>34,978.33</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>223.70</b>	<b>351.50</b>
VI. Exceptional Items		180.00	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>43.70</b>	<b>351.50</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>43.70</b>	<b>351.50</b>
X Tax Expense:			
(1) Current tax		70.00	114.00
(2) Deferred tax		(61.55)	7.53
(3) Short Provision For Last Years		14.75	2.77
<b>XI Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>20.50</b>	<b>227.20</b>
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(Loss) from Discontinuing operations (After tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit/(Loss) for the period (XI + XIV)</b>		<b>20.50</b>	<b>227.20</b>
XVI Earnings per equity share (in ₹) :		<b>0.27</b>	<b>3.01</b>
Significant Accounting Policies & Other Notes on Financial Statements	23		

As per our attached report of even date

For and on behalf of the Board

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Bipin Shah**  
Partner  
Membership No. 10712

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

**Date** : 22nd August, 2015  
**Place** : Indore

## Cash Flow Statement for the year ended 31st March, 2015

₹ in Lacs

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax and exceptional items</b>	<b>223.70</b>	<b>351.50</b>
<b>Adjustments For :</b>		
Depreciation	345.19	171.86
Interest Paid	137.38	384.02
Interest received	(23.90)	(105.85)
(Profit)/Loss on Sale of Investments	(21.61)	
Excess Provision for earlier year	-	(4.39)
(Profit)/Loss on Sale of Fixed Assets	(4.27)	(1.33)
Dividend Received	(0.97)	(1.37)
Misc.Dr./Cr. Written off	-	(2.11)
<b>Operating Profit before working capital changes</b>	<b>555.52</b>	<b>792.33</b>
<b>Movements in working capital</b>		
<b>Adjustment for Decrease (Increase) in operating assets</b>		
Decrease in Trade and other Receivables	2655.23	2910.86
Decrease in Short Term Loans and Advances	1782.37	(609.78)
(Decrease) in Short Borrowings	(1012.73)	
(Decrease) Trade Payables	(1922.21)	(2663.59)
(Increase) in other Current Assets	(2.57)	12.42
Decrease in Short Term Provisions	(84.93)	
(Decrease) in other Current Liabilities	(723.40)	0.79
(Increase) in Inventories	(25.32)	(31.09)
<b>Net Cash Flow from Operating Activities before tax and Exceptional Items (A)</b>	<b>666.44</b>	<b>411.93</b>
Taxes Paid	(62.70)	(106.66)
<b>Net cash generated from operating activities before exceptional items</b>	<b>1159.26</b>	<b>305.28</b>
Exceptional Items	180.00	-
<b>Net cash generated from operating activities</b>	<b>979.26</b>	<b>305.28</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Increase in Margin Money	-	-
Purchase of Fixed Assets	(213.76)	(376.15)
Sale Proceeds of Fixed Assets	7.11	43.97
Interest received	123.90	105.85

## Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

₹ in Lacs

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Dividend Received on Investments	0.97	1.37
Purchase of Investments	(420.35)	(25.72)
Sale of Investments	28.90	-
Long Term Loans and Advances	-	20.87
Decrease in Fixed Deposit	121.57	-
<b>Net cash flow from investing activities</b>	<b>(351.66)</b>	<b>(229.81)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowing from Companies	(27.07)	6.00
Addition/Repayment of Secured/Unsecured Loans (Net)	-	562.93
Other Long Term Loans and Advances	30.28	-
Increase in unclaimed Dividend	(0.34)	-
Term Loan Repaid to Banks & others	-	-
Working Capital Borrowings from Banks	(612.15)	-
Interest paid	(137.38)	(384.01)
Long term Liabilities	(86.49)	-
Dividend Paid	-	(88.33)
<b>Net cash flow from financing activities</b>	<b>(833.15)</b>	<b>96.58</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(205.55)</b>	<b>172.05</b>
Cash and cash equivalents at the beginning of the year	397.81	797.11
Cash and cash equivalents at the end of the year	192.26	969.16

**As per our attached report of even date**

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

**For and on behalf of the Board**

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore

## Notes on Financial Statements for the year ended 31st March, 2015

## 1. Share Capital

₹ in Lacs

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
<b>Authorised</b> Equity Shares of ₹ 10 each	10,030,000	1,003.00	10,030,000	1,003.00
<b>Issued</b> Equity Shares of ₹ 10 each	7,550,000	755.00	7,550,000	755.00
<b>Subscribed &amp; fully Paid up</b> Equity Shares of ₹ 10 each	7,550,000	755.00	7,550,000	755.00
<b>Total</b>	<b>7,550,000</b>	<b>755.00</b>	<b>7,550,000</b>	<b>755.00</b>

1.1 33,00,000 shares out of the Equity Shares issued, subscribed & paid-up share capital were allotted as Bonus shares in the last five years by capitalisation of Securities Premium A/c & General Reserve.

1.2 The reconciliation of the number of shares outstanding is set out below:

₹ in Lacs

Particulars	Equity Shares			
	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7,550,000.00	755.00	7,550,000.00	755.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	<b>7,550,000.00</b>	<b>755.00</b>	<b>7,550,000.00</b>	<b>755.00</b>

1.3 Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

1.4 Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	Nature of Relationship	As at 31st March, 2015	As at 31st March, 2014
Komal Infotech Private Limited	Holding Company	4,783,910	4,783,910

1.5 Details of Shareholders holding more than 5% shares

Name of Shareholder	Equity Shares			
	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Komal Infotech Private Limited	4783910	63.36	4783910	63.36
Priti R. Shah	1447670	19.17	1547670	20.50
Rakesh R. Shah	635940	8.42	635790	8.42
Shaishav R. Shah	487270	6.45	387270	5.13

## 2. Reserves & Surplus

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a. Securities Premium Account</b>		
Opening Balance	337.00	337.00
Add : Securities premium credited on Share issue	-	-
<b>Closing Balance</b>	<b>337.00</b>	<b>337.00</b>
<b>b. General Reserves</b>		
Opening Balance	168.23	143.23
(+) Current Year Transfer	-	25.00
<b>Closing Balance</b>	<b>168.23</b>	<b>168.23</b>
<b>c. Surplus/Deficit in statement of Profit and Loss</b>		
Opening balance	1,008.13	894.26
(+) Net Profit/(Net Loss) For the current year	20.50	227.20
(+) Transfer from Reserves	-	-
(-) Short Provision of income tax of earlier years	-	-
(-) Proposed Dividend	-	(75.50)
(-) Tax on Proposed Dividend	-	(12.83)
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	(25.00)
<b>Closing Balance</b>	<b>1,028.63</b>	<b>1,008.13</b>
<b>Total</b>	<b>1,533.87</b>	<b>1,513.37</b>

## Non-current Liabilities

### 3. Long-term Borrowings

₹ in Lacs

Particulars	Non-Current		Current Maturities	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>				
<b>Term loans</b>				
<b>Rupee Loan</b>				
-From Banks	-	-	-	-
-From Others	7.60	34.67	27.07	177.47
(All above loans are secured against Hypothecation of Motor cars)				
	7.60	34.67	27.07	177.47
Amount disclosed under the head *Other Current Liabilities (Note - 7)			27.07	49.92
<b>Total</b>	<b>7.60</b>	<b>34.67</b>	<b>27.07</b>	<b>177.47</b>

## Non Current Liabilities

### 4. Other Long Term Liabilities

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade Payables	127.14	213.63
<b>Total</b>	<b>127.14</b>	<b>213.63</b>

## Current Liabilities

### 5. Short-term Borrowings

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a) Secured Loans</b>		
Working capital facilities from UCO Bank	(3.07)	19.36
Working capital facilities from DCB Bank Limited	430.76	516.38
Letter of Credit Discounted	-	504.11
(Secured against hypothecation of entire Stocks/Receivables & other Current Assets of the Company (both present and future on pari passu basis with the Banks & Personal Guarantee of Directors Mr. Rakesh R. Shah, Mr. Shaishav R. Shah and their relative Mrs. Priti R. Shah)		
	<b>427.69</b>	<b>1,039.84</b>
<b>b) Unsecured Loans</b>		
<b>(i) Loans repayable on demand</b>		
-From Others	-	-
	-	-
<b>(ii) Loans from Related parties</b>		
Komal Infotech Private Limited	11.48	0.75
GSEC Aviation Limited	835.00	695.93
	-	-
	<b>846.48</b>	<b>696.68</b>
<b>(iii) Deposits</b>		
Directors' Deposit	491.03	1,041.41
	<b>1,337.51</b>	<b>1,738.09</b>
<b>Total</b>	<b>1,765.20</b>	<b>2,777.93</b>

**Current Liabilities**
**6. Trade Payables**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade Payables	395.87	2,318.08
<b>Total</b>	<b>395.87</b>	<b>2,318.08</b>

**Current Liabilities**
**7. Other Current Liabilities**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
(a) Current maturities of long-term debt	27.07	177.47
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Unclaimed dividends	4.02	3.68
(g) Application money received for allotment of securities and due for refund	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(I) Unpaid matured debentures and interest accrued thereon	-	-
(j) Creditors for Capital Expenditure	-	7.00
<b>(i) Other payables (specify nature)</b>		
a) Statutory Dues Payables	36.61	34.96
b) Trade/Security Deposit	-	1.89
c) Advance from Customers	102.98	505.19
d) Provision for bonus	6.11	5.69
e) Other Liabilities	0.09	164.41
<b>Total</b>	<b>176.89</b>	<b>900.29</b>

## Current Liabilities

### 8. Short-term Provisions

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(a) Provision for employee benefits</b>		
Gratuity (Funded)	0.05	-
Leave Encashment (Unfunded)	10.09	7.93
	<b>10.14</b>	<b>7.93</b>
<b>(b) Others</b>		
Proposed Dividend	-	75.50
Tax on Proposed Dividend	-	12.83
Other Provisions	1.19	
	<b>1.19</b>	<b>88.33</b>
<b>Total</b>	<b>11.33</b>	<b>96.26</b>

