



Annual Report **2018-19**

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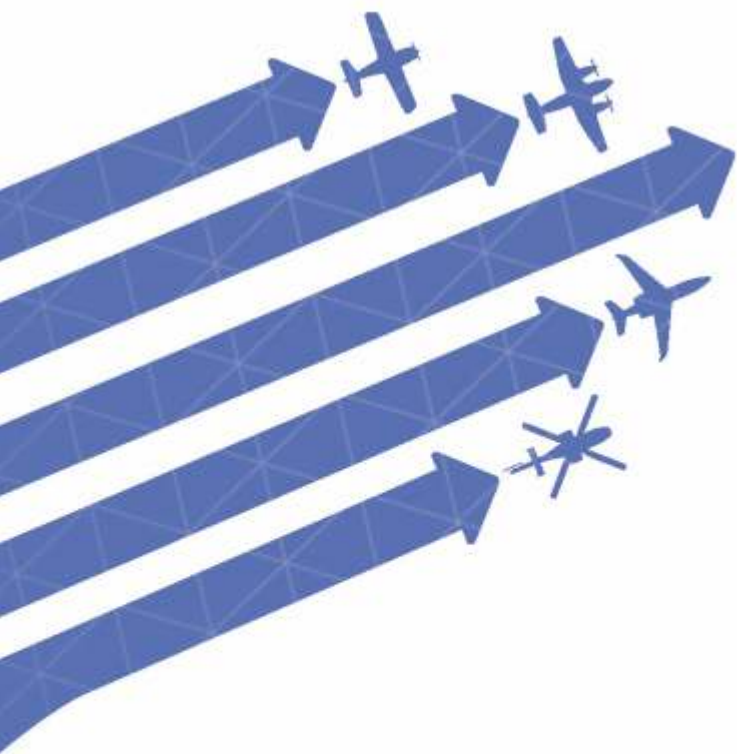
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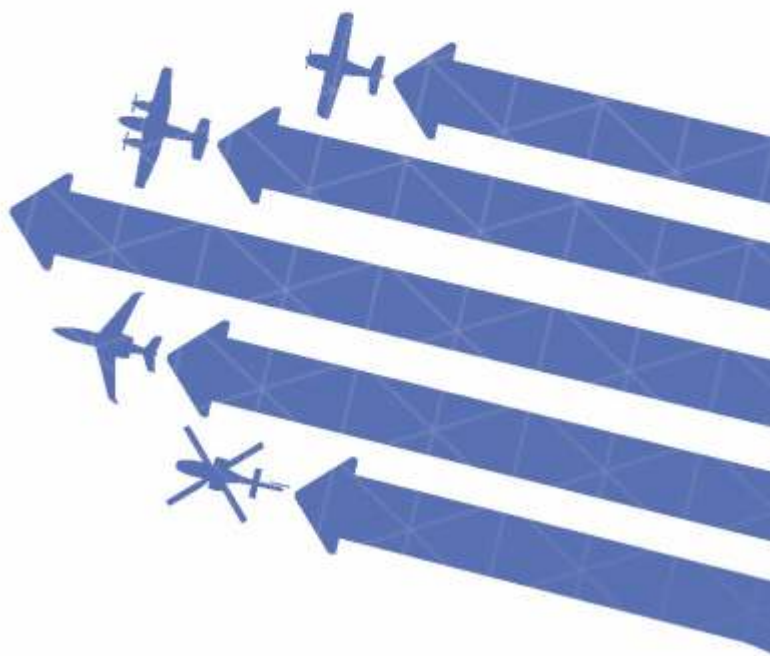
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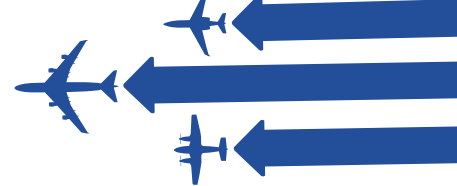




GSEC[®]



CORPORATE INFORMATION



BOARD OF DIRECTORS:

SHRI RAKESH SHAH
SHRI SAMIR MANKAD
SHRI SHAISHAV SHAH
SMT RAJI SHAH
SHRI SANDIP PARIKH
**SHRI MAHESWAR SAHU
SHRI NATWARLAL PATEL

CHAIRMAN & MANAGING DIRECTOR
CEO & WHOLE - TIME DIRECTOR
WHOLE - TIME DIRECTOR
WHOLE - TIME DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

COMPANY SECRETARY:

SHRI DARSHIL SHAH

BOARD COMMITTEES:

Audit:

SHRI SANDIP PARIKH	CHAIRMAN
SHRI SAMIR MANKAD	MEMBER
**SHRI MAHESWAR SAHU	MEMBER
# SHRI NATWARLAL PATEL	MEMBER

Nomination and Remuneration:-

SHRI SANDIP PARIKH	CHAIRMAN
**SHRI MAHESWAR SAHU	MEMBER
# SHRI NATWARLAL PATEL	MEMBER

Share Transfer and Grievances:-

SHRI SANDIP PARIKH	CHAIRMAN
SHRI RAKESH SHAH	MEMBER
SHRI SAMIR MANKAD	MEMBER

Statutory Auditors:

M/s. BJS & Associates,
Chartered Accountants,
Ahmedabad

Internal Auditors:

M/s. Dharmesh Parikh & Co.,
Chartered Accountants,
Ahmedabad

Corporate Law Advisors:

M/s. Umesh Parikh & Associates
Company Secretaries,
Ahmedabad

Registered Office:

Gujarat Chambers Building, Ashram Road,
Ahmedabad - 380009.
Phone: 079-2655 4100/2657 5757
Fax: 079-26584040
E-Mail: cs@gsecl.co.in
Website: www.gsecl.co.in
CIN: U52100GJ1965PLC001347

Registrar & Transfer Agents:

Bigshare Services Private Limited
A/802, Samudra Complex, Near Girish Cold Drink
Cross Road, Off C G Road, Ahmedabad - 380009
Phone: 079-40024135
E-Mail: bssahd@bigshareonline.com
Website: www.bigshareonline.com

BANKERS: State Bank of India

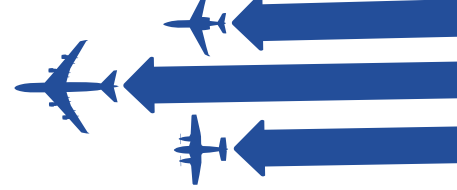
appointed as on 29.03.2019 ** Ceased as on 18.06.2019





Message from Chairman

**“Working Towards
a Better Tomorrow”**



Dear Valued Shareowners,

I take immense pleasure in sharing with you all the highlights of our Company's performance for the financial year ended March 31, 2019.

Looking back at F.Y. 2018-19, it turned out to be another roller-coaster period with its share of uncertainty and volatility. It was also a turbulent year for the global economy, characterized by geopolitical uncertainties and trade wars. Further China's deceleration follows tightening of economy-wide regulatory controls and rising trade tensions with the US.

Amidst all these, India continues to be one of the fastest-growing major economies in the world backed by healthy domestic consumption. Successful implementation of the Government's structural initiatives towards improving the ease of doing business such as enhancing transparency, speeding up approvals, resolving policy issues and fostering more significant levels of value addition also played a crucial role in sustaining performance. Further, the Indian rupee suffered because of the crude price shock and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Notwithstanding unforeseen global events or local political surprises, growth for India is estimated to remain upward of 7 percent for the year ahead. These projections could be attributed to the sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development. At the overall level, it makes me feel proud to share with you the performance we have been able to deliver notwithstanding difficult business conditions. Our industry beating growth, on our market position, is definitely an achievement that every stakeholder of this organisation should be proud of.

Despite challenging economic and geopolitical conditions, our Company has continued to maintain its top performance across its businesses of Air Cargo operations and trading of a diverse basket of products which include furnace oil, high speed diesel, aviation fuels and various other chemical products.

Seeing the trend continue, we have concentrated our efforts on bringing in more efficiencies through investment in human capital, process improvements, cost optimization and technology enhancements to ensure that we will remain competitive in a volatile and uncertain global environment.

We will continue to look for new opportunity to add value to our shareholders.

Financial Performance

The consolidated financial performance for the 12 months ended March 31, 2019, is as follows:

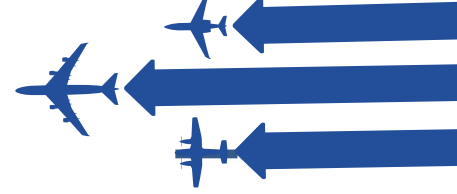
- Total income from operations at Rs. 38536.66Lacs for the year ended March 31, 2019
- EBIDTA at Rs. 893.26Lacs for the year ended March 31, 2019
- EBIT of Rs. 641.52 Lacs for the year ended March 31, 2019
- PAT of Rs. 255.30 Lacs for the year ended March 31, 2019
- EPS for the year ended March 31, 2019 was Rs. 3.38 for a face value of Rs.10/- per share

Overall, our focus continues to be on driving the Company's Revenue and Profitability growth, increasing Return on Capital Employed and asset utilizations and improving cash flows across all our businesses.

Before I conclude, I would like to thank you for your support, consistent commitment, engagement and encouragement. We continue to seek your participation in our next leg of growth and footprint expansion.

Sincerely,
RAKESH SHAH
Chairman & Managing Director

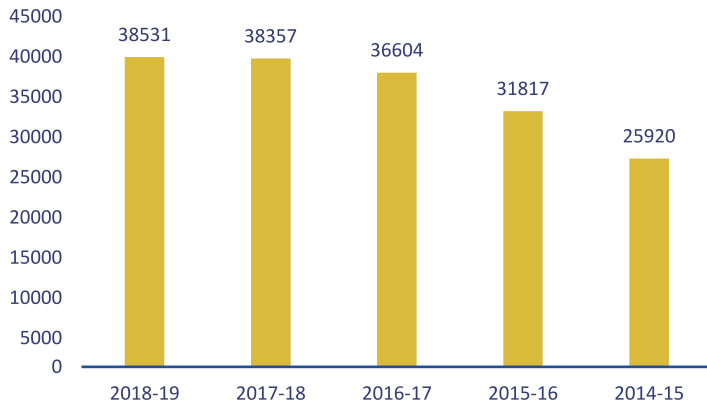




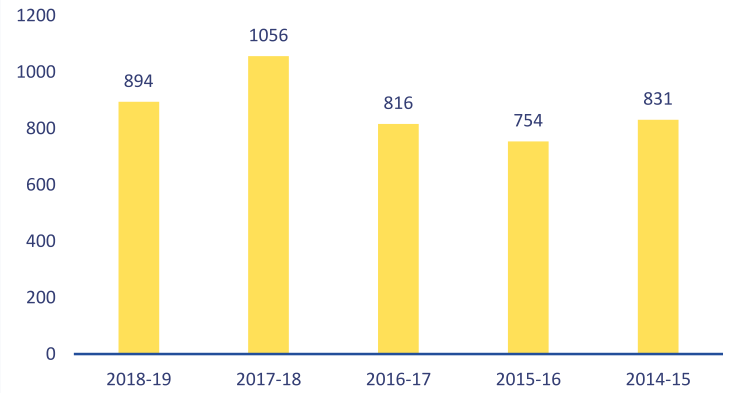
FIVE YEAR FINANCIAL HIGHLIGHTS

STANDALONE

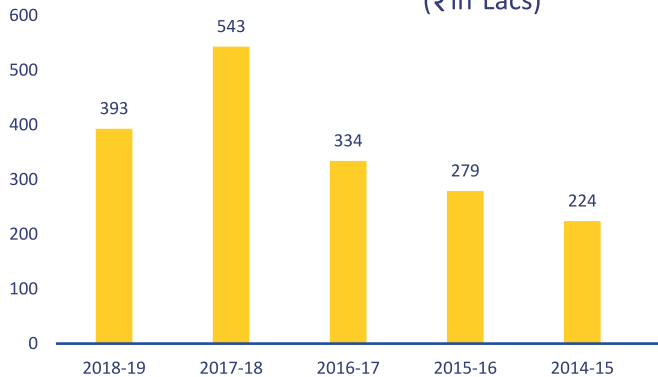
Revenue (₹ in Lacs)