### 9. Fixed Assets

₹ in Lacs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2014	Additions/ (Disposals)	Deductions/ Adjustments	Balance as at March 31, 2015	Balance as at April 1, 2014	Depreciation charge for the year	On disposals	Balance as at March 31, 2015	Balance as at March, 2015	Balance as at March, 2014
<b>a. Tangible Assets (Not Under Lease)</b>										
Land	20.93	-	-	20.93	-	-	-	-	20.93	20.93
Buildings	743.36	121.21	-	864.57	125.57	36.27	-	161.84	702.73	617.79
Plant and Equipment	181.28	1.44	-	182.72	94.99	18.47	-	113.46	69.26	86.29
Furniture and Fixtures	295.92	14.29	-	310.21	140.77	41.65	-	182.42	127.79	155.15
Vehicles	444.55	28.95	17.46	456.04	224.59	78.11	14.62	288.08	167.96	219.96
Office Equipment	384.88	26.67	-	411.55	148.74	152.06	-	300.80	110.75	236.14
Computers	85.13	16.77	-	101.90	69.13	14.41	-	83.54	18.36	16.00
A.C Machines & Plant	41.19	4.43	-	45.62	16.96	4.22	-	21.18	24.44	24.23
<b>Total (i)</b>	<b>2,197.24</b>	<b>213.76</b>	<b>17.46</b>	<b>2,393.54</b>	<b>820.75</b>	<b>345.19</b>	<b>14.62</b>	<b>1,151.32</b>	<b>1,242.23</b>	<b>1,376.49</b>
<b>Capital Work In Progress</b>										
Building under construction	-	-	-	-	-	-	-	-	-	-
<b>Total (ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,197.24</b>	<b>213.76</b>	<b>17.46</b>	<b>2,393.54</b>	<b>820.75</b>	<b>345.19</b>	<b>14.62</b>	<b>1,151.32</b>	<b>1,242.23</b>	<b>1,376.49</b>
<b>Previous Year's Details</b>	<b>1,916.27</b>	<b>376.15</b>	<b>95.18</b>	<b>2,197.25</b>	<b>701.44</b>	<b>171.86</b>	<b>52.55</b>	<b>820.75</b>	<b>1,376.49</b>	<b>1,211.91</b>



**10. Non-current Investments**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade Investments</b>		
<b>In Equity Shares of Subsidiary Companies - Unquoted, fully paid-up</b>		
50,000 Equity Shares of GSEC Logistics Limited of Rs. 10 each (P.Y.50,000 Shares)	5.00	5.00
95,625 Equity Shares of Komoline Aerospace Limited of Rs. 100 each (P.Y. 95625 Shares)	294.33	294.33
10,000 GSEC Green Energy Private Limited of Rs. 10 each (P.Y. 10000 Shares)	1.00	1.00
	<b>300.33</b>	<b>300.33</b>
<b>Other Investments</b>		
<b>Investment in Equity Instruments-Quoted Investments</b>		
23925 Equity Shares fully paid up of Re. 1 each of Adani Enterprises Limited (P.Y.28,925 Shares of Re. 1 Each)	76.64	83.93
500 Equity Shares fully paid up of Rs. 10/-each of Reliance Industries Limited (P.Y. 500 Shares of Rs. 10 each)	3.88	3.88
5,750 Equity Shares fully paid up of Rs. 10/- each of Tata Steel Limited (P.Y. 5,750 Shares of Rs. 10 each)	24.81	24.81
10,000 Equity Shares fully paid up of Rs. 2/- each of AXIS Bank Limited (P.Y. NIL Shares)	40.36	-
10,000 Equity Shares fully paid up of Re.1/- each of State Bank of India (P.Y. NIL Shares)	29.99	-
250 Equity Shares fully paid up of Rs. 10 each of GNFC Limited (P.Y. 250 Shares)	0.05	0.05
100 Equity Shares fully paid up of Re. 10 each of PAN India Corporation Limited (P.Y. 1000 Shares)		
5 Equity Shares fully paid up of Re. 1 each of Pentamedia Graphic Limited (P.Y. 5 Shares)	0.01	0.01
13700 Equity Shares fully paid up of Re. 1 each of Enrich Industries Limited (P.Y. 13700 Shares)	0.69	0.69
<b>Un-quoted Investments</b>		
667 Equity Shares of GITCO OF Rs.100 each (P.Y. 667 Shares)	0.67	0.67
15000 Equity Shares of Kalupur Commercial Co.Op. Bank Limited of Rs. 25/- each (P.Y. NIL Shares)	3.75	3.75
<b>Investments in Government Securities-Unquoted</b>		
7 Years National Savings Certificates (Deposited with Mamlatdar Gandhidham)	0.10	0.10
7 Years National Savings Certificates (Deposited with Governer of Karwar)	0.20	0.20
	<b>181.14</b>	<b>118.08</b>
<b>Investment in Property</b>		
Block D12 - Silver Arc Apartment - Ahmedabad	25.72	25.72
<b>Total</b>	<b>507.20</b>	<b>444.14</b>

## Non-current Assets

### 11. Long Term Loans & Advances (Unsecured and Considered Good)

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advance	25.00	25.00
Deposit and Balance with Government Authorities	4.11	4.11
Deposit with Others	33.21	68.06
Advance Income Tax (Net of Provisions)	60.08	82.14
Other Loans and Advances	99.45	94.88
<b>Total</b>	<b>221.85</b>	<b>274.19</b>

## Current Assets

### 12. Current Investments

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Investment in Mutual Fund</b>		
Principal Mutual Fund	200.00	-
Sbi Magnum Insta Cash Fund - Liquid Floater	150.00	-
<b>Total</b>	<b>350.00</b>	<b>-</b>

## Current Assets

### 13. Inventories

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trading Goods	71.42	46.10
<b>Total</b>	<b>71.42</b>	<b>46.10</b>

## Current Assets

### 14. Trade Receivables

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Unsecured- Considered good</b>		
Outstanding for period exceeding six months	611.07	916.70
Other Receivables	88.77	2,438.38
	<b>699.84</b>	<b>3,355.08</b>
<b>Unsecured, considered doubtful</b>		
Outstanding for period exceeding six months	-	-
Other Receivables	-	-
<b>Less: Provision for doubtful debts</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>699.84</b>	<b>3,355.08</b>

**Current Assets**
**15. Cash & Cash Equivalents**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a. Balances with banks</b>		
- In Current Accounts	189.34	394.11
- In Fixed Deposit Accounts (Margin Money against Bank Guarantee)	446.12	567.69
- Unpaid Dividend Accounts	3.99	3.65
<b>b. Cash on hand</b>	2.92	3.70
<b>Total</b>	<b>642.37</b>	<b>969.16</b>

**Current Assets**
**16. Short-term Loans and Advances  
(Unsecured and Considered Good)**

₹ in Lacs

Short term loans and Advances	As at 31st March, 2015	As at 31st March, 2014
Loan and advances to related parties Unsecured, considered good	638.69	900.07
Loans to Employees (Unsecured, considered good)	4.66	5.01
Prepaid Expenses (Unsecured, considered good)	58.19	44.72
<b>Balances with Statutory/Government Authorities (Unsecured, considered good)</b>		
CENVAT Credit Receivable	0.00	7.35
Service Tax Credit Receivable	38.24	62.73
Sales Tax Credit Receivable	26.93	44.65
Entry Tax	4.34	4.34
<b>Inter Corporate deposits (Unsecured, considered good)</b>		
- Anil Dye Chem Industries Private Limited	-	900.00
	132.36	1068.81
<b>Other Loans and Advances (Unsecured, including advance to Suppliers)</b>		
Unsecured, Considered Good	200.24	172.61
Doubtful	-	-
Provision for Doubtful Advances	-	-
	200.24	172.61
<b>Total</b>	<b>971.28</b>	<b>2141.50</b>

**Current Assets**
**17. Other Current Assets**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Interest accrued on Inter Corporate Deposits	-	0.15
Interest accrued on FDR	5.45	2.73
Investment in Silver Coins	0.61	0.61
<b>Total</b>	<b>6.06</b>	<b>3.49</b>

## 18. Other Income

₹ in Lacs

Particulars	2014-15	2013-14
Interest Income	123.90	105.85
Interest on I.T. Refund	3.15	-
Interest on Sales Tax Refund	3.93	-
Dividend Income	0.97	1.37
Profit on Sale of Fixed Assets	4.27	2.48
Profit on Sale of Shares	21.61	-
Other non-operating income	-	3.29
Foreign Exchange Difference	(21.55)	21.57
Excess Provision for Earlier Year	0.45	4.39
Duty Drawback	17.84	59.89
Misc. Income	10.92	30.45
Misc./Dr./Cr. Balance Written Back	60.54	2.11
Rate Difference	74.70	-
Custom Duty Refund	157.05	-
Kasar/Discount	0.14	0.01
<b>Total</b>	<b>457.92</b>	<b>231.41</b>

## 19. Change in Inventories of Finished Goods

₹ in Lacs

Particulars	2014-15	2013-14
Inventories (at close)		
Finished goods / Stock in trade	71.42	46.10
Inventories(at commencement)	-	-
Finished goods / Stock in trade	46.10	15.01
<b>Total</b>	<b>(25.32)</b>	<b>(31.09)</b>

## 20. Employee Benefits Expense

₹ in Lacs

Particulars	2014-15	2013-14
(a) Salaries and incentives	207.78	187.40
(b) Contributions to -		
(i) Provident and other fund (ii) Superannuation scheme	10.53	9.79
(c) Gratuity fund contributions	6.66	0.30
(d) Staff welfare expenses	37.20	16.73
<b>Total</b>	<b>262.16</b>	<b>214.22</b>

## 21. Finance Costs

₹ in Lacs

Particulars	2014-15	2013-14
Interest Expense	137.38	257.55
Bank Charges	48.16	65.90
Other Borrowing Costs	76.56	60.57
<b>Total</b>	<b>262.10</b>	<b>384.02</b>

**22. Other Expenses**

₹ in Lacs

Particulars	2014-15	2013-14
Rent and License Fees	153.11	130.03
Rent Guest House	-	2.48
Land Lease Rent for Guest House	6.38	5.00
Rates and Taxes	3.28	3.31
Insurance	22.41	39.66
Employer/Employee Insurance	89.14	84.14
Electricity	55.26	40.89
Stationery and Printing	10.27	17.60
Postage and Telephone	13.21	13.52
Repairs and Maintenance & Renovation to Bldg	126.26	85.66
Auditors Remuneration	1.01	1.01
Fees and Legal Expenses	40.17	26.87
Vehicle Expenses	16.45	26.78
Conveyance	1.63	1.39
Advertisement & Publicity Expenses	13.97	13.42
Travelling Expenses	148.27	89.17
Guest House Expenses	15.31	2.30
Miscellaneous Expenses	57.75	43.76
Director Fees & Traveling	0.99	0.91
Sales Promotion	52.97	15.58
Directors' Remuneration	71.62	69.76
Security Expenses	39.46	37.99
Royalty	254.33	241.58
Packing Materials	70.25	45.50
Donation	10.20	2.30
Bad Debts Written off	73.74	-
Computer Repairing Expenses & Hardware Expenses	4.68	5.21
Commission and Agency Commission	16.52	41.75
Deputation Charges to Custom Department	39.15	37.33
Website Development and Maintenance Charges	-	150.00
Cargo Handling Expenses	1.68	3.31
Loss on Sale of Vehicles	-	1.14
Discount/Rate Difference Expenses	5.45	22.50
Prior Period Expenses	0.22	0.86
Loss on Insurance Claim	1.08	-
<b>Total</b>	<b>1,416.21</b>	<b>1,302.70</b>

**23: NOTES FORMING PART OF ACCOUNTS****The Company and Nature of its Operations:**

GSEC Limited, which was a Government Company formerly known as Gujarat State Export Corporation Limited, is primarily engaged in the activities of Export - Import facilities and trading business. The Company is custodian of Air Cargo Complexes at Ahmedabad, Indore and Visakhapatnam. At Visakhapatnam, it operates the Air Cargo complex under an Operations and Maintenance Arrangement with Andhra Pradesh Trade Promotion Corporation Limited (APTPC). Recently, the Company has also been awarded the contract for operation and management of common user domestic air cargo terminal at Raipur by the Airports Authority of India. The Company also deals in various including but not limited to Bitumen, Dyes, Chemicals, Air Turbine Fuel, Petcoke, Furnace Oil, Petroleum Products etc.