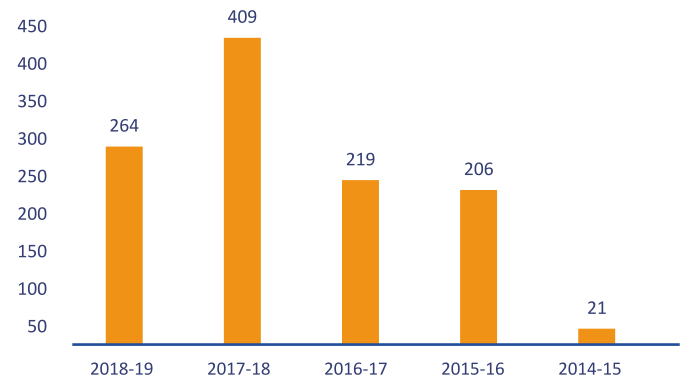
EBIDTA (₹ in Lacs)

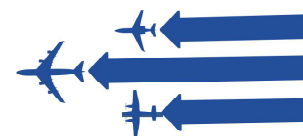


Profit / (Loss) Before Tax
(₹ in Lacs)



Profit / (Loss) After Tax (₹ in Lacs)





DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present herewith the 53rd Annual Report of your Company together with the Audited Financial Statement and the Auditors' Report for the financial year ended, 31st March, 2019.

STANDALONE FINANCIAL AND OPERATIONAL HIGHLIGHTS AND STATE OF AFFAIRS OF THE COMPANY:

(₹ in Lacs)

Particulars	2018-19	2017-18
Net Revenue from Operations	38217.21	37715.42
Other Operating Revenue	90.16	252.00
Revenue from Operations	38307.37	37967.42
Other Income	223.43	424.20
Total Revenue	38530.80	38391.62
Profit before financial charges, Depreciation and taxation	893.58	1090.62
Less: Financial charges	257.70	267.89
Less: Depreciation and amortization expenses	248.49	279.79
Profit before exceptional and prior period items and tax	393.39	542.94
Less: Exceptional items	0.00	0.00
Less: Prior period items	0.00	0.00
Profit before tax	393.39	542.94
Less: Current Tax	119.50	143.60
Less: Deferred Tax Liability	1.23	(10.12)
Less: Provision for tax of earlier years	8.62	0.15
Profit after taxation	264.04	409.31
Earnings Per Equity Share (in ₹)	3.50	5.42

PERFORMANCE REVIEW:

During the financial year under review, your Company recorded a total revenue of ₹ 38530.80 Lacs as compared to ₹ 38391.62 Lacs during the previous financial year ended March 31, 2018. The Profit before exceptional and prior period items and tax of your Company for the financial year ended March 31, 2019 stood at ₹ 393.39 Lacs as against the previous financial year ended March 31, 2018 was ₹ 542.94 Lacs. Accordingly, Net profit after tax stood at ₹ 264.04 Lacs as against the previous financial year ended March 31, 2018 was ₹ 409.31 Lacs which reflects a decline of 55.02% over the corresponding Profit for the financial year ended March 31, 2018.

DIVIDEND:

The Board recommends payment of dividend of ₹ 0.50/- (Fifty Paise) per share on 75,50,000 Equity shares of face value of ₹ 10/- each for the year ended March 31, 2019.

TRANSFER TO RESERVES:

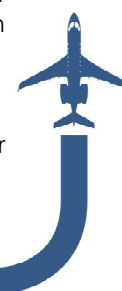
The Company has not transferred any amount to the General Reserve during the financial year ended March 31, 2019.

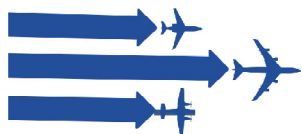
SHARE CAPITAL STRUCTURE OF THE COMPANY:

The paid up capital of the company as on March 31, 2019 was ₹ 7,55,00,000/- divided in to 75,50,000 Equity shares of ₹ 10/- Each. There was no change in the Equity shares capital of the company during the financial year ended March 31, 2019.

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Subsequent to the end of the financial year on March 31, 2019 till date, there has been no material change and/or commitment which may affect the financial position of the Company.





DIRECTORS AND SENIOR MANAGERIAL PERSONNEL:

The Board of Directors is duly constituted in accordance with the provisions of Companies Act, 2013.

Changes in Directors:-

Shri Bhalabhai Patel (DIN: 00373088) ceased to be director of the Company w.e.f. February 12, 2019 due to untimely sad demise. He was on the Board of Directors of the company since 2007 and has served the Company for a period of more than 12 years.

The Board places on record the invaluable contributions of Late Shri Bhalabhai Patel, the beloved Director of the GSEC Limited. His exemplary vision and perseverance helped the Company to become one of the most admired organisations. He has been very instrumental in bringing the Company to the present level. We pray that his soul rest in peace.

In accordance with Section 152 of the Companies Act, 2013, Mr. Shaishav Rakeshkumar Shah (DIN: 00019293) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Maheshwar Sahu was appointed as an Additional Director (categorized as Independent) of the Company w.e.f. April 27, 2018 and was further regularized as Director (categorized as Independent) with the approval of members in Annual General Meeting held on September 28, 2018 and he has ceased to be Director w.e.f. June 18, 2019 on account of pre-occupation with other works.

Smt. Raji Shah (06893581) was re-appointed as Director in the Annual General Meeting held on September 29, 2018.

Shri Natwarlal Patel (DIN: 00027540), has been appointed as an Additional Director by the Board with effect from March 29, 2019, in the category of Independent Director for the term of five years, subject to approval of the Members at the ensuing Annual General Meeting. The Company has received notice from a shareholder in terms of Section 160 of the Companies Act, 2013 proposing the appointment of Shri Natwarlal Patel as Director of the Company at the ensuing Annual General Meeting.

Shri Rakesh Shah (DIN: 00421920) has been appointed as Chairman & Managing Director of the Company by Board of Directors for a period of 3 years commencing from April 1, 2019 up to March 31, 2022, subject to approval of the Members at the ensuing Annual General Meeting.

Shri Shaishav Shah (DIN: 00019293) has been appointed as Whole-Time Director of the Company by Board of Directors for a period of 3 years commencing from April 1, 2019 up to March 31, 2022, subject to approval of the Members at the ensuing Annual General Meeting. g.

Necessary resolutions have been proposed by the Board of Directors for approval of Members.

Statement of Declaration given by the Independent Directors under Section 149(7):-

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in section 149 (6).

The Independent Directors have confirmed and declared that they are not dis-qualified to act as an Independent Director as specified under Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfils all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

REMUNERATION POLICY:

The remuneration policy of the Company is annexed to the report as **Annexure - G.**

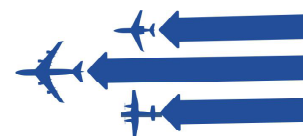
DEPOSITS:

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

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 the Companies (Accounts) Rules, 2014 in respect of subsidiary companies is annexed herewith as **Annexure - A.**





During the year under review, GSEC Logistics Limited, the wholly owned subsidiary Company has earned Net Profit of ₹ 4,549 (Previous year Net loss of ₹ 1.01 Lakhs)

During the year under review, GSEC Green Energy Private Limited, the wholly owned subsidiary Company has incurred Net loss of ₹ 8.80 Lacs (Previous year Net Profit ₹ 9.18 Lacs)

MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEE MEETING:

The details of the number of meetings of the Board held during the Financial Year 2018-19 forms part of the Corporate Governance Report which is annexed to the Report.

COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Share Transfer and Grievances Committee

The details of the Committees along with their composition, number of meetings and attendance of the members at the meetings are provided in the Corporate Governance Report which is annexed to the Report.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as per Section 92 (3) of Companies Act, 2013 is annexed under **Annexure-B** to this Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year under review all the related party transactions entered into by the Company were on arms' length basis and in ordinary course of business. There are no materially significant related party transactions entered into 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 related party transactions are provided in Form AOC – 2 under **Annexure-C**.

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

The details of the Loans and Guarantees given during the year under review falling under Section 186 of the Companies Act, 2013 is given in **Annexure-D**, which forms part of this report. The details of Investments are as mentioned in the notes of financial statements. During the year under review, the company has not provided any security falling within in purview of Section 186.

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.

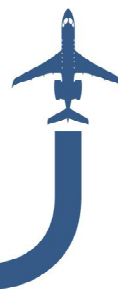
In terms of provisions of Section 136(1) of the Act, the Annual Report excluding the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company. The said information is open for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

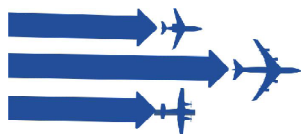
AUDITORS:

Statutory Auditors:-

M/s. BJS & Associates & Co., Chartered Accountants (Registration No. 113268W) are the Statutory Auditors of the Company who shall hold office till the conclusion of the ensuing annual general meeting.

In accordance with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, it is proposed to re-appoint M/s. BJS & Associates & Co., Chartered Accountants (Registration No. 113268W) as statutory Auditors for further period of 5 consecutive years to hold office till the conclusion of the 58th Annual general Meeting to be held in the calendar year 2024.





M/s. BJS & Associates & Co., Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

The Board recommends their appointment as per the resolution appended in the notice.

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-E**.

Internal Audit:-

Pursuant to provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s. Dharmesh Parikh & Co, Chartered Accountant, was appointed as the Internal Auditor of your Company for the financial year 2018-19. Further the Board of director of the company re-appointed as M/s. Dharmesh Parikh & Co as the Internal Auditor of your Company for the financial year 2019-20.

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 which requires clarification from the Management of the Company.

SECRETARIAL STANDARDS:

The Board to the best of their knowledge confirms that the Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and made applicable by Ministry of Corporate Affairs.

INTERNAL FINANCIAL 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.

RISK MANAGEMENT POLICY:

The Management regularly reviews the risk and take appropriate steps to mitigate the risk. The company has in place the Risk Management policy. The Company has a setup 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.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set-up to redress complaints received regarding sexual harassment. The Company has not received any sexual harassment complaint during the year 2018-19.

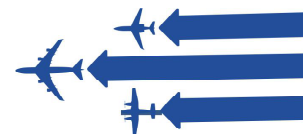
SIGNIFICANT AND MATERIAL ORDERS:

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.

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-F**.