**I. Significant Accounting Policies:****1. Basis for preparations of financial statements:**

The financial statements are prepared in accordance with the generally accepted accounting principles ("GAAP") in India under the historical cost convention on an accrual basis and are in conformity with mandatory accounting standards, as prescribed under the Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**2. Method of Accounting:**

The books of accounts are maintained on accrual basis except income from Demurrage and Handling Charges on uncleared cargo at Air Cargo Complex, which are accounted on Cash Basis.

**3. Fixed Assets:**

Fixed Assets are stated at cost of acquisition or construction. Cost includes taxes, duties and other identifiable direct expenses.

**4. Depreciation:**

(a) Depreciation on tangible assets is provided on written down value method over the useful lives of the assets as prescribed in Schedule II of the Companies Act, 2013.

Wherever the useful lives of the assets are mentioned in Schedule-II is over on or before 31-3-2014 from their acquisition year, after retaining 5% of the cost value as realizable value. The excess Written down value of such Assets are charged to Statement of Profit & Loss.

Where the details of the assets acquired prior to 01-4-2004 were not available, the year of acquisition of such Assets are taken as certified by Management.

(b) Depreciation is provided on pro-rata basis from the date of addition to fixed assets during the year.

(c) Depreciation on assets sold / discarded etc. has been provided on pro-rata basis up to the date of sale/discard.

**5. Investments:**

Long term investment is stated at Cost of Acquisition. Provision for diminution in the value of Long Term Investment is made only if such decline is other than temporary. Current Investments are carried at the lower of Cost and Quoted / Fair value.

**6. Inventories:**

Inventories are valued at cost or market value whichever is lower.

**7. Sales:**

Revenue from Sale of Products is recognized on dispatch or appropriation of goods in accordance with the terms of sales and its exclusive of VAT Tax and other duties and charges.

**8. Taxes on income:**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized on timing difference, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is recognized only to that extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

**9. Foreign Currency Transaction:**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions. Transactions outstanding at the year-end are translated at exchange rates prevailing at the year-end and the profit/loss so determined and also the realized exchange gains/losses are recognized in the Statement of Profit and Loss.

#### 10. Retirement Benefits:

Gratuity which is defined benefits is accrued based on actuarial valuation as at Balance Sheet date. The present value of the obligation is determined using the Projected Unit Credit method. The company has taken a policy under Group Gratuity Scheme of the Life Insurance Corporation of India.

Leave Encashment Salary which is defined benefit is accrued and provided for based on actuarial valuation as at Balance Sheet date at the end of the financial year.

Retirement benefits in the form of provident fund whether in pursuance of law or otherwise which is defined contribution scheme is accounted on the accrual basis and charged to profit and loss account.

#### 24. OTHER NOTES FORMING PART OF ACCOUNTS:

##### (i) Details of Payments to Auditor

₹ in Lacs

Particulars	2014-15	2013-14
a. To Auditors	1.01	1.01
b. For Taxation Matters	-	-
c. Certification (Included in Fees and Legal Expenses)	-	0.03
<b>Total</b>	<b>1.01</b>	<b>1.04</b>

(ii) Salaries and wages of Rs. 71.62 Lacs (Previous Year Rs 69.76 Lacs) being the remuneration to Executive Directors' of the Company. The said remuneration is not in excess of the limits laid down u/s 197 read with Schedule V of the Companies Act, 2013.

(iii) Balance of debtors, creditors, loans and advances are subject to confirmation by the parties concerned and adjustment, if any.

##### (iv) Contingent Liabilities not provided for:

- Claims against the company not acknowledged as debt of Rs. 22.86 Lacs (Previous Year Rs. 22.86 Lacs)
- Bank Guarantee issued to Customs Department – Ahmedabad of Rs. 2135 Lacs (Previous Year Rs. 1135 Lacs)
- Higher demand of Rs. 34.76 Lacs including Interest for non payment of the demand raised by The Airport Director, Indore for Hanger Rent for the period from 01.04.2008 to 20.06.2013, as the Company has sought to reverse this amount on the basis of similar earlier reversal. The agreement for renewal of air cargo complex license which was due on 23.11.2011 is also not executed, pending Resolution of this dispute. However the work at Air Cargo Complex – Indore continues and Company has deposited Rs. 35 Lacs in 2013-14 under protest.
- Demand raised in 2011-12 by Brink's Australia Pvt. Limited for compensation of US\$ 4,85,262 for the loss due to theft for one cargo parcel of 10 k.g. gold. As the Company has coverage with the insurance company, it may liable to pay the difference of the claim settled with Brink's Australia Pvt. Limited and the claim to be received from the insurance company. As the amount is not ascertained, the provision is not made.
- Demand raised in 2012-13 by Directorate of revenue intelligence for short payment of Custom Duty for Import of Bitumen at various ports of Rs. 310.26 Lacs. As the custom department has adopted the value declared for imports is lower than the market value. The company has objected the above demand raised in show cause notice , hence no provision has been made in the books of accounts.
- Demand raised in 2012-13 by The Asst. Commissioner of Commercial Tax, Flying Squad – Ahmedabad of Rs. 887.39 Lacs for not allowing input credit of VAT on the purchases of Drinking Water Plant/Water Treatment Plant for the year 2007-08 and 2008-09, as the supplier from whom the purchases have been made have not paid the Vat tax collected from the company. As the company has preferred an appeal before higher authorities no provision in the account have been made. However, the Company has deposited Rs. 25 Lacs under protest.
- The Additional Commissioner Service Tax, Ahmedabad has raised the demand of Rs. 39.02 Lacs for the year 2009-10 to 2012-13 on 16.09.2014 for non-payment of Service Tax on rendering services on Cold Storage activities which is partly exempt/chargeable at lower rate. As the Company has not accepted the above demand fully and hence no provision in the books of Accounts has been made. However Company has deposited Rs. 14.07 Lacs under protest.

(v) Exceptional Items of Rs. 180 Lacs represent the loss occurred in joint venture business with M/s. Gandhi Corporation in developing one party plot namely Ozone-9 at Ahmedabad.

**(v) Disclosures pursuant to Accounting Standard (AS) 15 (Revised):**

**Employees Benefits:**

Defined Benefits Plans as per Actuarial Valuation on March 31, 2015.

₹ in Lacs

Sr.No.	Particulars	Gratuity		Leave Encashment	
		31-3-2015	31-3-2014	31-3-2015	31-3-2014
<b>1.</b>	<b>The amounts recognized in the Balance Sheet as at the end of the year</b>				
	• Present Value of Funded Obligation	41.70	34.10	-	-
	• Fair Value of Plan Assets	41.65	40.72	-	-
	• Present Value of Unfunded Obligation	-	-	10.09	7.93
	• Net Assets/(liability)	0.05	6.61	10.09	7.93
<b>2.</b>	<b>The amounts recognized in Profit and Loss Account for the year</b>				
	• Current Service Cost	3.71	3.78	1.01	0.98
	• Interest Cost	3.18	2.62	0.74	0.54
	• Expected Return on Plan Assets	3.54	(3.30)		
	• Actuarial (Gains)/Losses	(1.50)	(3.42)	1.40	0.90
	• Actual Return on Plan Assets	-	-	-	-
	<b>Total Expenses</b>	<b>6.66</b>	<b>(0.32)</b>		
<b>3.</b>	<b>The Changes in Obligations during the year</b>				
	• Present value of Defined benefit Obligation at the beginning of the year	34.10	31.80	7.93	6.53
	• Current Service Cost	3.71	3.78	1.01	0.98
	• Interest Cost	3.18	2.62	0.74	0.54
	• Actuarial (Gains)/Losses	(1.50)	(3.44)	1.09	0.90
	• Benefit Payments	(2.58)	(0.65)	(0.68)	(1.02)
	• Present value of Defined Benefit Obligation at the end of the year	41.70	34.10	10.09	7.93
<b>4.</b>	<b>The changes in Plan Assets during the year</b>				
	• Plan Assets at the beginning of the year	40.72	37.97	NIL	NIL
	• Actuarial gains and (losses)	(0.03)	(0.02)	NIL	NIL
	• Contribution by Employer	-	0.11	NIL	NIL
	• Actual Benefit Paid	(2.58)	(0.65)	NIL	NIL
	• Plan assets at the end of the year	41.65	40.72	NIL	NIL
	• Actual return on Plan Assets	3.54	3.30	NIL	NIL

Sr. No.	Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>5.</b>	Actuarial Assumption :		
	Discount Rate	7.99%	7.99%
	Turnover Rate		
	Mortality		
	Salary Escalation Rate	7%	7%
	Retirement age	58 Years	58 Years



**(vi) Related Party Disclosure:**

As per Accounting Standard 18(AS-18) Related Party disclosure issued by ICAI the disclosure of transaction with related parties as defined in AS-18 are given below

**A. List of Related Parties & Relationship**

Name of Related Party	Relationship
Komal Infotech Private Limited	Holding Company
GSEC Logistics Limited	Subsidiary Company
GSEC Green Energy Private Limited	Subsidiary Company
Komoline Aerospace Limited	Subsidiary Company
Kalpavruksha Estate & Finance Private Limited	Associate Company
Prerak Capital Services Private Limited	Associate Company
Komal Infraventures Private Limited	Sister Company
GSEC Aviation Limited	Sister Company
GSEC Infrastructure Private Limited	Associate Company
Vishwa Imports LLP	Associate LLP
Priti R. Shah	Relative of Director
<b>Key Management Personnel</b>	
(i) Rakesh R. Shah	Chairman and Managing Director
(ii) Shaishav R. Shah	Whole-time Director
(iii) Samir H. Mankad	Whole-time Director
(iv) Viral B. Mehta	Company Secretary

**B. Transaction during the year with related Parties (Excluding Reimbursement)**

₹ in Lacs

Nature of Transaction	Holding Company	Subsidiaries			Associates	Relative of Director	Key Management Personnel		
		GSEC Logistics Ltd	GSEC Green Energy Pvt. Limited	Komoline Aerospace Limited			GSEC Aviation Limited	Priti R. Shah	Rakesh R. Shah
Rent Paid	-	-	-	-	-	6.37	-	2.55	-
Interest Paid	12.75	-	-	-	74.31	-	3.66	44.47	-
Interest Received	-	-	-	-	-	-	-	-	-
Remuneration	-	-	-	-	-	-	36.00	16.95	18.67
Advance Outstanding	(0.01)	372.40	266.74	-	(834.99)	-	(205.29)	(285.74)	-
Loan Taken	1136.00	-	-	-	1729.30	-	528.63	413.90	-
Loan Granted	-	19.74	28.35	10.00	-	-	-	-	-
Loan Repaid	1136.74	-	-	-	1657.11	-	1270.03	239.20	-
Loan Repaid by	-	77.00	230.00	10.00	-	-	-	-	-

(ix) The net Deferred Tax (Liabilities)/Assets as on March 31, 2015 amounting to Rs. 60.66 Lacs (2013-14 Rs. (0.91) Lacs) has been arrived at as follows.