**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) They 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) They 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) They have prepared the annual accounts ongoing concern basis;
- (e) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

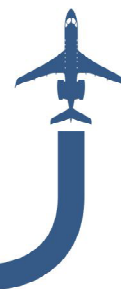
ACKNOWLEDGEMENTS:

Your Directors are thankful to the Bankers, various Government agencies, suppliers, customers, Investors and all others stakeholders 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.

For and on behalf of the Board of Directors,

Place: Ahmedabad
Date: August 23, 2019

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920



ANNEXURE – A

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)

1	Sl. No.	1	2
2	Name of the subsidiary	GSEC Logistics Limited	GSEC Green Energy Private Limited
3	The date since when subsidiary wasAcquired	07.09.2006	02.01.2012
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	INR
5	Share capital	5,00,000	1,00,000
6	Reserves & surplus	19,50,178	(1,10,98,755)
7	Total assets	3,97,17,903	2,67,74,959
8	Total Liabilities	3,72,67,726	3,77,73,714
9	Investments	NIL	NIL
10	Turnover	NIL	NIL
11	Profit before taxation	6,549	(8,79,771)
12	Provision for taxation	2,000	Nil
13	Profit after taxation	4,549	(8,79,771)
14	Proposed Divided	NIL	NIL
15	% of Shareholding	100%	100%

Notes:

- Names of subsidiaries which are yet to commence operations: Not Applicable.
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable.

Part "B": Associates and Joint Ventures: Nil

As per our Report Annexed
For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

For and on behalf of Board of Directors

CA BIPIN J SHAH
Partner
Membership No. 10712

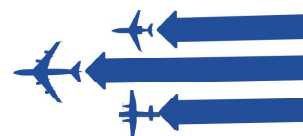
RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
CEO &Whole Time Director
DIN: 00421878

DARSHIL SHAH
Company Secretary
M. No. A37483

Place: Ahmedabad
Date: 23rd August, 2019

Place: Ahmedabad
Date: 23rd August, 2019



ANNEXURE - B

Form No. MGT – 9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

[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	October 14, 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. Phone: 079-26554100 Fax: 079 - 26584040 E Mail: info@gsecl.co.in
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited A/802, Samudra Complex, Near Klassic Gold Hotel, Grish Cold Drink Cross Road, Off C G Road, Ahmedabad-380009. Phone: 079 - 40024135 E Mail: bssahd@bigshareonline.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	Other wholesale Trading Business	51909	90.85
2	Air Cargo Business	99671	09.15

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

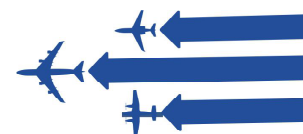
Sl. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
01	Komal Infotech Private Limited 40, Asia House, Nr. Swastik Char Rasta, Navrangpura, Ahmedabad -380009	U72200GJ2000PTC037463	Holding Company	63.36	Sec. 2(46)
02	GSEC Logistics Limited 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad – 380 009	U62200GJ2006PLC049049	Subsidiary Company	100	Sec. 2(87)
03	GSEC Green Energy Private Limited 1ST Floor, Udhog Bhavan, Opp. Kunal Restaurant, Ashram Road, Ahmedabad – 380009	U37200GJ2011PTC066904	Subsidiary Company	100	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	
(A)	Shareholding of Promoter and Promoter Group									
(1)	Indian									
(a)	Individuals/ HUF	2571030	1110	2572140	34.07	2571030	1110	2572140	34.07	0.00
(b)	Cent. Gov./ State Gov.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	4783910	4783910	63.36	0	4783910	4783910	63.36	0.00
(d)	FI/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(1)	2571030	4785020	7356050	97.43	2571030	4785020	7356050	97.43	0.00
(2)	Foreign									
(a)	Individuals/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Cent. Gov./ State Gov.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	FI/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	TOTAL Shareholding of Promoter and Promoter Group(A) = (1) + (2)	2571030	4785020	7356050	97.43	2571030	4785020	7356050	97.43	0.00
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	FI/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Cent. Gov./ State Gov.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Non - Institutions									
(a)	Bodies Corporate	0	25650	25650	0.34	0	25650	25650	0.34	0.00
(b)	Individuals									



i) Individual Shareholders holding nominal share capital up to ₹1 Lakh	21360	83010	104370	1.38	25740	78630	104370	1.38	0.00
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	12000	38400	50400	0.67	12000	38400	50400	0.67	0.00
(c) Others - INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	13530	0	13530	0.18	13530	0	13530	0.18	0.00
SUB TOTAL (B)(2)	46890	147060	193950	2.57	51270	142680	193950	2.57	0.00
TOTAL Public Shareholding (B) = (1) + (2)	46890	147060	193950	2.57	51270	142680	193950	2.57	0.00
TOTAL (A)+(B)	2617920	4932080	7550000	100.00	2622300	4927700	7550000	100.00	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A) + (B) + (C)	2617920	4932080	7550000	100.00	2622300	4927700	7550000	100.00	0.00

(ii) **SHAREHOLDING OF PROMOTERS:-**

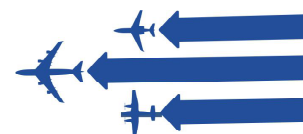
Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of Total shares of the Company	% of Shares Pledged / encumbe red to total shares	No. of Shares	% of Total shares of the Company	% of Shares Pledged / encumbe red to total shares	
1	KOMAL INFOTECH PVT LTD	4783910	63.36	0.00	4783910	63.36	0.00	0.00
2	PRITI R SHAH	1447670	19.17	0.00	1447670	19.17	0.00	0.00
3	RAKESH R SHAH	636090	8.43	0.00	636090	8.43	0.00	0.00
4	SHAISHAV R SHAH	487270	6.45	0.00	487270	6.45	0.00	0.00
5	KOMAL RAKESH SHAH	1110	0.02	0.00	1110	0.02	0.00	0.00
	TOTAL	7356050	97.43	0.00	7356050	97.43	0.00	0.00

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING:-** There were no change in the holding of any Promoters during the year under review.



(iv) **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):-**

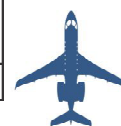
Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	VASANT B. SHAH				
	At the beginning of the year	38400	0.51	38400	0.51
	Date-wise Increase/ Decrease in 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
2	ALEMBIC LIMITED				
	At the beginning of the year	12210	0.16	12210	0.16
	Date-wise Increase/ Decrease in 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
3	ASHWINABEN MANOJKUMAR GANDHI				
	At the beginning of the year				
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	Date: 01.02.2019			
	At the End of the year (or on the date of separation, if separated during the year)	--	--	12000	0.16
4	ALPA SHRIRAM PUROHIT				
	At the beginning of the year	7800	0.10	7800	0.10
	Date-wise Increase/ Decrease in 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)	--	--	7800	0.10
5	VASUNDHARA CANNING PVT. LTD				
	At the beginning of the year	4500	0.06	4500	0.06
	Date-wise Increase/ Decrease in 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
6	SHARDADEVI KANTILAL GURU				
	At the beginning of the year	3240	0.04	3240	0.04
	Date-wise Increase/ Decrease in 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

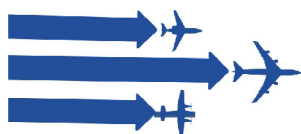


7	JAYESH KANTILAL GURU				
	At the beginning of the year	3210	0.04	3210	0.04
	Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NO CHANGE DURING THE YEAR			
	At the End of the year(or on the date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

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-

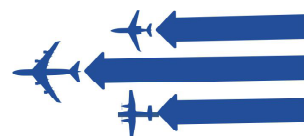
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	RAKESH RAMANLAL SHAH	CHAIRMAN & MANAGING DIRECTOR			
	At the beginning of the year equity etc.	636090	8.42	636090	8.42
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NO CHANGE DURING THE YEAR			
	At the end of the year	636090	8.42	636090	8.42
2	SAMIR HANSKUMAR MANKAD	CEO & WHOLE-TIME DIRECTOR			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL





3	SHAISHAV RAKESHKUMAR SHAH	WHOLE-TIME DIRECTOR			
	At the beginning of the year equity etc.	487270	6.45	487270	6.45
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat)	NO CHANGE DURING THE YEAR			
	At the end of the year	487270	6.45	487270	6.45
4	RAJI SHAISHAV SHAH	WHOLE-TIME DIRECTOR			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL
5	SANDIP ASHWINBHAI PARIKH	DIRECTOR (INDEPENDENT)			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL
6	*BHALABHAI CHHOTABHAI PATEL (Ceased to be Director w.e.f.12.02.2019)	DIRECTOR (INDEPENDENT)			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL
7	*MAHESWAR SAHU (Ceased to be Director w.e.f. 18.06.2019)	DIRECTOR (INDEPENDENT)			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL
8	*NATWARLAL PATEL (Appointed as Director w.e.f. 29.03.2019)	DIRECTOR (INDEPENDENT)			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL
9	CHINTANKUMAR PATEL (Resigned w.e.f.28.09.2018)	WHOLE-TIME COMPANY SECRETARY			
	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)	NO CHANGE DURING THE YEAR			
	At the end of the year	NIL	NIL	NIL	NIL





10	DARSHIL SHAH (Appointed w.e.f.29.10.2018)	WHOLE-TIME COMPANY SECRETARY			
	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)	NO CHANGE DURING THE YEAR			
	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 ₹)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	123427355	13059150	--	136486505
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	123427355	13059150	--	136486505
Change in Indebtedness during the financial year				
Addition	--	--	--	--
Reduction	55869245	13059150	--	68928395
Net Change	--	--	--	--
Indebtedness at the end of the financial year				
i) Principal Amount	--	--	--	--
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	67558110	Nil	--	67558110

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(A) Remuneration to Managing Director, Whole-Time Directors and/or Manager :-

		Name of MD/WT/ Manager				(Amount in ₹)
Sl. No.	Particulars of Remuneration	RAKESH SHAH	SAMIR MANKAD	SHAISHAV SHAH	RAJI SHAH	Total Amount
		CMD	WTD	WTD	WTD	
1	Gross Salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,00,000/-	38,38,800/-	22,85,016/-	17,08,680/-	1,14,32,496
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--	--
2	Stock Option	--	--	--	--	--
3	Sweat Equity	--	--	--	--	--
4	Commission					
	- as % Profit	--	--	--	--	--
	- Other, specify	--	--	--	--	--
5	Others, please specify	--	--	--	--	--
	Total (A)	36,00,000/-	38,38,800/-	22,85,016/-	17,08,680/-	1,14,32,496/-
	Ceiling as per the Act	Within the limits specified under Schedule V of the Companies Act, 2013.				



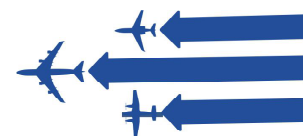
(B) Remuneration to other Directors:-

(Amount in ₹)						
Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
(1)	Independent Directors	SANDIP PARIKH	MAHESWAR SAHU	NATWARLAL PATEL	BHALABHAI PATEL	
	- Fee for attending board / committee meetings	52,500/-	52,500/-			1,05,000/-
	- Commission	--	--	--	--	
	- Others, please specify	--	--	--	--	
	Total (1)	52,500/-	52,500/-	-	-	1,05,000/-
(2)	Other Non-Executive Directors					
	- Fee for attending board / committee meetings	--	--	--	--	--
	- Commission	--	--	--	--	--
	- Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B) = (1)+(2)	52,500/-	52,500/-	-	-	1,05,000/-
	Total Managerial Remuneration					1,15,37,496/-
	Ceiling as per the Act	Within the limits specified under Schedule V of the Companies Act, 2013.				