₹ in Lacs

Deferred Tax Assets arising from:	2014-15	2013-14
Expenses charged in the financial Statement but allowable for tax purpose when paid in future years	-	-
Depreciation	59.65	(1.06)
Gratuity & Leave Encashment	0.72	0.46
Bonus Provision	0.29	(0.31)
Net deferred Tax Assets/(Liability)	60.66	(0.91)

The tax impact for the above purpose has been arrived by applying a tax Rate of 32.445% being the prevailing tax rate for Indian companies under the Income Tax Act, 1961. Based on the management's estimate; the company would have sufficient Taxable Income in future to utilize credit available under the Income Tax Act, 1961.

(x) Earning Per Share (E.P.S.)

₹ in Lacs

Particulars	2014-15	2013-14
Net Profit (Loss) after Tax	20.50	227.20
Number of Equity Shares	75,50,000	75,50,000
Nominal Value of Equity Share (₹)	10.00	10.00
Basic & Diluted Earning Per Share (₹)	0.27	3.01

(xi) Other information required in terms of Schedule III of the Companies Act, 2013.

₹ in Lacs

Particulars	2014-15	2013-14
a. C.I.F. value of imports of:		
Trading Goods	-	-
Spare parts		
Capital Goods	-	23.73
d. Expenditure in Foreign Currency:	70.90	35.92
on Foreign Travel		
e. Expenditure in Foreign Currency:	-	-
on purchase of capital items		
f. Consumption of:		
i. Raw Materials	-	-
ii. Store and Spares Parts	-	-
g. Remittance in Foreign Currency		
On accounts of Agency Commission	-	-
h. Earning in Foreign Exchange	-	25.99
(FOB) Value of Goods Exported)		

(xii) As per the requirement of Schedule III of the Companies Act, 2013, the amounts of financial statements have been rounded off to the nearest lacs of Rupees. Hence, the differences in total and sub-total of some items are inevitable.

## 25. Segment Information:

Based on the guiding principles given in Accounting Standard on 'Segment Reporting' (AS – 17) as notified by Companies Accounting Standards Rules, 2008, the company's primary business segments are Airport Service and Trading Activities which have got their own respective risk and return profiles.

Financial information about the primary business segment for the year ended 31st March, 2015

(Amount ₹ In Lacs)

	Cargo Handling Service		Trading Activities		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>A. Revenue</b>						
Services/Sales Revenue	2071.17	1871.72	23390.82	33226.70	25461.99	35098.42
Intersegment Revenue	-	-	-	-	-	-
<b>Total Revenue</b>	<b>2071.17</b>	<b>1871.72</b>	<b>23390.82</b>	<b>33226.70</b>	<b>25461.99</b>	<b>35098.42</b>
<b>B. Result</b>						
Segment Result Profit/Loss	1624.58	1721.72	(19.73)	471.17	1604.85	2192.89
Other Income excluding Interest Income					334.02	125.56
Other Unallocable Expenses					1756.97	1688.78
Operating Profit					181.90	629.67
Interest Income					123.90	105.85
Interest Expenses					262.10	384.02
Profit Before Tax					43.70	351.50
Provision For Income Tax (including Deferred Tax)					23.20	124.30
<b>Net Profit</b>					<b>20.50</b>	<b>227.20</b>
<b>C. Other Information</b>						
Capital Employed						
Segment Assets	1477.82	1672.61	2437.87	6493.39	3915.69	8166.00
Segment Liabilities	146.51	115.04	564.71	3413.22	711.22	3528.26
Other Unallocable Corporate Assets and Liabilities	-	-	-	-	(915.61)	(2369.38)
<b>Total Capital Employed</b>					<b>2288.86</b>	<b>2268.36</b>
Capital Assets/Expenditure including Capital Work-in-Progress incurred during the Year	149.32	262.42	64.45	113.74	213.77	376.16
Other Unallocable Capital Expenditures	-	-	-	-	-	-
<b>Total</b>	<b>149.32</b>	<b>262.42</b>	<b>64.45</b>	<b>113.74</b>	<b>213.77</b>	<b>376.16</b>
<b>D. Segment Depreciation</b>	<b>238.99</b>	<b>103.77</b>	<b>106.20</b>	<b>68.09</b>	<b>345.19</b>	<b>171.86</b>
<b>E. Non Cash Expenses other than Depreciation</b>	<b>-</b>	<b>-</b>	<b>73.74</b>	<b>-</b>	<b>73.74</b>	<b>-</b>

As per our attached report of even date

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

For and on behalf of the Board

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore

## INDEPENDENT AUDITOR'S REPORT

To the Members of GSEC Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GSEC Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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.

### The respective Board of Directors of the companies included in the Group and of its associate and jointly

controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group, its associate and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associate and jointly controlled entities as at March 31, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company, its subsidiaries, associate companies and jointly controlled entities incorporated in India, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have relied upon, 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 of the aforesaid consolidated financial statements;
  - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books,
  - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate company and jointly controlled companies incorporated in India, none of the directors of 121 the Group's companies, its associate and jointly controlled companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
3. 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 does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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For BJS & Associates,  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin J. Shah**  
Partner  
Membership No. 10712

**Date :** 22nd August, 2015

**Place :** Ahmedabad

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

To the Members of

The group comprising of Holding company GSEC Limited & its subsidiaries,

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2015 of The group comprising of Holding company GSEC Limited & its subsidiaries, Ahmedabad)

- I. a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- b. As explained to us, all the fixed assets are physically verified once in a year, which is considered reasonable in relation to the size of the Company. No material discrepancies were noticed on such verification.
- II. a. Physical verification has been conducted by the management at reasonable intervals.
- b. In our opinion and according to information and explanation provided to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed of physical verification of inventories as compared to book records.
- III. In respect of the loans, secured or unsecured granted or taken by the Company to/ from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
- (a) According to the information and explanation given to us the details of unsecured loan granted by the Company covered in the register maintained under Section 189 of the Companies Act, 2013.

Particulars	No. of Parties	Amount ` in Lacs
Opening balance	2	18.80
Granted during the year	2	25.07
Received during the year	2	50.42
Closing Balance	1	0.45

According to the information and explanation given to us the details of unsecured loan taken by the company covered in the register maintained under Section 189 of the Companies Act, 2013.

Particulars	No. of Parties	Amount ` in Lacs
Opening balance	4	1808.26
Taken during the year	4	3984.50
Repaid during the year	4	4306.08
Closing Balance	4	1486.68

In our opinion the rate of interest and other terms and conditions on which loans have been taken from or granted to companies listed in the register maintained under section 189 of the Companies Act, 2013, are not, prima facie, prejudicial to the interest of the company.

- (b) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest. There is no overdue amount of loans granted to companies, firms or parties listed in the register maintained under section 189 of Companies Act, 2013
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and sale of goods and services except that the internal control for trading activities is required to be strengthened. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

- V. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (V) of the Order are not applicable to the Company.
- VI. Maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the Company.

**VII. Statutory and other dues:**

According to information and explanation given to us in respect of statutory and other dues, the Company has been generally regular in depositing undisputed statutory dues including Provident fund, Income tax, Service tax, Investors' Education and Protection Fund and other statutory dues with appropriate authorities during the year.

According to information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, value added tax, service tax, custom duty and excise duty were outstanding as at 31/03/2015 for the period of six months from the date they became payable.

Details of dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below. :-

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. In Lacs)
Customs Act, 1962	Custom Duty	Appellate Authority up to Commissioner Level	2011-12	310.26
VAT Act, Gujarat	Value Added Tax	Tribunal	2007-08 and 2008-09	862.39
Service Tax	Service Tax on Exempted Income	Additional Commissioner, Service Tax - Ahmedabad	2009-10 to 2012-13	39.02
Income Tax	Income Tax (Assessment)	CIT (Appeals)	2009-10	1.62
Income Tax	Income Tax (Assessment)	CIT (Appeals)	2011-12	14.21

Company has transferred Rs. 18,720/- to the Investor Education and Protection Fund in accordance with the provisions of Companies Act, 1956 during the year.

- VIII. The Company has no accumulated losses at the end of financial year exceeding 50 percent of net worth and it has not incurred cash losses in the financial year covered by the audit and in the immediately preceding financial year.
- IX. Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to banks, financial institutions.
- X. The Company has given guarantees for loans taken by others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- XI. The Company has not taken any term loans during the year.
- XII. To the best of our knowledge and according to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the year.

For BJS & Associates,  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin J. Shah**  
Partner  
Membership No. 10712

Date : 22nd August, 2015

Place : Ahmedabad

## Consolidated Balance Sheet as at 31st March, 2015

		₹ in Lacs	
Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	755.00	755.00
(b) Reserves and Surplus	2	1,448.47	1,295.27
<b>2 Share Application Money pending allotment</b>		-	-
<b>3. Minority Interest</b>		168.80	155.57
<b>4 Non-current Liabilities</b>			
(a) Long-term Borrowings	3	7.60	34.67
(b) Deferred tax Liabilities (Net)		10.24	14.21
(c) Other Long-term Liabilities	4	127.14	213.63
(d) Long-term Provisions		-	-
<b>5 Current liabilities</b>			
(a) Short-term Borrowings	5	2,265.01	3,235.48
(b) Trade Payables	6	491.41	2,393.78
(c) Other Current Liabilities	7	485.70	962.30
(d) Short-term Provisions	8	33.10	117.10
<b>TOTAL</b>		<b>5,787.48</b>	<b>9,177.01</b>
<b>II. ASSETS</b>			
<b>Non-current Assets</b>			
<b>1 (a) Fixed Assets</b>			
(i) Tangible Assets	9	1,955.58	2,126.57
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		72.16	-
(iv) Goodwill on consolidation		141.78	141.78
(b) Non-current Investments	10	208.39	188.71
(c) Deferred tax Assets (net)		60.65	
(d) Long-term Loans and Advances	11	274.03	396.76
(e) Other Non-current Assets		-	-
<b>2 Current Assets</b>			
(a) Current Investments	12	350.00	-
(b) Inventories	13	470.72	372.07
(c) Trade Receivables	14	1,170.94	3,681.27
(d) Cash and Cash Equivalents	15	693.92	1,003.96
(e) Short-term Loans and Advances	16	334.48	1,248.98
(f) Other Current Assets	17	54.84	16.91
<b>TOTAL</b>		<b>5,787.48</b>	<b>9,177.01</b>
Significant Accounting Policies & Other Notes on Financial Statements		23	

As per our attached report of even date

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

For and on behalf of the Board

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore



## Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

₹ in Lacs

Particulars	Note No.	2014-15	2013-14
<b>I. Revenue from Operations</b>			
Sale of Products		23,897.98	33,838.52
Sale of Services		2,288.53	2,096.13
Other Operating Revenues		9.78	9.77
Less :			
Excise Duty		30.20	38.48
<b>II. Other Income</b>	18	719.32	253.61
<b>III. Total Revenue (I + II)</b>		<b>26,885.41</b>	<b>36,159.55</b>
<b>IV. Expenses:</b>			
Cost of Trading Goods Sold		23,711.81	33,282.06
Purchases of Stock in Trade		37.28	41.49
Changes in Inventories of Stock-in Trade	19	(99.99)	(100.48)
Employee Benefits Expense	20	498.36	406.77
Finance Costs	21	307.51	434.69
Depreciation and Amortization Expense		409.50	218.65
Other Expenses	22	1,671.52	1,616.96
<b>Total Expenses</b>		<b>26,535.99</b>	<b>35,900.15</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>349.42</b>	<b>259.40</b>
<b>VI. Exceptional Items</b>		<b>180.00</b>	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>169.42</b>	<b>259.40</b>
<b>VIII. Extraordinary Items</b>		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>169.42</b>	<b>259.40</b>
<b>X Tax Expense:</b>			
(1) Current tax		73.60	118.35
(2) Deferred tax		(61.56)	14.50
(3) Short Provision For Last Years		10.95	2.77
<b>XI Profit/(Loss) for the period from continuing operations (IX-X)</b>		<b>146.42</b>	<b>123.78</b>
<b>XII Profit/(Loss) from discontinuing operations</b>		-	-
<b>XIII Tax expense of discontinuing operations</b>		-	-
<b>XIV Profit/(Loss) from Discontinuing operations (After tax) (XII-XIII)</b>		-	-
<b>XV Profit/(Loss) transferred to Minority Interest</b>		<b>8.23</b>	<b>(0.70)</b>
<b>XVI Profit/(Loss) for the period (XI + XIV)</b>		<b>138.19</b>	<b>124.48</b>
<b>XVII Earnings per equity share (in ₹) :</b>		<b>1.83</b>	<b>1.65</b>

As per our attached report of even date

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

For and on behalf of the Board

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore

## Consolidated Cash Flow Statement for the year ended 31st March, 2015

₹ in Lacs

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax and exceptional items</b>	<b>349.43</b>	259.41
<b>Adjustments For :</b>		
Depreciation	409.49	218.64
Interest Paid	172.77	422.93
Interest received	(132.93)	(121.88)
(Profit)/Loss on Sale of Investments	(45.33)	-
Rent Income	(3.03)	(3.00)
(Profit)/Loss on Sale of Fixed Assets	(4.27)	(1.34)
Dividend Received	(0.97)	(1.58)
Misc.Dr./Cr. Written off	-	(2.11)
Excess Provision for earlier year	-	(4.39)
<b>Operating Profit before working capital changes</b>	<b>744.96</b>	<b>766.68</b>
<b>Movements in working capital</b>		
<b>Adjustment for Decrease (Increase) in operating assets</b>		
Decrease in Trade and other Receivables	2510.33	2768.32
Decrease in Short Term Loans and Advances	1854.27	(599.82)
(Decrease) in Short Borrowings	(1230.53)	102.95
(Decrease) Trade Payables	(1902.38)	(2618.52)
(Increase) in other Current Assets	(37.93)	41.40
Decrease in Short Term Provisions	(84.87)	-
(Decrease) in other Current Liabilities	(476.65)	209.55
(Increase) in Inventories	(98.66)	(85.68)
<b>Net Cash Flow from Operating Activities before tax and Exceptional Items (A)</b>	<b>533.58</b>	<b>(600.90)</b>
Taxes Paid	(62.70)	(106.66)
<b>Net cash generated from operating activities before exceptional items</b>	<b>1215.84</b>	<b>59.12</b>
Exceptional Items	180.00	-
<b>Net cash generated from operating activities</b>	<b>1035.84</b>	<b>59.12</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Increase in Margin Money	(19.63)	11.44
Purchase of Fixed Assets	(313.50)	(400.57)
Sale Proceeds of Fixed Assets	7.11	43.97
Interest received	132.93	121.88

## Consolidated Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

₹ in Lacs

Particulars	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
Dividend Received on Investments	0.97	1.58
Purchase of Investments	(420.35)	(25.72)
Sale of Investments	96.21	-
Long Term Loans and Advances	-	21.09
Decrease in Fixed Deposit	121.57	(18.82)
<b>Net cash flow from investing activities</b>	<b>(394.69)</b>	<b>(245.15)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowing from Companies	(27.07)	87.15
Addition/Repayment of Secured/Unsecured Loans (Net)	-	547.72
Other Long Term Loans and Advances	30.96	91.60
Increase in unclaimed Dividend	(0.34)	-
Term Loan Repaid to Banks & others	15.00	-
Working Capital Borrowings from Banks	(608.85)	-
Interest paid	(172.77)	(422.92)
Long term Liabilities	(86.49)	-
Dividend Paid	-	(88.33)
<b>Net cash flow from financing activities</b>	<b>(849.56)</b>	<b>215.22</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(208.41)</b>	<b>29.19</b>
Cash and cash equivalents at the beginning of the year	403.20	945.34
Cash and cash equivalents at the end of the year	194.79	974.54

**As per our attached report of even date**

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

**For and on behalf of the Board**

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore

## Notes on Consolidated Financial Statements for the year ended 31st March, 2015

## 1. Share Capital

₹ in Lacs

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
<b>Authorised</b> Equity Shares of ₹ 10 each	10,030,000	1,003.00	10,030,000	1,003.00
<b>Issued</b> Equity Shares of ₹ 10 each	7,550,000	755.00	7,550,000	755.00
<b>Subscribed &amp; fully Paid up</b> Equity Shares of ₹ 10 each	7,550,000	755.00	7,550,000	755.00
<b>Total</b>	<b>7,550,000</b>	<b>755.00</b>	<b>7,550,000</b>	<b>755.00</b>

1.1 33,00,000 shares out of the Equity Shares issued, subscribed & paid-up share capital were allotted as Bonus shares in the last five years by capitalisation of Securities Premium A/c & General Reserve.

1.2 The reconciliation of the number of shares outstanding is set out below:

₹ in Lacs

Particulars	Equity Shares			
	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7,550,000.00	755.00	7,550,000.00	755.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	<b>7,550,000.00</b>	<b>755.00</b>	<b>7,550,000.00</b>	<b>755.00</b>

1.3 **Terms/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of ₹ 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

1.4 **Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:**

Particulars	Nature of Relationship	As at 31st March, 2015	As at 31st March, 2014
Komal Infotech Private Limited	Holding Company	4,783,910	4,783,910

1.5 **Details of Shareholders holding more than 5% shares**

Name of Shareholder	Equity Shares			
	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Komal Infotech Private Limited	4783910	63.36	4,783,910	63.36
Priti R. Shah	1447670	19.17	1,547,670	20.50
Rakesh R. Shah	635940	8.42	635,790	8.42
Shaishav R. Shah	487270	6.45	387,270	5.13

## 2. Reserves & Surplus

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a. Capital Reserve</b>	<b>15.00</b>	-
<b>b. Securities Premium Account</b>		
Opening Balance	337.00	337.00
Add : Securities premium credited on Share issue	-	-
<b>Closing Balance</b>	<b>337.00</b>	<b>337.00</b>
<b>b. General Reserves</b>		
Opening Balance	168.23	143.23
(+) Current Year Transfer	-	25.00
<b>Closing Balance</b>	<b>168.23</b>	<b>168.23</b>
<b>c. Surplus/Deficit in statement of Profit and Loss</b>		
Opening balance	790.04	778.88
(+) Net Profit/(Net Loss) For the current year	138.19	124.48
(+) Transfer from Reserves	-	-
(-) Short Provision of income tax of earlier years	-	-
(-) Proposed Dividend	-	(75.50)
(-) Tax on Proposed Dividend	-	(12.83)
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	(25.00)
<b>Closing Balance</b>	<b>928.23</b>	<b>790.03</b>
<b>Total</b>	<b>1,448.46</b>	<b>1,295.27</b>

## Non-current Liabilities

### 3. Long-term Borrowings

₹ in Lacs

Particulars	Non-Current		Current Maturities	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>				
<b>Term loans</b>				
<b>Rupee Loan</b>				
-From Banks	-	-	-	-
-From Others	7.60	34.67	27.07	177.47
(All above loans are secured against Hypothecation of Motor cars)				
	7.60	34.67	27.07	177.47
Amount disclosed under the head *Other Current Liabilities (Note - 7)			27.07	177.47
<b>Total</b>	<b>7.60</b>	<b>34.67</b>	<b>27.07</b>	<b>177.47</b>

## Non Current Liabilities

### 4. Other Long Term Liabilities

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade Payables	127.14	213.63
<b>Total</b>	<b>127.14</b>	<b>213.63</b>

## Current Liabilities

### 5. Short-term Borrowings

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a) Secured Loans</b>		
Working capital facilities from UCO Bank	(3.07)	19.36
Working capital facilities from DCB Bank Limited	430.76	516.38
Letter of Credit Discounted	-	504.11
(Secured against hypothecation of entire Stocks/Receivables & other Current Assets of the Company (both present and future on pari passu basis with the Banks & Personal Guarantee of Directors Mr. Rakesh R. Shah, Mr. Shaishav R. Shah and their relative Mrs. Priti R. Shah)		
Working Capital facilities from Bank of Maharashtra (Secured against hypothecation of entire Stocks/Receivables & other Current Assets of the Company (both present and future on pari passu basis with the Banks & Personal Guarantee of Directors and Corporate Guarantee of GSEC Ltd. & Komal Infotech Pvt. Ltd.) (W.R.T. M/s. Komoline Aerospace Limited)	276.78	304.51
	<b>695.47</b>	<b>1,344.35</b>
<b>b) Unsecured Loans</b>		
<b>(i) Loans repayable on demand</b>		
-From Others (Metro Global Limited)	82.87	82.87
	<b>82.87</b>	<b>82.87</b>
<b>(ii) Loans from Related parties</b>		
Komal Infotech Private Limited	11.48	0.75
GSEC Aviation Limited	835.00	695.93
	-	-
	<b>846.48</b>	<b>696.68</b>
<b>(iii) Deposits</b>		
Directors' Deposit	640.19	1,111.58
	<b>1,559.14</b>	<b>1,891.14</b>
<b>Total</b>	<b>2,265.01</b>	<b>3,235.48</b>