(C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD:-

(Amount in ₹)						
Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		CEO	*Company Secretary	**Company Secretary	CFO	
1	Gross Salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	1,89,600/-	1,55,789	--	3,45,389/-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--	--
2	Stock Option	--	--	--	--	--
3	Sweat Equity	--	--	--	--	--
4	Commission			--		
	- as % Profit	--	--	--	--	--
	- Other, specify	--	--	--	--	--
5	Others, please specify	--	--	--	--	--
	Total (A)	--	1,89,600/-	1,55,789/-	--	3,45,389/-

* Resigned w.e.f. 28.09.2018 ** Appointed w.e.f. 29.10.2018



VII PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:

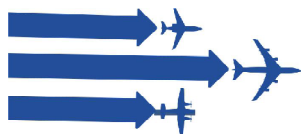
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give details)
A.COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B.DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					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

For and on behalf of the Board of Directors,

Place: Ahmedabad
Date: 23rd August, 2019

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920





ANNEXURE - C

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:** None of the transactions with related parties fall in this category.
- 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 or transactions including the value, if any	Date(s) of approval by the Board, if any.	Amount paid as advances, if any.
Priti R. Shah (Relative of Directors)	Lease/Rent Agreement	As per Agreement	₹ 26.55	As per Note Below	As per Note Below
Shaishav R. Shah (Whole-Time Director)	Lease/Rent Agreement	As per Agreement	₹ 3.26	As per Note Below	As per Note Below

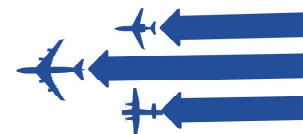
Note: Above mentioned transaction are done at arm's length price and at prevailing market rate. Appropriate approvals whenever required have been taken for related party transactions. No amount was paid as advance.

For and on behalf of the Board of Directors,

Place: Ahmedabad
Date: 23rd August, 2019

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920





ANNEXURE - D

Particulars of Loans and Guarantees

Amount outstanding as at 31st March, 2019

	₹ in Lacs
Particulars	Amount
Loans given	511.28
Guarantee given	Nil

Loan and Guarantee made during the Financial Year 2018-19

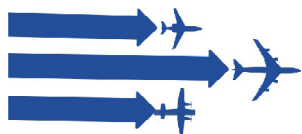
₹ in Lacs				
Name of Entity	Relation	Amount	Particulars	Purpose
GSEC Green Energy Private Limited	WOS	139.62	Loan	Business
GSEC Logistics Limited	WOS	371.66	Loan	Business

For and on behalf of the Board of Directors,

Place: Ahmedabad
Date: 23rd August, 2019

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920





Annexure-E

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2019

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

To,
The Members,
GSEC LIMITED
CIN- U52100GJ1965PLC001347
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, 2019 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:

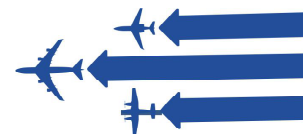
We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- 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- Not Applicable;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (Not Applicable as the shares of the Company are not listed on any Stock Exchange)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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;
 - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:

- i. Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Listing Agreements entered into by the Company with the Stock Exchanges. (Not Applicable as the shares of the Company are not listed on any Stock Exchange)





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

We further report that:

During the audit period under review there were no specific laws which were exclusively applicable to the Company/ Industry. However having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company being engaged in the Air cargo activities and Trading activities:

1. Foreign Trade Policy
2. Major Port Trusts Act, 1963
3. The Airports Economic Regulatory Authority of India Act, 2008

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 well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors / Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members' on any of the matters during the year that were required to be captured and recorded as part of the minutes.

We further report that:

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meeting, 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 general laws, rules, regulations and guidelines.

We further report that:

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.

We further report that :

During the Audit period under review there were no instances of:

- a) Public issue / Right issue of Shares / Debentures / Sweat Equity etc;
- b) Redemption / Buy – Back of Securities;
- c) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- d) Merger / amalgamation / Reconstruction etc;
- e) Foreign Technical Collaboration.

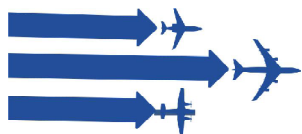
**For Umesh Parikh & Associates
Company Secretaries**

**Umesh G. Parikh
Practicing Company Secretary
(Proprietor)
FCS No.: 4152 C. P. No.: 2413**

**Place: Ahmedabad
Date: August 21, 2019**

Note: This report is to be read with our letter of even date which is annexed as **Annexure - A** and forms an integral part of this report.





Annexure A

To,
The Members,
GSEC LIMITED
CIN- U52100GJ1965PLC001347

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

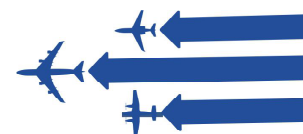
1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the 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 reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of various procedures on test check basis.
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.

For Umesh Parikh & Associates
Company Secretaries

Umesh G. Parikh
Practicing Company Secretary
(Proprietor)
FCS No.: 4152 C. P. No.: 2413

Place: Ahmedabad
Date: August 21, 2019





ANNEXURE - F

**Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo
(Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the
Companies (Accounts) Rules, 2014).**

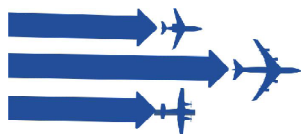
(A) Conservation of energy:		
(i)	the steps taken or impact on conservation of energy;	In order to conserve resources, the Company has taken measures and applied control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage 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) Technology absorption:		
(i)	the efforts made towards technology absorption;	There is no technology absorption and Company has not incurred any Research and development expenditure.
	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.
	the details of technology imported;	N.A.
	the year of import	N.A.
	whether the technology been fully absorbed	N.A.
	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.
(C) Foreign Exchange Earning and Outgo:		
(i)	Foreign Exchange Earning	During the year under review, earnings in Foreign Currency amounted to Nil (Previous year ₹ Nil)
(ii)	Foreign Exchange Outgo	During the year under review, outgo in Foreign Currency amounted to ₹ 2616.04 Lacs. (Previous year ₹ Nil)

For and on behalf of the Board of Directors,

Place: Ahmedabad
Date: 23rd August, 2019

RAKESH SHAH
Chairman & Managing Director
DIN: 00421920





ANNEXURE - G

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.

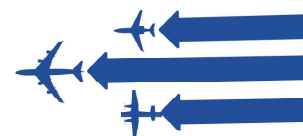
I. DEFINITIONS:

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.

II. 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.

III. 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 –

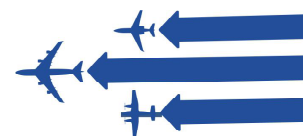
The Company shall issue an appointment letter to every KMP and SMP. The remuneration components payable to KMP/ SMP may be:

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.

IV 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.

V AMENDMENT:

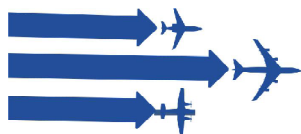
Based on the recommendation of the Committee, the Board reserves its right to amend or modify this Policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of the Companies Act, 2013 and rules made thereunder as may be applicable.

For and on behalf of the Board of Directors,

**Place: Ahmedabad
Date: 23rd August, 2019**

**RAKESH SHAH
Chairman & Managing Director
DIN: 00421920**





CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies whose shares are listed on any Stock Exchange in India are required to attach the Corporate Governance Report in its Annual Report. 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 Regulation 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a good corporate practice.

1 COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate governance reflects Company's culture, policies, relationship with its stakeholders, its commitment to values and its ethical business conduct. At GSEC Limited ("the Company"), it is our firm conviction that good corporate governance emerges from the application of best management practices and compliance with the laws coupled with integrity, transparency, accountability and business ethics and hence we follow fair, transparent and ethical governance processes and practices embedded into the culture of our organisation and the GSECGroup, which ensures that the interest of all the stakeholders are considered in a balanced and transparent manner.

2 BOARD OF DIRECTORS:

Composition:-

The Company has a fundamentally strong Board with an optimum mix of Executive and Non- Executive Directors including a Woman Director.

The Board consists of eminent individuals with considerable professional expertise and experience in finance, legal, commercial, strategy and planning, business administration and other related fields, who not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board. The Board's roles, functions, responsibilities and accountability are clearly defined. The day to day management of the Company is entrusted with the Senior Management Personnel of the Company and is headed by the Chairman and Managing Director who are functioning under the overall supervision, direction and control of the Board.

As on 31st March, 2019, the Board of Directors comprised of 7 (Seven) Directors including One Executive Chairman cum Managing Director, Three Whole-time Directors and Three Non-Executive Independent Directors. The Board of Directors believes that its current composition is appropriate to maintain independence of the Board of Directors and separate its functions of governance and management. The composition of the Board during the year under review was in conformity with the provisions of the Companies Act, 2013 and as amended from time to time (the 'Act') and the Listing Regulations.

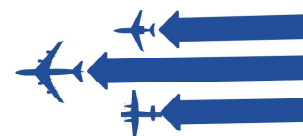
Board Meetings:-

The Board of Directors meets at least four times in a year with a maximum time gap of not more than one hundred & twenty days between two consecutive meetings. Additional meetings of the Board of Directors are held as and when deemed necessary by the Board of Directors. Board Meetings are generally held at the Registered Office of the Company.

During the year under review, the Board of Directors met 6 (six) times (1) 27.04.2018, (2) 21.06.2018, (3) 28.08.2018, (4) 28.09.2018 (5) 06.12.2018 and (6) 29.03.2019. The necessary quorum was present at all the meetings.

The names and category of Directors on the Board, their attendance at the Board Meetings held during the year and also at the last Annual General Meeting 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	Executive Director (Chairman & Managing Director)	6/6	Yes	6
2	Shri Samir Mankad	Executive Director (CEO & Whole-Time Director)	6/6	Yes	2
3	Shri Shaishav Shah	Executive Director (Whole-Time Director)	6/6	Yes	6



4	Smt. Raji Shah	Executive Director (Whole-Time Director)	4/6	No	5
5	Shri Chinubhai Shah Ceased w.e.f 06.06.2018	Non-Executive Independent Director	1/1	N.A.	N.A.
6	Shri Bhalabhai Patel Ceases w.e.f 12.02.2019	Non-Executive Independent Director	1/5	No	N.A.
7	Shri Natwarlal Patel Appointed w.e.f.29.03.2019	Non-Executive Independent Director	N.A.	N.A.	5
8	Shri Sandip Parikh	Non-Executive Independent Director	4/6	Yes	4
9	Shri Maheswar Sahu Ceased w.e.f 18.06.2019	Non-Executive Independent Director	5/6	No	15

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

The tenure of the Independent Directors of the Company is within the time limit prescribed under the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs in this regards from time to time. No Director of the Company is a member in more than ten committees or acts as Chairman of more than five committees across all companies in which he/she is a Director.

Disclosure of relationships between director's inter-se:-

Shri Rakesh Shah, Chairman and Managing Director is father of Shri Shaishav Shah, Whole-Time Director and father in law of Smt. Raji Shah Whole-Time Director of the company.

Shri Shaishav Shah Whole-Time Director is spouse of Smt. Raji Shah, Whole-Time Director.