**Current Liabilities**
**6. Trade Payables**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade Payables	491.41	2,336.06
Unearned Income		57.72
Others		
<b>Total</b>	<b>491.41</b>	<b>2,393.78</b>

**Current Liabilities**
**7. Other Current Liabilities**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
(a) Current maturities of long-term debt	27.07	195.18
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Unclaimed dividends	4.02	3.68
(g) Application money received for allotment of securities and due for refund	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(l) Unpaid matured debentures and interest accrued thereon	-	-
(j) Creditors for Capital Expenditure	4.61	12.03
<b>(i) Other payables (specify nature)</b>		
a) Statutory Dues Payables	37.25	43.34
b) Trade/Security Deposit	3.21	5.10
c) Advance from Customers	360.01	519.87
d) Provision for Leave encashment	-	-
d) Provision for bonus	11.25	10.75
e) Other Liabilities	38.28	172.33
<b>Total</b>	<b>485.70</b>	<b>962.30</b>

## Current Liabilities

### 8. Short-term Provisions

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(a) Provision for employee benefits</b>		
Gratuity (Funded)	22.75	20.39
Leave Encashment (Unfunded)	20.20	13.26
	<b>42.95</b>	<b>33.65</b>
<b>(b) Others</b>		
Proposed Dividend	-	75.50
Tax on Proposed Dividend	-	12.83
Other Provisions	(9.85)	(4.89)
	<b>(9.85)</b>	<b>83.44</b>
<b>Total</b>	<b>33.10</b>	<b>117.10</b>

### 9. Fixed Assets

₹ in Lacs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2014	Additions/ (Disposals)	Deductions/ Adjustments	Balance as at March 31, 2015	Balance as at April 1, 2014	Depreciation charge for the year	On disposals	Balance as at March 31, 2015	Balance as at March, 2015	Balance as at March, 2014
<b>a. Tangible Assets (Not Under Lease)</b>										
Land	373.84	21.63	-	395.47	-	-	-	0.00	395.47	373.84
Buildings	945.62	121.21	-	1,066.83	158.94	44.52	-	203.46	863.37	786.68
Plant and Equipment	514.34	4.47	-	518.81	246.66	50.69	-	297.35	221.46	267.68
Furniture and Fixtures	316.37	14.29	-	330.66	157.16	42.70	-	199.86	130.80	159.21
Vehicles	453.72	28.95	17.46	465.21	232.31	78.55	14.62	296.24	168.97	221.41
Office Equipment	440.75	27.62	-	468.37	166.51	172.84	-	339.35	129.02	274.24
Computers	128.41	18.73	-	147.14	110.79	15.74	-	126.53	20.61	17.62
A.C Machines & Plant	46.24	4.43	-	50.67	20.36	4.45	-	24.81	25.86	25.88
<b>Total (i)</b>	<b>3,219.29</b>	<b>241.33</b>	<b>17.46</b>	<b>3,443.18</b>	<b>1,092.73</b>	<b>409.49</b>	<b>14.62</b>	<b>1,487.60</b>	<b>1,955.58</b>	<b>2,126.57</b>
<b>Capital Work In Progress</b>										
Building under construction	-	-	-	-	-	-	-	-	-	-
<b>Total (ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3,219.29</b>	<b>241.33</b>	<b>17.46</b>	<b>3,443.18</b>	<b>1,092.73</b>	<b>409.49</b>	<b>14.62</b>	<b>1,487.60</b>	<b>1,955.58</b>	<b>2,126.57</b>
<b>Previous Year's Details</b>	<b>2,913.90</b>	<b>400.56</b>	<b>95.18</b>	<b>3,219.27</b>	<b>926.62</b>	<b>218.64</b>	<b>52.55</b>	<b>1,092.71</b>	<b>2,126.57</b>	<b>1,987.28</b>



**10. Non-current Investments**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Other Investments</b>		
<b>Investment in Equity Instruments</b>		
<b>QUOTED INVESTMENTS</b>		
23925 Equity Shares fully paid up of Re. 1 each of Adani Enterprises Limited (P.Y.28,925 Shares of Re. 1 Each)	76.64	83.93
10000 Equity Shares fully paid up of Re. 1 each of Adani Enterprises Limited	28.09	-
5000 Equity Shares fully paid up of Re. 1 each of Adani Enterprises Limited	15.30	-
500 Equity Shares fully paid up of Rs. 10/-each of Reliance Industries Limited (P.Y. 500 Shares of Rs. 10 each))	3.88	3.89
5,750 Equity Shares fully paid up of Rs. 10/- each of Tata Steel Limited (P.Y. 5,750 Shares of Rs. 10 each)	24.81	24.81
10,000 Equity Shares fully paid up of Rs. 2/- each of AXIS Bank Limited (P.Y. 0 Shares )	40.36	-
10,000 Equity Shares fully paid up of Re.1/- each of State Bank of India (P.Y. 0 Shares )	29.99	-
250 Equity Shares fully paid up of Rs. 10 each of GNFC Limited (P.Y. 250 Shares)	0.05	0.05
100 Equity Shares fully paid up of Re. 10 each of PAN India Corporation Limited (P.Y. 1000 Shares)		
5 Equity Shares fully paid up of Re. 1 each of Pentamedia Graphic Limited (P.Y. 5 Shares)	0.01	0.01
13700 Equity Shares fully paid up of Re. 1 each of Enrich Industries Limited (P.Y. 13700 Shares)	0.69	0.69
<b>UNQUATED INVESTMENTS</b>		
667 Equity Shares of GITCO OF Rs.100 each (P.Y. 667 Shares)	0.67	0.67
<b>Investments in Government Securities-Unquoted</b>		
7 Years National Savings Certificates	0.25	0.25
7 Years National Savings Certificates (Deposited with Governer of Karwar)	0.20	0.20
15000 Equity Shares of Kalupur Commercial Co.Op. Bank Limited of Rs. 25/- each (P.Y. 0 Shares)	5.13	5.13
	<b>182.67</b>	<b>162.99</b>
<b>INVESTMENT IN PROPERTY</b>		
D/12 - Silver Arc Apartment - Ahmedabad	25.72	25.72
<b>Total</b>	<b>208.39</b>	<b>188.71</b>

## Non-current Assets

### 11. Long Term Loans & Advances (Unsecured and Considered Good)

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advance	44.16	44.16
Deposit and Balance with Government Authorities	4.11	4.11
Deposit with Others	65.66	82.77
Advance Income Tax (Net of Provisions)	60.39	152.41
Other Loans and Advances	99.71	113.30
<b>Total</b>	<b>274.03</b>	<b>396.75</b>

## Current Assets

### 12. Current Investments

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Investment in Mutual Fund</b>		
Principal Mutual Fund	200.00	-
Sbi Magnum Insta Cash Fund - Liquid Floater	150.00	-
<b>Total</b>	<b>350.00</b>	<b>-</b>

## Current Assets

### 13. Inventories

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trading Goods	470.72	372.07
<b>Total</b>	<b>470.72</b>	<b>372.07</b>

## Current Assets

### 14. Trade Receivables

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Unsecured- Considered good</b>		
Outstanding for period exceeding six months	749.33	1,037.70
Other Receivables	421.61	2,643.57
	<b>1,170.94</b>	<b>3,681.27</b>
<b>Unsecured, considered doubtful</b>		
Outstanding for period exceeding six months	-	-
Other Receivables	-	-
Less: Provision for doubtful debts	-	-
<b>Total</b>	<b>1,170.94</b>	<b>3,681.27</b>

**Current Assets**
**15. Cash & Cash Equivalents**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a. Balances with banks</b>		
- In Current Accounts	190.88	398.19
- In Fixed Deposit Accounts (Margin Money against Bank Guarantee)	495.16	597.10
-Unpaid Dividend Accounts	3.99	3.65
<b>b. Cash on hand</b>	3.90	5.00
<b>Total</b>	<b>693.92</b>	<b>1,003.96</b>

**Current Assets**
**16. Short-term Loans and Advances  
(Unsecured and Considered Good)**

₹ in Lacs

Short term loans and Advances	As at 31st March, 2015	As at 31st March, 2014
Loan and advances to related parties Unsecured , considered good	0.72	2.04
Loans to Employees (Unsecured , considered good) Prepaid Expenses (unsecured , considered good)	4.82 58.19	4.99 45.79
<b>Balances with Statutory/Goverment Authoritied (Unsecured , considered good)</b>		
CENVAT Credit Receivable	0.08	7.57
Service Tax Credit Receivable	38.24	62.73
Sales Tax Credit Receivable	26.93	48.51
Entry Tax	4.34	4.34
Inter Corporate deposits (unsecured , considered good) - Anil Dye Chem Industries Pvt. Ltd.	-	900.00
	<b>132.60</b>	<b>1073.92</b>
<b>Other Loans and Advances (Unsecured , including advance to Suppliers)</b>		
Unsecured , Considered Good	201.43	173.03
Doubtful	-	-
Provision for Doubtful Advances	-	-
	<b>201.43</b>	<b>173.03</b>
<b>Total</b>	<b>334.48</b>	<b>1248.98</b>

**Current Assets**
**17. Other Current Assets**

₹ in Lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Interest accrued on Inter Corporate Deposits	0.05	0.20
Interest accrued on FDR	5.45	2.73
Investment in Silver Coins	0.61	0.61
Others	48.73	13.37
<b>Total</b>	<b>54.84</b>	<b>16.91</b>

## 18. Other Income

₹ in Lacs

Particulars	2014-15	2013-14
Interest Income	132.93	121.88
Interest on I.T. Refund	8.85	-
Interest on Sales Tax Refund	3.93	-
Dividend Income	0.97	1.58
Profit on Sale of Fixed Assets	4.27	2.48
Cancellation of order	215.00	-
Profit on Sale of Shares	45.53	-
Other non-operating income	-	3.29
Foreign Exchange Difference	(21.55)	21.57
Excess Provision for Earlier Year	0.45	4.39
Duty Drawback	17.84	59.89
Misc. Income	13.63	33.24
Misc./Dr./Cr. Balance Written Back	62.42	2.28
Rate difference	74.70	-
Kasar/Discount	0.26	0.01
Custom duty refund	157.05	-
Rent income	3.03	3.00
<b>Total</b>	<b>719.32</b>	<b>253.61</b>