3 AUDIT COMMITTEE:

Composition & Members of the Committee:-

Your Company has an Audit Committee at the Board level, which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors. The Audit Committee of the Company comprised of three members as on March 31, 2019.

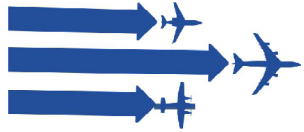
During the year, Two Committee Meetings were held on 28.08.2018 and 29.03.2019.

Constitution of the audit committee and attendance details during the financial year ended March 31, 2019 are given below:

Sr. No.	Name of the Director / Member	Category	Meetings and attendance during the year
1	Shri Sandip Parikh	Non-Executive Independent Director (Chairman of the Committee)	2/2
2	Shri Maheshwar Sahu (ceased w.e.f. 18.06.2019)	Non-Executive Independent Director	2/2
3	*Shri Bhalabhai Patel	Non-Executive Independent Director	0/1
4	Shri Samir Mankad	Executive Whole-time Director	2/2
5	Shri Natwarlal Patel (Appointed w.e.f. 29.03.2019)	Non-Executive Independent Director	0/0

* Ceased as on 12.02.2019





Brief description of Terms of Reference:

- (i) oversee the financial reporting process
- (ii) recommend the appointment/re-appointment of auditors
- (iii) decide the audit fees, discuss the nature and scope of audit and ascertain area of concern,
- (iv) review the annual and quarterly financial statements
- (v) review the changes in accounting policies etc
- (vi) review the adequacy of internal audit functions and discuss with them significant findings,
- (vii) review the disclosure of related party transactions,
- (viii) Compliance relating to financial statements etc.
- (ix) Scrutiny of Intercorporate Loan and Investment.

4 NOMINATION AND REMUNERATION COMMITTEE

Composition & Members of the Committee:-

The Nomination and Remuneration Committee of the Company comprise of three members as on March 31, 2019, the composition of which is furnished hereunder:

During the year, Three Committee Meetings were held on 27.04.2018, 06.12.2018 and 29.03.2019.

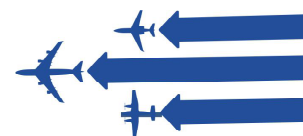
Sr. No.	Name of the Director / Member	Category	Meetings and attendance during the year
1	Shri Chinubhai Shah (Ceased to be chairman and member w.e.f. 06.06.2018)	Non-Executive Independent Director	0/1
2	Shri Sandip Parikh (Chairman of the Committee w.e.f. 06.12.2018)	Non-Executive Independent Director	3/3
3	Shri Bhalabhai Patel Ceased as on 12.02.2019	Non-Executive Independent Director	1/2
4	Shri Maheswar Sahu (ceased w.e.f. 18.06.2019)	Non-Executive Independent Director	2/3
5	Shri Natwarlal Patel Appointed w.e.f. 29 th March, 2019	Non-Executive Independent Director	N.A.

The terms of reference of the Nomination and Remuneration Committee are as outlined in the Companies Act, 2013 which inter alia includes following:

- 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.

Performance Evaluation of Independent Directors:

The Performance of the Independent Director is evaluated based on the criteria such as his knowledge, experience, integrity, expertise in any area, number of Board/ Committee meetings attended, time devoted to the Company, his participation in the Board/ Committee meetings etc. The Performance evaluation of the Independent Directors was carried out by the Board and while evaluating the performance of the Independent Directors, the Director who was subject to the evaluation did not participate.



Details of remuneration paid to the executive directors for the year ended 31.03.2019 are as below:

Name	Position held During the period	Total Remuneration including perks and benefits (₹ in Lacs)
Shri Rakesh R. Shah	Chairman & Managing Director	36.00
Shri Samir H. Mankad	CEO & Whole-time Director	38.38
Shri Shaishav R. Shah	Whole-time Director	22.85
Smt. Raji S. Shah	Whole-time Director	17.09

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

Name of Director	Sitting fees paid (In ₹)	No. of Shares held
Shri Chinubhai Shah (Ceased w.e.f. 06.06.2018)	--	Nil
Shri Sandip Parikh	52,500/-	Nil
Shri Maheswar Sahu	52,500/-	Nil
*Shri Natwarlal Patel Appointed w.e.f. 29.03.2019	--	Nil
Shri Bhalabhai Patel ceased as on 12.02.2019	--	Nil

A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board/Committee attended by him, for which such sum is payable which is within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Besides above, the Company does not pay any other commission or remuneration to its Non-Executive Directors.

The Company did not have any other pecuniary relationship or transactions with the Non-Executive Directors during the period under review.

INDEPENDENT DIRECTORS:

As per the provisions of the Schedule IV of the Companies Act, 2013 the Independent Directors of the Company shall hold at least one meeting in the year without attendance of the Non-Independent Directors. The Independent Directors at their meeting held on 29th March, 2019 has reviewed the performance of the Non-Independent Directors (Including the Chairperson) and assessed the quality, quantity and timeliness of the flow of information between the Company and the Management.

The Independent Directors were satisfied with the performance of the Executive Directors of the Company and with the flow of information between the Company and the Management.

5 SHARE TRANSFER AND GRIEVANCES COMMITTEE

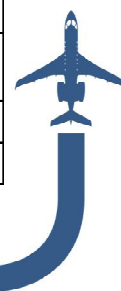
Composition & Members of the Committee:-

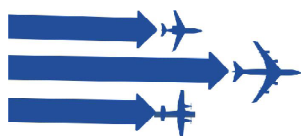
The Board of Directors of the Company has constituted Share Transfer and Grievances Committee which looks in to the matters relating to transfer of shares and other related matter.

The Share Transfer and Grievances Committee of the Company comprised of three members as on March 31, 2019 the composition of which is furnished hereunder.

During the year, Two Committee Meetings were held on 20.04.2018 and 20.10.2018.

Sr. No.	Name of the Director / Member	Category	Meetings and attendance during the year
1	Shri Chinubhai Shah (Ceased to be chairman and member w.e.f. 06.06.2018)	Non-Executive Independent Director	0/1
2	Shri Sandip Parikh (Chairman of the Committee w.e.f. 20.10.2018)	Non-Executive Independent Director	1/1
3	Shri Rakesh Shah	Executive Managing Director	2/2
4	Shri Samir Mankad	Executive Whole-Time Director	2/2





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.

No complaints have been received during the year under review.

6 GENERAL BODY MEETINGS:

Annual General Meetings:-

Date, Time and venue of the General Meetings held during the last 3 years.

Financial year ended	Date	Time	Venue
31.03.2018	28.09.2018	11.00 a.m.	Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009
31.03.2017	28.09.2017	11:30 a.m.	Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009
31.03.2016	29.09.2016	11:30 a.m.	Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009

Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of the AGM	Subject Matter of the Special Resolution
28.09.2018	No Special Resolution was passed.
28.09.2017	No Special Resolution was passed.
29.09.2016	Re-appointment of Mr. Rakesh R. Shah as a Chairman and Managing Director of the Company

Extra Ordinary General Meeting(s):- No Extra-ordinary General meeting of the members of the Company were held during the year under review.

Postal Ballot:- During the year under review, no approval of the Members was sought through postal ballot. None of the business proposed to be transacted at the ensuing AGM requires passing of special resolution through Postal Ballot.

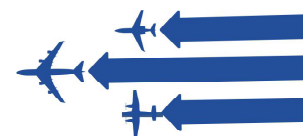
7 DISCLOSURES:

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.





8 GENERAL SHAREHOLDER INFORMATION:

Date, time and venue of AGM	Thursday, 26 th September, 2019, at 11.00 a.m. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries Building, Ahmedabad - 380 009
Record Date	26 th day of September, 2019.
Listing on Stock Exchanges	N.A.
Listing Fees	N.A.
ISIN NO.	INE825P01010
Stock Exchange's Script Code	N.A.
Dividend Payment Date	Within 30 days of AGM

9 DEMATERIALIZATION OF SHARES, REGISTRAR & TRANSFER AGENT & SHARE TRANSFER SYSTEM:

(a) Registrar and Share Transfer Agent:-

Name: M/s. Bigshare Services Private Limited
 Address: A/802 Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink Cross Road, Off C G Road, Ahmedabad-380009.
 Contact Details: Phone: 079 - 40024135
 E mail: bssahd@bigshareonline.com

(b) Share Transfer System:-

Transfer of shares in physical form has been delegated by the Board to the Registrar and Share Transfer Agent, to facilitate speedy service to the shareholders. Shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within 20 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. It may be noted that vide MCA Notification dated 10.09.2018, transfer of shares in physical mode has been stopped w.e.f. 02.10.2018.

(c) 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 15 days.

10 INVESTORS CORRESPONDENCE:

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

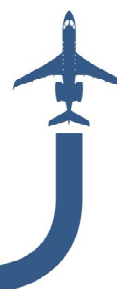
Registered Office : GSEC Limited, 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380 009. Phone: 079 - 26575757, 079 - 26585757 Fax: 079-26584040 E Mail: info@gsecl.co.in	Registrar and Share Transfer Agent: Bigshare Services Private Limited A/802 Samudra Complex, Near Klassic Gold Hotel , Grish Cold Drink Cross Road, Off C G Road, Ahmedabad - 380009. Phone: 079 - 40024135 E Mail: bssahd@bigshareonline.com
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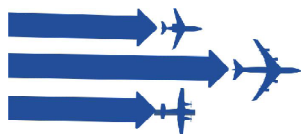
Complaints/grievances may also be addressed to - cs@gsecl.co.in

Place: Ahmedabad
 Date: 23rd August, 2019

For and on behalf of the Board of Directors,

RAKESH SHAH
 Chairman & Managing Director
 DIN: 00421920





INDEPENDENT AUDITOR'S REPORT

To the Members of GSEC Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GSEC Limited ('the Company'), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

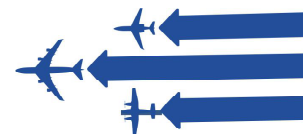
Management's Responsibility for the Standalone Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.





Auditor's Responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

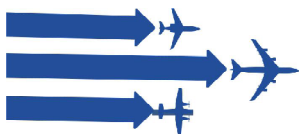
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;





- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone 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 as on 31 March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) As detailed in Note 25(iv) of the notes to the standalone financial statements, the Company has disclosed the impact of pending litigation on its financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BJS & Associates
Chartered Accountants
Firm Registration Number:113268W

CA BIPIN SHAH
Partner
Membership number: 10712

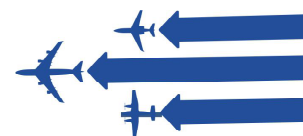
Place: Ahmedabad
Date: 23.08.2019

ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management, in our opinion, is reasonable looking to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the Management during the year at reasonable interval. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted secured or unsecured loans to companies, limited liability partnership or other parties.
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.





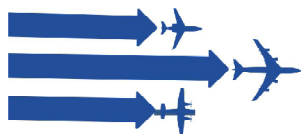
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and guarantees and security provided by it.
- (v) The Company has not accepted any deposits from the public within meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder to the extent notified.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, GST, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.
- (b) According to the records of the Company and information and explanation given to us, following statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (₹ In Lakhs)
Customs Act, 1962	Custom Duty	Appellate Authority up to Commissioner Level	2011-12	310.26
VAT Tax Act, Gujarat	Value Added Tax	Tribunal	2007-08 and 2008-09	862.39
The Commissioner of Central Tax Audit	Service Tax on order cancellation	The Commissioner of Central Tax Audit Office, Ahmedabad	Oct, 13 to June, 2017	21.75
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 amount of ₹ 32,070/- to the Investor Education and Protection Fund in accordance with the provisions of Companies Act, 1956 during the year.

- (viii) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institutions or bank or Government during the year. The Company has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term Loans have been applied for the purpose for which they were obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.





- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares, fully or partially convertible debentures during the year under review. Accordingly the provisions of paragraph 3(xiv) of the order are not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of 3(xvi) of the Order are not applicable.

For BJS & Associates
Chartered Accountants
Firm Registration Number:113268W

CA BIPIN SHAH
Partner
Membership number: 10712

Place: Ahmedabad
Date: 23.08.2019

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of GSEC Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

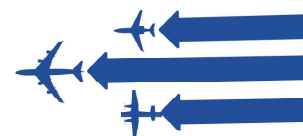
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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





Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

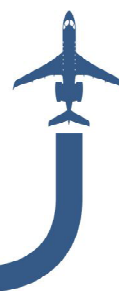
Opinion

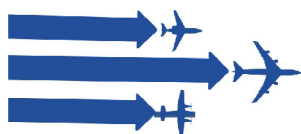
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria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

For BJS & Associates
Chartered Accountants
Firm Registration Number: 113268W

CA BIPIN SHAH
Partner
Membership number: 10712

Place: Ahmedabad
Date: 23.08.2019





BALANCE SHEET AS AT 31ST MARCH,2019

(₹ in Lakhs)

Particulars	Notes	31st March,2019	31st March,2018
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	755.00	755.00
(b) Reserves and Surplus	2	2,450.56	2,232.03
2 Non-current liabilities			
(a) Long-Term Borrowings	3	115.00	201.54
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities	4	-	9.27
3 Current liabilities			
(a) Short-Term Borrowings	5	473.48	1,024.49
(b) Trade Payables	6	1,067.98	2,633.83
(c) Other Current Liabilities	7	519.25	671.77
(d) Short-Term Provisions	8	88.32	81.13
TOTAL		5,469.59	7,609.06
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	1,857.74	1,676.92
(b) Non-Current Investments	10	284.29	256.04
(c) Deferred Tax Assets (Net)		88.95	90.18
(d) Long-Term Loans and Advances	11	331.06	324.28
2 Current Assets			
(a) Current Investments	12	5.00	5.00
(b) Inventories	13	27.57	22.37
(c) Trade Receivables	14	1,080.69	3,483.33
(d) Cash and Bank Balance	15	501.82	673.54
(e) Short-Term Loans and Advances	16	1,290.19	1,068.52
(f) Other Current Assets	17	2.29	8.88
TOTAL		5,469.59	7,609.06
Significant Accounting Policies			
The accompanying notes are integral parts of the Financial Statements			

AS PER OUR ATTACHED REPORT OF EVEN DATE

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

For and on behalf of Board of Directors of
GSEC Limited

CA BIPIN SHAH
Partner
Membership No. 10712

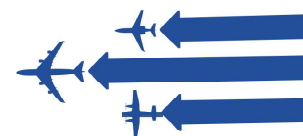
RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
Whole Time Director
DIN : 00421878

DARSHIL SHAH
Company Secretary
M. No. A37483

DATE : 23.08.2019
PLACE : AHMEDABAD

DATE : 23.08.2019
PLACE : AHMEDABAD



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Notes	2018-19	2017-18
I. Revenue From Operations			
Sale of Traded Goods (Gross)		34719.91	34142.04
Less : Excise Duty		0.00	0.00
Sale of Trading Goods (Net)		34719.91	34142.04
Sale of Services		3497.30	3573.38
Other Operating Revenues	18	90.16	273.60
II. Other Income	19	223.43	368.26
III. Total Revenue	(I+II)	38530.80	38357.28
IV. Expenses:			
Purchase of Traded Goods		34694.91	34307.15
Changes in Inventories of Stock-in Trade	20	(5.20)	(12.35)
Employee Benefits Expense	21	488.64	410.99
Finance Costs	22	251.70	233.55
Depreciation and Amortization Expense		248.49	279.79
Other Expenses	23	2458.87	2595.21
Total Expenses		38137.41	37814.34
V. Profit Before Exceptional Items And Tax	(III-IV)	393.39	542.94
VI. Exceptional Items		0.00	0.00
VII. Profit Before Tax	(V - VI)	393.39	542.94
VIII. Tax Expense:			
(1) Current Tax		119.50	143.60
(2) Deferred Tax		1.23	(10.12)
(3) Tax Adjustment of Earlier Years		8.62	0.15
IX. Profit for the Year	(VII-VIII)	264.04	409.31
X. Earnings Per Equity Share (in ₹)		3.50	5.42
Significant Accounting Policies			
The Accompanying Notes are Integral Parts of the Financial Statements			

AS PER OUR ATTACHED REPORT OF EVEN DATE
For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

For and on behalf of Board of Directors of
GSEC Limited

CA BIPIN SHAH
Partner
Membership No. 10712

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

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DATE : 23.08.2019
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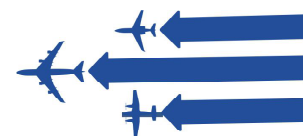
DATE : 23.08.2019
PLACE : AHMEDABAD



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	384.77	542.79
Adjustments For:		
Depreciation	248.49	279.79
Interest Paid	251.70	267.88
Interest received	(44.68)	(72.53)
Dividend Received	(1.15)	(3.40)
Misc.Dr./Cr. Written off	0.03	121.90
Operating Profit before working capital changes	839.15	1,136.43
Movements in working capital		
Adjustment for Decrease (Increase) in operating assets		
Decrease in Inventories	(5.20)	(12.35)
(Increase) in Trade and other Receivables	2,402.64	(2,747.64)
(Increase) in Short Term Loans and Advances	(221.67)	(18.09)
Decrease in other Current Assets	6.56	7.50
(Increase) in Current Investment	-	-
(Decrease) in Short Borrowings	(551.01)	(315.12)
(Decrease) in Trade Payables	(1,565.85)	1,795.42
(Decrease) in other Current Liabilities	(160.07)	326.67
(Decrease) in Short Term Provisions	0.62	(85.68)
Net Cash Flow from Operating Activities before tax and Exceptional Items (A)	(93.97)	(1,049.30)
Taxes Paid	(113.00)	(109.55)
Net cash generated from operating activities	632.19	(22.41)
Exceptional Items		
Net cash generated from operating activities	632.19	(22.41)
CASH FLOW FROM INVESTING ACTIVITIES:		
Increase in Margin Money	152.98	89.02
Purchase of Fixed Assets	(429.31)	(328.37)
Interest received	44.68	72.53
Dividend Received on Investments	1.15	3.40
Purchase of Investments (Net)	(28.25)	47.85
Redemption of mutual Fund	-	250.00
(Increase) in Long Term Loans and Advances	(6.78)	(115.66)
Decrease in Fixed Deposit		
	(265.53)	18.76



(₹ in Lakhs)

Particulars	For the Year ended 31st March,2019	For the Year ended 31st March,2018
CASH FLOW FROM FINANCING ACTIVITIES:		
Other Long Term Borrowings (Net)	(95.81)	11.39
Decrease in unclaimed Dividend	(0.32)	
Interest paid	(251.70)	(267.88)
Dividend Paid	(37.57)	
Net cash flow from financing activities	(385.40)	(256.49)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(18.74)	(260.15)
Cash and cash equivalents at the beginning of the year	93.28	353.43
Cash and cash equivalents at the end of the year	74.54	93.28

AS PER OUR ATTACHED REPORT OF EVEN DATE
For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

For and on behalf of Board of Directors of
GSEC Limited

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NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2019

Note 1 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10 each	1,00,30,000	1,003.00	1,00,30,000	1,003.00
Issued				
Equity Shares of Rs.10 each	75,50,000	755.00	75,50,000	755.00
Subscribed & fully Paid up				
Equity Shares of Rs.10 each	75,50,000	755.00	75,50,000	755.00
Total	75,50,000	755.00	75,50,000	755.00

1.1 33,00,000 No. of Equity shares out of the total 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:

Particulars	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	75,50,000	755.00	75,50,000.00	755.00
Shares Issued during the year	0.00	0.00	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Any other movement (please specify)	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	75,50,000	755.00	75,50,000.00	755.00

1.3 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

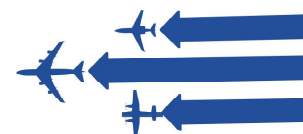
1.4 Out of Equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	Nature of Relationship	As at 31st March, 2019	As at 31st March, 2018
Equity Shares Komal Infotech Private Ltd.	Holding Company	47,83,910	47,83,910

1.5 Details of Shareholders holding more than 5% shares

Name of Shareholder	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Komal Infotech Private Ltd.	47,83,910	63.36	47,83,910	63.36
Priti R. Shah	14,47,670	19.17	14,47,670	19.17
Rakesh R. Shah	6,36,090	8.42	6,36,090	8.42
Shaishav R. Shah	4,87,270	6.45	4,87,270	6.45

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



Note 2 Reserves & Surplus

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
a. Securities Premium Account		
As per Last Balance Sheet	337.00	337.00
b. General Reserves		
As per Last Balance Sheet	168.23	168.23
c. Surplus/Deficit in statement of Profit and Loss		
As per Last Balance Sheet	1,726.80	1,362.93
Add : Profit For the Year	264.04	409.31
Less: Proposed Dividend	37.75	37.75
Less:Tax on Proposed Dividend	7.76	7.69
	1,945.33	1,726.80
Total	2,450.56	2,232.03

Note 3 Long-term Borrowings

(₹ in Lakhs)

Particulars	Non-Current		Current Maturities	
	As at 31 st March, 2019	As at 31 st March, 2018	As at 31 st March, 2019	As at 31 st March, 2018
Secured Loans				
Term loans				
Rupee Loan				
- From Others	115.00	201.54	86.54	241.34
(All above Vehicle loans are secured against Hypothecation of Vehicles)				
	115.00	201.54	86.54	241.34
Amount disclosed under the head *Other Current Liabilities (Refer Note - 7)	0.00	0.00	86.54	241.34
Total	115.00	201.54	86.54	241.34

The Vehicle loans carries rate of interest ranging from 9.45% to 13.00% p.a.