## 19. Change in Inventories of Finished Goods

₹ in Lacs

Particulars	2014-15	2013-14
Inventories (at close)		
Finished goods / Stock in trade	331.23	231.24
Inventories(at commencement)		
Finished goods / Stock in trade	231.24	130.77
<b>Total</b>	<b>(99.99)</b>	<b>(100.47)</b>

## 20. Employee Benefits Expense

₹ in Lacs

Particulars	2014-15	2013-14
(a) Salaries and incentives	418.89	368.24
(b) Contributions to		
(i) Provident and other fund(ii) Superannuation scheme	20.75	19.91
(c) Gratuity fund contributions	12.54	(0.19)
(d) Staff welfare expenses	39.99	18.71
(e) Leave aslary expense	6.19	0.11
<b>Total</b>	<b>498.36</b>	<b>406.77</b>

## 21. Finance Costs

₹ in Lacs

Particulars	2014-15	2013-14
Interest Expense	172.78	296.46
Bank Charges	51.01	77.64
Other Borrowing Costs	83.72	60.59
<b>Total</b>	<b>307.51</b>	<b>434.69</b>

**22. Other Expenses**

₹ in Lacs

Particulars	2014-15	2013-14
Rent and License Fees	156.36	163.83
Rent Guest House	-	2.48
Land Lease Rent for Guest House	6.38	5.00
Rates and Taxes	3.86	3.42
Insurance	24.64	42.02
Employer/Employee Insurance	89.14	84.14
Electricity	80.77	80.20
Stationery and Printing	10.27	18.21
Postage and Telephone	13.21	14.64
Repairs and Maintenance & Renovation to Bldg	149.58	104.90
Auditors Remuneration	1.82	2.02
Fees and Legal Expenses	49.38	33.79
Vehicle Expenses	16.45	30.05
Conveyance	13.50	1.39
Advertisement & Publicity Expenses	13.97	13.42
Traveling Expenses	162.64	116.91
Guest House Expenses	15.31	2.68
Miscellaneous Expenses	179.76	204.04
Director fees & Traveling	0.99	0.91
Sales Promotion	93.46	34.89
Directors' Remuneration	71.62	69.76
Security Expenses	40.18	40.31
Royalty	254.33	241.58
Packing Materials	70.25	46.78
Donation	10.20	2.30
Bad Debts Written Off	73.81	0.23
Computer Repairing Expenses & Hardware Expenses	5.33	5.21
Loss on 4% SAD Receivable	-	-
Commission and Agency Commission	16.52	41.75
Deputation Charges to Custom Department	39.15	37.33
Website Development and Maintenance Charges	-	150.00
Cargo Handling Expenses	1.68	3.31
Detention/Holtage Charges	-	-
Loss on Sale of Vehicles	-	1.14
Discount/Rate Difference Expenses	5.45	22.50
Prior Period Expenses	0.22	0.86
Loss on Insurance Claim	1.08	-
Foreign Exchange Fluctuation	0.21	(5.05)
<b>Total</b>	<b>1,671.52</b>	<b>1,616.96</b>

**23: NOTES FORMING PART OF ACCOUNTS****I. SIGNIFICANT ACCOUNTING POLICIES:****A. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

These consolidated 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.

**B. PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements relate to GSEC Limited ('the Company') and its subsidiary Companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- d) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- e) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- f) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- g) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- k) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**C. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".****D. Other significant accounting policies**

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

**24. OTHER NOTES FORMING PART OF ACCOUNTS:****(i) Details of Payments to Auditor**

₹ in Lacs

Particulars	2014-15	2013-14
a. To Auditors	1.82	2.02
b. For Taxation Matters	-	-
c. Certification (Included in Fees and Legal Expenses)	-	0.03
<b>Total</b>	<b>1.82</b>	<b>2.05</b>

(ii) Salaries and wages of Rs. 86.02 Lacs (Previous Year Rs 84.16 Lacs) being the remuneration to Executive Directors of the Company. The said remuneration is not in excess of the limits laid down u/s 197 read with Schedule V of the Companies Act, 2013.

(iii) Balance of debtors, creditors, loans and advances are subject to confirmation by the parties concerned and adjustment, if any.

**(iv) Contingent Liabilities not provided for:**

- a. Claims against the company not acknowledged as debt of Rs. 22.86 Lacs (Previous Year Rs. 22.86 Lacs)
- b. Bank Guarantee issued to Customs Department – Ahmedabad of Rs. 2135 Lacs (Previous Year Rs. 1135 Lacs)
- c. Higher demand of Rs. 34.76 Lacs including Interest for non payment of the demand raised by The Airport Director, Indore for Hanger Rent for the period from 01.04.2008 to 20.06.2013, as the Company has sought to reverse this amount on the basis of similar earlier reversal. The agreement for renewal of air cargo complex license which was due on 23.11.2011 is also not executed, pending Resolution of this dispute. However the work at Air Cargo Complex – Indore continues and Company has deposited Rs. 35 Lacs in 2013-14 under protest.

- d. Demand raised in 2011-12 by Brink's Australia Pvt. Limited for compensation of US\$ 4,85,262 for the loss due to theft for one cargo parcel of 10 k.g. gold. As the Company has coverage with the insurance company, it may liable to pay the difference of the claim settled with Brink's Australia Pvt. Limited and the claim to be received from the insurance company. As the amount is not ascertained, the provision is not made.
- e. Demand raised in 2012-13 by Directorate of revenue intelligence for short payment of Custom Duty for Import of Bitumen at various ports of Rs. 310.26 Lacs. As the custom department has adopted the value declared for imports is lower than the market value. The company has objected the above demand raised in show cause notice, hence no provision has been made in the books of accounts.
- f. Demand raised in 2012-13 by The Asst. Commissioner of Commercial Tax, Flying Squad – Ahmedabad of Rs. 887.39 Lacs for not allowing input credit of VAT on the purchases of Drinking Water Plant/Water Treatment Plant for the year 2007-08 and 2008-09, as the supplier from whom the purchases have been made have not paid the Vat tax collected from the company. As the company has preferred an appeal before higher authorities no provision in the account have been made. However, the Company has deposited Rs. 25 Lacs under protest.
- g. The Additional Commissioner Service Tax, Ahmedabad has raised the demand of Rs. 39.02 Lacs for the year 2009-10 to 2012-13 on 16.09.2014 for non-payment of Service Tax on rendering services on Cold Storage activities which is partly exempt/chargeable at lower rate. As the Company has not accepted the above demand fully and hence no provision in the books of Accounts has been made. However Company has deposited Rs. 14.07 Lacs under protest.
- h. Performance Bank Guarantee issued against Earnest Mooney Deposit of Rs. 491.63 Lacs (Previous Year Rs. 251.58 Lacs)
- (v) Exceptional Items of Rs. 180 Lacs represent the loss occurred in joint venture business with M/s. Gandhi Corporation in developing one party plot namely Ozone-9 at Ahmedabad.

(vi) Disclosures pursuant to Accounting Standard (AS) 15 (Revised)

**Employees Benefits:**

Defined Benefits Plans as per Actuarial Valuation on March 31, 2015.

₹ in Lacs

Sr.No.	Particulars	Gratuity		Leave Encashment	
		31-3-2015	31-3-2014	31-3-2015	31-3-2014
<b>1.</b>	<b>The Changes in Obligations during the year</b>				
	• Present value of Defined benefit Obligation at the beginning of the year	54.49	54.35	13.26	12.50
	• Current Service Cost	5.31	5.25	1.85	1.75
	• Interest Cost	4.96	4.40	1.21	1.00
	• Actuarial (Gains)/Losses	0.99	(7.18)	5.98	(0.22)
	• Benefit Payments	(6.15)	(2.32)	(2.09)	(1.77)
	• Present value of Defined Benefit Obligation at the end of the year	64.40	54.49	20.20	13.26
<b>2.</b>	<b>The changes in Plan Assets during the year</b>				
	• Plan Assets at the beginning of the year	40.72	37.97	NIL	NIL
	• Actuarial gains and (losses)	(0.03)	(0.02)	NIL	NIL
	• Contribution by Employer	-	0.11	NIL	NIL
	• Actual Benefit Paid	(2.58)	(0.65)	NIL	NIL
	• Plan assets at the end of the year	41.65	40.72	NIL	NIL
	• Actual return on Plan Assets	3.54	3.30	NIL	NIL

Sr. No.	Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
<b>3.</b>	Actuarial Assumption :		
	Discount Rate	7.80% to 7.99%	7.80% to 7.99%
	Turnover Rate		
	Mortality		
	Salary Escalation Rate	6% to 7%	6% to 7%
	Retirement age	58 Years	58 Years

## (vi) Related Party Disclosure:

As per Accounting Standard 18(AS-18) Related Party disclosure issued by ICAI the disclosure of transaction with related parties as defined in AS-18 are given below

### A. List of Related Parties & Relationship

Name of Related Party	Relationship
Komal Infotech Private Limited	Holding Company
GSEC Logistics Limited	Subsidiary Company
GSEC Green Energy Private Limited	Subsidiary Company
Komoline Aerospace Limited	Subsidiary Company
Kalpavruksha Estate & Finance Private Limited	Associate Company
Prerak Capital Services Private Limited	Associate Company
Komal Infraventures Private Limited	Sister Company
GSEC Aviation Limited	Sister Company
GSEC Infrastructure Private Limited	Associate Company
Vishwa Imports LLP	Associate LLP
Priti R. Shah	Relative of Director
<b>Key Management Personnel</b>	
(i) Rakesh R. Shah	
(ii) Shaishav R. Shah	
(iii) Samir H. Mankad	
(iv) Viral B. Mehta	
(v) Sanjay Attara	

### B. Transaction during the year with related Parties (Excluding Reimbursement)

₹ in Lacs

Nature of Transaction	Holding Company	Associates	Relative of Director	Key Management Personnel			
				Rakesh R. Shah	Shaishav R. Shah	Samir H. Mankad	Sanjay Attara
	Komal Infotech Pvt. Ltd.	GSEC Aviation Limited	Priti R. Shah	Rakesh R. Shah	Shaishav R. Shah	Samir H. Mankad	Sanjay Attara
Rent Paid	-	-	6.37	-	2.55	-	-
Interest Paid	12.75	74.31	-	3.66	44.47	-	-
Interest Received	5.05	-	-	-	-	-	-
Remuneration	-	-	-	36.00	16.95	18.67	14.40
Advance Outstanding	(0.01)	(834.99)	-	(205.29)	(434.91)	-	-
Loan Taken	1136.00	1729.30	-	528.63	495.90	-	-
Loan Granted	-	-	-	-	-	-	-
Loan Repaid	1136.74	1657.11	-	1270.03	242.20	-	-
Loan Repaid by	-	-	-	-	-	-	-



**(viii) The net Deferred Tax (Liabilities)/Assets as on March 31, 2015 at as follows**

₹ in Lacs

Deferred Tax Assets arising from:	2014-15	2013-14
Net deferred Tax Assets/(Liability)	50.41	(14.20)

The tax impact for the above purpose has been arrived by applying a tax Rate of 32.445% being the prevailing tax rate for Indian companies under the Income Tax Act, 1961. Based on the management's estimate; the company would have sufficient Taxable Income in future to utilize credit available under the Income Tax Act, 1961.