Note 4 Other Long Term Liabilities

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Payable		
Due to Others	0.00	9.27
Total	0.00	9.27



Note 5 Short-Term Borrowings**(₹ in Lakhs)**

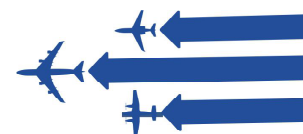
Particulars	As at 31 st March, 2019	As at 31 st March, 2018
a) Secured Loans		
Working capital facilities from State Bank of India	474.05	650.72
Working capital facilities from DCB Bank Limited. (Secured against hypothecation of entire Stocks/ Receivables & other Current Assets of the Company (both present and future on pari passu basis with the Banks & Personal Guarantee of Directors & their relatives)	(0.57)	243.18
	473.48	893.90
b) Unsecured Loans		
(i) Loans from Related Parties		
Komal Infotech Pvt Ltd	-	98.95
	-	98.95
(ii) Deposits		
Director's Deposit	-	31.64
	-	130.59
Total	473.48	1,024.49

Note 6 Trade Payables**(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Payables - For Expenses	331.51	296.05
Others - For Purchases	736.48	2337.78
Total	1,067.98	2,633.83

Note 7 Other Current Liabilities**(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Current maturities of long-term debt (Refer Note-3)	86.54	241.34
(b) Unclaimed dividends	9.63	2.08
(c) Statutory Dues Payables	129.48	112.81
(d) Trade/Security Deposit	102.79	120.48
(e) Advance from Customers	163.08	172.34
(f) Provision for bonus	22.08	20.76
(g) Other Liabilities	5.65	1.96
Total	519.25	671.77



Note 8 Short-term Provisions

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Provision for Employee Benefits*		
Gratuity (Funded)	0.34	1.80
Leave Encashment (Unfunded)	14.07	14.07
Total	14.41	15.87
(b) Other Provision		
Proposed Dividend	37.75	37.75
Tax on Proposed Dividend	7.76	7.69
Others	28.39	19.82
Total	73.90	65.26
Total	88.32	81.13

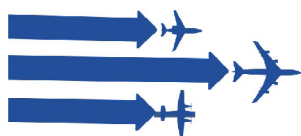
* Long Term and Short Term classification is done based on actuarial valuation certificate.

Note 9 Fixed Assets

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2018	Additions/ (Disposals)	Deductions/ Adjustments	Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation charge for the year - Approx.	On disposals	Balance as at March 31, 2019	Balance as at March 31, 2019	Balance as at March 31, 2018
a. Tangible Assets										
Land - Freehold	20.93	0.00	0.00	20.93	0.00	0.00	0.00	0.00	20.93	20.93
Buildings	1,223.93	315.51	0.00	1,539.44	286.05	46.33	0.00	332.38	1,207.06	937.88
Plant and Equipment	460.65	2.25	0.00	462.90	195.57	57.71	0.00	253.28	209.62	265.08
Furniture and Fixtures	409.73	26.96	0.00	436.69	284.38	33.86	0.00	318.24	118.45	125.35
Vehicles	603.96	-	-	603.96	383.80	65.68	0.00	449.48	154.48	220.16
Office Equipment	517.97	62.76	0.00	580.73	439.95	32.17	0.00	472.12	108.61	78.02
Computers	139.28	18.70	0.00	157.98	122.27	7.63	0.00	129.90	28.08	17.01
A.C Machines & Plant	63.93	3.13	0.00	67.06	51.44	5.11	0.00	56.55	10.51	12.49
Total	3,440.38	429.31	-	3,869.69	1,763.46	248.49	-	2,011.95	1,857.74	1,676.92
Previous Year	3,112.01	328.37	-	3,440.38	1,483.67	279.79	-	1,763.46	1,676.92	1,628.34



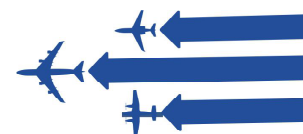


Note 10 Non-Current Investments

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Investments (Valued At Cost)		
Unquoted Investments:		
Non Traded Unquoted, fully paid-up		
In Wholly Owned Subsidiaries		
50000 Equity Shares of GSEC Logistics Limited of Rs. 10 each (P.Y. 50000 Shares of Rs. 10 Each)	5.00	5.00
10000 GSEC Green Energy Private Limited of Rs. 10 each (P.Y. 10000 Shares of Rs. 10 Each)	1.00	1.00
	6.00	6.00
Traded Quoted Investments:		
73925 Equity Shares fully paid up of Re. 1 each of Adani Enterprises Limited (P.Y. 23925 Shares of Re. 1 Each)	76.80	107.17
44490 Equity Shares fully paid up of Rs. 10 each of Adani Power Limited (P.Y. 44490 Shares of Rs. 10 Each)	26.42	26.42
56256 Equity Shares fully paid up of Rs. 10 each of Adani Green Energy Limited (P.Y. 0 Shares)	23.83	-
73925 Equity Shares fully paid up of Rs. 1 each of Adani Gas Limited (P.Y. 0 Shares)	6.54	-
1000 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
6670 Equity Shares fully paid up of Rs. 10/- each of Tata Steel Limited (P.Y. 6670 Shares of Rs. 10 each)	29.50	29.50
10000 Equity Shares fully paid up of Rs. 2/- each of AXIS Bank Limited (P.Y. 10000 Shares of Rs. 2 Each)	40.36	40.36
50000 Equity Shares fully paid up of Re.1/- each of Infibeam Avenue Limited (P.Y. 25000 Shares of Re. 1 Each)	32.00	0.00
100000 Equity Shares fully paid up of Re.1/- each of Neela Infrastructure Limited (P.Y. 100000 Shares of Re. 1 Each)	11.72	11.72
100000 Equity Shares fully paid up of Re.1/- each of Neela Spaces Limited Limited (P.Y. 0 Shares)	-	
250 Equity Shares fully paid up of Rs. 10 each of GNFC Limited (P.Y. 250 Shares of Rs. 10 Each)	0.05	0.05
100 Equity Shares fully paid up of Rs. 10 each of PAN India Corporation Limited (P.Y. 1000 Shares of Rs. 10 Each)	0.01	0.01
5 Equity Shares fully paid up of Re. 1 each of Pentamedia Graphic Limited (P.Y. 5 Shares of Re. 1 Each)	0.00	0.00
13700 Equity Shares fully paid up of Re. 1 each of Enrich Industries Limited (P.Y. 13700 Shares of Re. 1 Each)	0.69	0.69
UNQUOTED INVESTMENTS		
667 Equity Shares of GITCO OF Rs.100 each (P.Y. 667 Shares of Rs. 100 each)	0.67	0.67
Investments in Government Securities-Unquoted		
7 Years National Savings Certificates (Deposited with Mamlatdar Gandhidham)	0.10	0.10
7 Years National Savings Certificates (Deposited with Governor of Karwar)	-	-
Nil Equity Shares of Kalupur Commercial Co.Op. Bank Limited of Rs. 25/- each (P.Y. 15000 Shares of Rs. 25 Each)	-	3.75
	252.57	224.32
INVESTMENT IN PROPERTY		
BLOCK D - SILVER ARC APARTMENT	25.72	25.72
Total	284.29	256.04
Aggregate amount of Unquoted Investments	6.67	6.67
Aggregate amount of Quoted Investments (Market Value)	404.93	244.55





Note 11 Long Term Loans & Advances (Unsecured, Considered Good)

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Capital Advance	41.00	41.00
Deposit and Balance with Government Authorities	3.81	3.81
Deposit with Others	18.03	19.17
Advance Income Tax (Net of Provisions)	8.61	12.74
Other Loans and Advances	259.61	247.56
Total	331.06	324.28

Advance income tax and provisions for taxation have been disclosed on net basis where a legal right to set off exists and the Company intends to settle the assets and liability on a net basis.

Note 12 Current Investments

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Investment in Mutual Fund		
SBI DUEL ADVANTAGE FUND - SERIES XIX	5.00	5.00
Total	5.00	5.00

Note 13 Inventories

(At Cost or net Realisable Value whichever is lower)

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Traded Goods	27.57	22.37
Total	27.57	22.37

Note 14 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Unsecured- Considered good		
Outstanding for period exceeding six months	302.03	132.25
Other Receivables	778.66	3,351.08
	1,080.69	3,483.33
Unsecured, considered doubtful		
Outstanding for period exceeding six months	0.00	0.00
Other Receivables	0.00	0.00
	0.00	0.00
Less: Provision for doubtful debts	0.00	0.00
Total	1,080.69	3,483.33



Note 15 Cash & Bank Balance**(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(I) Cash & Cash Equivalents		
Cash On Hand	4.68	5.20
Balances with Banks		
- In Current Accounts	69.86	88.08
(II) Other Bank Balance		
- In Fixed Deposit Accounts as Margin Money against Bank Guarantee (Maturity more than 3 Months but less than 12 Months)	417.65	578.19
-Unpaid Dividend Accounts	9.63	2.07
Total	501.82	673.54

**Note 16 Short-term Loans and Advances
(Unsecured and Considered Good)****(₹ in Lakhs)**

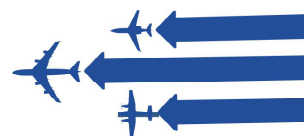
Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Loans and Advances to Related Parties	511.28	518.67
Loans to Employees	5.77	9.47
Prepaid Expenses	22.86	35.08
Balances with Government Authorities		
GST Credit Receivable	26.30	9.27
Sales Tax Credit Receivable	25.00	25.00
Other Loans and Advances	698.98	471.03
Total	1290.19	1068.52

**Note 17 Other Current Assets
(Unsecured and Considered Good)****(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Interest accrued but Not Due	2.29	8.27
Investment in Silver Coins	0.00	0.61
Total	2.29	8.88

Note 18 Other Operating Revenues**(₹ in Lakhs)**

Particulars	2018-19	2017-18
Consultancy income	0.00	252.00
Discount Income	52.13	21.60
Ground Handling Income	25.98	0.00
Management Fees	12.06	0.00
Total	90.16	273.60


Note 19 Other Income
(₹ in Lakhs)

Particulars	2018-19	2017-18
Interest Income		
- Interest on Others	44.68	38.19
- Interest on I.T. Refund	2.66	7.23
Other non-operating income :		
Dividend Income From Non- Current	1.15	3.40
Profit on Sale of Mutual Fund	86.02	55.43
Profit on sale of Shares	0.00	221.44
Foreign Exchange Difference	-25.87	0.26
Bad Debts Recover Account	7.15	3.25
Excess Provision for Earlier Year	4.89	11.18
Misc. Income	38.96	25.29
Rate Difference	59.04	0.57
Other Income	2.74	0.00
Rent Income	2.00	2.02
Total	223.43	368.26

Note 20 Change in Inventories of Finished Goods
(₹ in Lakhs)

Particulars	2018-19	2017-18
Inventories (at close)		
Finished goods / Stock in trade	27.57	22.37
Inventories(at commencement)		
Finished goods / Stock in trade	22.37	10.02
Total	(5.20)	(12.35)

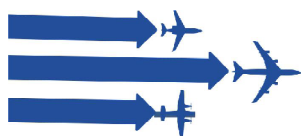
Note 21 Employee Benefits
(₹ in Lakhs)

Particulars	2018-19	2017-18
(a) Salaries and incentives	317.26	266.85
(b) Remuneration to Directors	114.32	97.15
(c) Contributions to -		
(i) Provident and other fund(ii) Superannuation scheme	16.28	12.84
(ii) Gratuity fund	11.21	-
(d) Staff welfare expenses	29.57	34.15
Total	488.64	410.99

Note 22 Finance Cost
(₹ in Lakhs)

Particulars	2018-19	2017-18
Interest Expense	136.90	126.99
Bank Charges	41.88	3.01
Other Borrowing Costs	72.92	103.55
Total	251.70	233.55



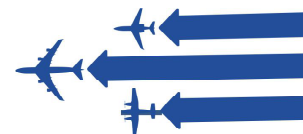


Note 23 Other Expenses

(₹ in Lakhs)