**(ix) Earning Per Share (E.P.S.)**

₹ in Lacs

Particulars	2014-15	2013-14
Net Profit (Loss) after Tax	138.19	124.48
Number of Equity Shares	75,50,000	75,50,000
Nominal Value of Equity Share (₹)	10.00	10.00
Basic & Diluted Earning Per Share (₹)	1.83	1.65

**(x) Other information required in terms of Schedule III to the Companies Act, 2013.**

₹ in Lacs

Particulars	2014-15	2013-14
a. C.I.F. value of imports of:		
Raw Materials	53.18	56.03
Spare parts		
Capital Goods	-	23.73
d. Expenditure in Foreign Currency:	75.19	41.24
on Foreign Travel		
e. Expenditure in Foreign Currency:	-	-
on purchase of capital items		
f. Consumption of:		
i. Raw Materials	-	-
ii. Store and Spares Parts	-	-
g. Remittance in Foreign Currency		
On accounts of Agency Commission	-	-
h. Earning in Foreign Exchange	-	25.99
(FOB) Value of Goods Exported		

**(xi)** As per the requirement of Schedule III of the Companies Act, 2013, the amounts of financial statements have been rounded off to the nearest lacs of Rupees. Hence, the differences in total and sub-total of some items are inevitable.

**25. Segment Information:-**

Based on the guiding principles given in Accounting Standard on 'Segment Reporting' (AS – 17) as notified by Companies Accounting Standards Rules, 2008, the company's primary business segments are Airport Service and Trading Activities which have got their own respective risk and return profiles.

Financial information about the primary business segment for the year ended 31st March, 2015

# 49<sup>th</sup> Annual Report 2014 - 2015

(Amount Rs. In Lacs)

	Air Cargo		Trading Activities		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
<b>A. Revenue</b>								
Services/Sales Revenue	2071.17	1871.72	23381.66	33226.70	703.49	805.31	26156.32	35903.73
Intersegment Revenue	-	-	-	-	-	-	-	-
Total Revenue	2071.17	1871.72	23381.66	33226.70	703.49	805.31	26156.32	35903.73
<b>B. Result</b>								
<b>Segment Result Profit/Loss</b>	<b>1624.58</b>	<b>1721.72</b>	<b>(19.73)</b>	<b>321.17</b>	<b>462.94</b>	<b>487.77</b>	<b>2067.79</b>	<b>2530.66</b>
Other Income excluding Interest Income							580.70	131.73
Other Unallocable Expenses							2444.91	2228.41
Operating Profit							203.58	433.98
Interest Income							138.62	121.88
Interest Expenses							172.79	296.46
Profit Before Tax							169.41	259.40
Provision For Income Tax (including Deferred Tax)							22.99	135.62
<b>Net Profit After Tax</b>							<b>146.42</b>	<b>123.78</b>
Less: Profit/(Loss) transferred to minority interest					8.23	(0.70)	8.23	(0.70)
<b>Profit After Tax after adjustment of Minority Interest</b>							<b>138.19</b>	<b>124.48</b>
<b>C. Other Information</b>							-	-
Capital Employed								
Segment Assets	1477.82	1672.61	2437.87	6493.39	1811.41	1623.47	5727.10	9789.47
Segment Liabilities	146.51	115.04	564.71	3413.22	1574.44	1527.44	2285.66	5055.70
Other Unallocable Corporate Assets and Liabilities	-	-	-	-	-	-	(915.62)	(2369.37)
<b>Total Capital Employed</b>							<b>2525.82</b>	<b>2364.40</b>
Capital Assets/Expenditure including Capital Work-in-Progress incurred during the Year	149.32	262.42	64.45	113.74	-	-	-	-
Other Unallocable Capital Expenditures	-	-	-	-	-	-	-	-
<b>Total</b>	<b>149.32</b>	<b>262.42</b>	<b>64.45</b>	<b>113.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>D. Segment Depreciation</b>	<b>238.99</b>	<b>103.77</b>	<b>106.20</b>	<b>68.09</b>	<b>64.31</b>	<b>46.79</b>	<b>409.50</b>	<b>218.65</b>
<b>E. Non Cash Expenses other than Depreciation</b>	<b>-</b>	<b>-</b>	<b>73.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73.74</b>	<b>-</b>

As per our attached report of even date

**For BJS & Associates**  
Chartered Accountants  
Firm Registration No. 113268W

**Bipin Shah**  
Partner  
Membership No. 10712

**Date** : 22nd August, 2015  
**Place** : Ahmedabad

For and on behalf of the Board

**Rakesh Shah**  
Chairman & Managing Director  
(DIN: 00421920)

**Samir Mankad**  
Whole-time Director  
(DIN: 00421878)

**Viral Mehta**  
Company Secretary

**Date** : 22nd August, 2015  
**Place** : Indore

## NOTICE

**NOTICE** is hereby given pursuant to Section 96 of the Companies Act, 2013 ("the Act") that the 49th Annual General Meeting ("the Meeting") of the Members of GSEC Limited will be held on Tuesday, the 29th day of September, 2015 at 11.00 a.m. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009, to transact the following business:

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### ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company including audited Balance Sheet, Statement of Profit and Loss for the year ended and Cash Flow Statement for the year ended on 31st March, 2015 together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Shaishav R. Shah (DIN: 00019293), who retires by rotation and being eligible seeks re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** the appointment of M/s. BJS & Associates & Co., Chartered Accountants (who were appointed by members upto the conclusion of the Annual General meeting to be held in the year 2019 as statutory auditor of the company) having Registration No. 113268W be and is hereby ratified until the conclusion of the next Annual General Meeting of the company, on such remuneration as may be decided by any Director of the Company."

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

A proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting/at the office of the Company's Registrar and Share Transfer Agent – M/s. Sharepro Services (I) Private Limited, Office No.416-420, 4th Floor, Devnandan Mega Mall, Opp. Sanyas Ashram, Ashram Road, Ahmedabad – 380 006.

2. Members are requested to notify any change of address to the Company's Registrar and Share Transfer Agent – M/s Sharepro Services (I) Private Limited, Office No. 416 – 420, 4th Floor, Devnandan Mega Mall, Opp. Sanyas Ashram, Ashram Road, Ahmedabad – 380 006.
3. Those members who have not yet encashed their dividend warrants for the previous years may refer the matter along with relevant details to the Company Secretary at the Registered Office of the Company.
4. Members are requested to bring their Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
7. Kindly bring your copies of the Annual Report to the meeting.
8. The members / proxies should bring the attendance slip sent herewith for attending the meeting.
9. Members may also note that the Notice of the 49th Annual General Meeting and the Annual Report for the financial period ended on 31.03.2015 will also be available on the Company's website [www.gsecl.co.in](http://www.gsecl.co.in) for their download.

10. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the Registered office address or e-mail their grievances/queries to the e-mail address: [viral.mehta@gsecl.co.in](mailto:viral.mehta@gsecl.co.in).

**Date :** 22nd August, 2015  
**Place :** Ahmedabad

**By order of the Board of Directors,  
For GSEC Limited,**

**Viral Mehta**  
Company Secretary



## GSEC Limited

CIN: U52100GJ1965PLC001347

**Regd. Office:** Gujarat Chambers Building, Ashram Road, Ahmedabad – 380 009, Gujarat

**Phone:** +91-79-2655 4100 / 2657 5757 / 2658 5757 **Fax:** +91-79-26584040

**Email:** info@gsecl.co.in, **Web:** www.gsecl.co.in

### Attendance Slip

I hereby record my presence at the 49th Annual General Meeting of the Company on Tuesday, 29th day of September, 2015 at 11.00 a.m. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad – 380 009, Gujarat.

**Full name of the Member:** \_\_\_\_\_

**Folio No:** \_\_\_\_\_ **DP ID No.:** \_\_\_\_\_

**No. of shares held:** \_\_\_\_\_

**Full name of the Proxy:** \_\_\_\_\_

**Member's /Proxy's Signature:** \_\_\_\_\_

**Note:** Please complete the Folio / DP ID-Client No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

**GSEC Limited**

CIN: U52100GJ1965PLC001347

**Regd. Office:** Gujarat Chambers Building, Ashram Road, Ahmedabad – 380 009, Gujarat

**Phone:** +91-79-2655 4100 / 2657 5757 / 2658 5757 **Fax:** +91-79-26584040

**Email:** info@gsecl.co.in, **Web:** www.gsecl.co.in

**PROXY FORM**

**FORM NO. MGT-11**

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

<b>Name of the Member (s):</b> _____
<b>Registered Address:</b> _____ _____
<b>E-mail Id:</b> _____
<b>Folio / DP ID:</b> _____

I /We being the member (s) holding ..... Shares of the above named Company hereby appoint:

(1) **Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Email ID:** \_\_\_\_\_ **Signature:** \_\_\_\_\_ or failing him / her:

(2) **Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Email ID:** \_\_\_\_\_ **Signature:** \_\_\_\_\_ or failing him / her:

(3) **Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Email ID:** \_\_\_\_\_ **Signature:** \_\_\_\_\_ or failing him / her:

as my /our proxy to attend and vote for my / our behalf at the 49th Annual General Meeting of the Company to be held Tuesday, 29th day of September, 2015 at 11.00 a.m. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad – 380009, Gujarat and at any adjournment thereof in respect of resolutions as are indicated below:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company including audited Balance Sheet, Statement of Profit and Loss for the year ended and Cash Flow Statement for the year ended on 31st March, 2015 together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Shaishav R. Shah (DIN: 00019293), who retires by rotation and being eligible seeks re-appointment
3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** the appointment of M/s. BJS & Associates & Co., Chartered Accountants (who were appointed by members upto the conclusion of the Annual General meeting to be held in the year 2019 as statutory auditor of the company) having Registration No. 113268W be and is hereby ratified until the conclusion of the next Annual General Meeting of the company, on such remuneration as may be decided by any Director of the Company."

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix a  
Revenue  
Stamp  
of ₹ 1

### Note:

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 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. Appointing the proxy does not prevent a shareholder from attending the meeting in person if he so wishes.
4. Please complete all details including details of member (s) in the above box before submission.

## Inside of Air Cargo Complexes







**GSEC**  
LIMITED