Particulars	2018-19	2017-18
Rent and License Fees	309.74	294.10
Land Lease Rent for Guest House	8.60	8.01
Rates and Taxes	3.61	3.15
Insurance	46.05	12.89
Employer/Employee Insurance	167.20	171.74
Electricity	64.41	59.79
Stationery and Printing	6.24	10.44
Postage and Telephone	13.74	15.40
Repair & Maintenance Charges		
- Building	256.98	478.92
- Others	236.11	5.30
Auditors Remuneration:		
- Audit Fee	0.85	0.85
- Tax Audit Fee	0.15	0.15
Professional Fees and Legal Expenses	79.69	42.84
Detention Charges	-	132.17
Vehicle & Conveyance Expenses	25.89	25.93
Advertisement & Publicity Expenses	8.92	11.33
Travelling Expenses	150.05	135.10
Guest House Expenses	13.68	15.29
Miscellaneous Expenses	58.77	83.34
Penalty	1.08	0.00
Director fees & travelling	1.17	1.90
Sales Promotion	126.33	188.63
Security Expenses	57.99	55.15
Royalty	643.76	536.36
Packing Materials	88.50	10.38
Donation	8.50	12.34
Bad Debts Written Off	0.03	41.62
Misc. Dr/Cr/Written off	-	12.31
Commission and Agency Commssion	-	0.73
Cargo Handling Expenses	46.73	46.91
Prior Period Expenses	-	1.67
Rate Difference Expenses	-	112.50
Advances Written Off	0.00	67.97
Deputation Charges to Custom Department	34.07	0.00
Total	2,455.90	2,595.21





NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

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 has a custodian of Air Cargo Complexes at Ahmedabad and it operates the Air Cargo complex under an Operations and Maintenance Arrangement at Indore, Raipur and Visakhapatnam. The Company also deals in various other products/commodities including but not limited to Bitumen, Chemicals, Petcoke, Furnace Oil, Petroleum Products etc.

NOTE – 24: NOTES FORMING PART OF ACCOUNTS

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 Profit & Loss Account.

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.

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 investment are carried at the lower of cost and Quoted / Fair value.

6. Inventories:

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

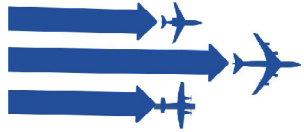
7. Sales:

Revenue from Sale of Products is recognized on dispatch or appropriation of goods in accordance with the terms of sales and its exclusive of GST (Goods and Service 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 loss so determined and also the realized exchange gains/losses are recognized in the Profit & Loss Account.

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.

25. OTHER NOTES FORMING PART OF ACCOUNTS:

(i) Details of Payments to Auditor

(Amount Rs. In Lakhs)

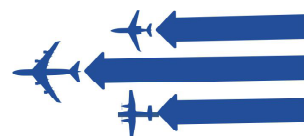
Particulars	2018-19	2017-18	2016-17
a. auditor	0.85	0.85	1.01
b. for taxation matters	0.15	0.15	-
c. Certification	0.08	-	-
Total	1.08	1.00	1.01

(ii) Salaries and wages of Rs. 114.32 Lakhs (Previous Year Rs 97.15 Lakhs) being the remuneration to Chairman and 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. 61.86 Lakhs (Previous Year Rs. 61.86 Lakhs)
- Bank Guarantee issued to Customs Department – Ahmedabad of Rs. 2974 Lakhs (Previous Year Rs. 2974 Lakhs)
- Higher demand of Rs. 34.76 Lakhs 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 Lakhs in 2013-14 under protest.
- 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 Lakhs. 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 Lakhs 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 Lakhs under protest.



- f. The Commissioner of Central Tax Audit has conducted the Service Tax audit for the period from Oct. 2013 to June, 2017 has raised a demand for Rs. 21.75 Lakhs being Service Tax payable on compensation of Rs. 150 Lakhs received from Kiri Industries Limited for order cancellation in 2016-17. The Company has not accepted the liability as according to the Company the compensation received is for the loss which company has incurred in not fulfilling its obligation of executing all the orders in time by Kiri Industries Limited.
- g. AAI Air Cargo Logistics & Allied Services Company Limited – Raipur Airport has raised the bills for total demand of Rs. 94.47 Lakhs as Roayalty for the period from 01.08.2017 TO 30.06.2018 Which the Company has not accepted the liability due to wrongly adopting the gestation period for the raising the bills. However, the Company has paid the same amount under protest in May, 2019.

(vi) **Disclosures pursuant to Accounting Standard (AS) 15 (Revised) Employees Benefits:**

Defined Benefits Plans as per Actuarial Valuation on March 31, 2019.

(Amount Rs. in Lakhs)

Sr. No.	Particulars	Gratuity	
		31.03.2019	31.03.2018
(1)	The amounts recognized in the Balance Sheet as at the end of the year		
	Present Value of Funded Obligation	(42.59)	(53.13)
	Fair Value of Plan Assets	42.25	51.33
	Present Value of Unfunded Obligation	-	-
	Net(Assets)/liability	0.34	(1.80)
(2)	The amounts recognized in Profit and Loss Account for the year		
	Current Service Cost		
	Interest Cost	4.11	5.79
	Expected Return on Plan Assets	0.14	0.41
	Actuarial (Gains)/Losses		
	Past Service Cost	0.97	(11.97)
	Total Expenses	5.22	(0.55)
(3)	The Changes in Obligations during the year		
	Present value of Defined benefit Obligation at the beginning of the year	53.12	51.90
	Current Service Cost	4.11	5.79
	Interest Cost	4.16	3.78
	Actuarial (Gains)/Losses	0.55	(12.04)
	Benefit Payments	(19.36)	(1.53)
	Past Service Cost	-	5.22
	Present value of Defined Benefit Obligation at the end of the year	42.59	53.12
(4)	The changes in Plan Assets during the year		
	Plan Assets at the beginning of the year	51.33	46.34
	Actuarial gains and (losses)	(0.42)	(0.07)
	Contribution by Employer	6.68	2.37
	Actual Benefit Paid	(19.36)	(0.69)
	Plan assets at the end of the year	42.25	51.33
	Actual return on Plan Assets	4.02	3.38
Sr. No.	Particulars	Gratuity (Funded)	
(5)	Actuarial Assumption :	7.83%	
	Discount Rate	-	
	Turnover Rate	7%	
	Mortality	58 Years	
	Salary Escalation Rate		
	Retirement age		



(vii) 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. Name of Related Parties & Description of Relationship with whom Transactions were made during the year.

Name of Related Party	Relationship
Komal Infotech Pvt. Ltd.	Holding Company
GSEC Logistics Ltd	Subsidiary Company
GSEC Green Energy Pvt. Limited	Subsidiary Company
GSEC Aviation Limited	Sister Company
GSEC Monarch and Deccan Aviation Pvt. Ltd.	Sister Company
Kalpavruksha Estate and Finance Pvt. Ltd.	Sister Company
Vishwa Imports LLP	Sister Company
Priti R. Shah	Relative of Director
Key Management Personnel	(i) Rakesh R. Shah (ii) Shaishav R. Shah (iii) Samir H. Mankad (iv) Raji Shah (v) Darshil Shah

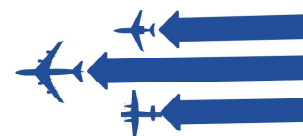
B. Nature and Volume of Transactions with Related Parties (Excluding Reimbursement)

(Amount in Rs. In Lakhs)

Nature of Transaction	Holding Company	Subsidiary Company		Sister Company	Sister Company	Relative of Director	Key Management Personnel			
	Komal Infotech Pvt. Limited	GSEC Logistics Ltd	GSEC Green Energy Pvt. Limited	GSEC Aviation Limited	Kalpavruksha Estate and Finance Pvt.	Priti R. Shah	Rakesh R. Shah	Shaishav R. Shah	Samir H. Mankad	Raji S. Shah
Rent Paid	0	0	0	0	0	24.96	0	3.26	0	0
Interest Paid	2.21	0	0	0	41.58	0	13.73	3.97	0	0
Interest Received	0	0	0	17.35	0	0	0	0	0	0
Remuneration	0	0	0	0	0	0	36.00	22.85	38.38	17.09
Outstanding as on 31.03.2019	0	371.66	139.62	610.03	0	0	0	0	0	0
Loan Taken	59.21	0	0	0	3498.00	0	1071.00	597.50	0	0
Loan Granted	0	1.77	2.83	474.94	0	0	0	0	0	0
Loan Repaid	160.16	0	0	0	3515.78	0	1106.44	609.63	0	0
Loan Repaid by	0	4.50	7.50	183.62	0	0	0	0	0	0

(₹ in Lakhs)

Particulars	2018-19	2017-18
Expenses charged in the financial Statement but allowable for tax purpose when paid in future years		
Depreciation	(1.78)	8.20
Gratuity & Leave Encashment	0.11	0.39
Bonus Provision	0.44	1.53
Others	0.00	0.00
Net deferred Tax Assets/(Liability)	(1.23)	10.12



The tax impact for the above purpose has been arrived by applying a tax Rate of 33.38% 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 (EPS):**

Particulars	2018-19	2017-18
Net profit/(Loss) after Tax	264.04	409.31
Number of Equity Share	7550000	7550000
Nominal Value of Equity Share	10.00	10.00
Basic & Diluted Earning Per Share (In Rs.)	3.50	5.42

(x) Other information required in terms of Clause 5 (viii) of Part-II of Schedule III to the Companies Act, 2013.

(Rs. in Lakhs)

Particulars	2018-19	2017-18
a. C.I.F. value of imports of:		
Trading Goods	2616.04	-
Spare parts		
Capital Goods	-	-
d. Expenditure in Foreign Currency: on Foreign Travel	49.97	63.56
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 (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 lakhs of Rupees. Hence, the differences in total and sub-total of some items are inevitable.

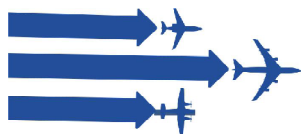
(xii) Previous year's figures have been regrouped/reclassified whenever necessary to correspond with the current year's classification/disclosure.

26. Dividend Declaration for the year 2018-19

The Board has recommended dividend of ₹ 0.50/- Paisa Per Equity share of ₹ 10/- each i.e. 5 % (P.Y. ₹ 0.50/- Paisa per Equity share i.e. 5%) for the year ended 31st March, 2019 subject to the approval of the shareholders at the Annual General Meeting.

In pursuance to amended Companies (Accounting Standards) Rules, 2016 effective financial year 2018-19 and revised Accounting Standard-4 on "Contingencies and Events occurring after Balance Sheet Date", the proposed dividend of ₹ 37.75 Lakhs and taxes of ₹ 7.69 Lakhs thereon are not recognized as liability in the annual accounts of the financial year ending March, 31 2019.





27. 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, 2019

Financial information about the primary business segment for the year ended 31st March , 2019

(Amount Rs. In Lakhs)						
	Cargo Handling Service		Trading & other Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
A. Revenue						
Services/Sales Revenue	3523.28	3573.38	34784.09	34415.64	38307.37	37989.02
Intersegment Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	3523.28	3573.38	34784.09	34415.64	38307.37	37989.02
B. Result						
Segment Result Profit/Loss	2379.07	2542.63	94.38	120.84	2473.45	2663.47
Other Income excluding Interest Income					176.09	330.07
Other Unallocable Expenses					2051.79	2255.24
Operating Profit					597.75	738.30
Interest Income					47.34	38.19
Interest Expenses					251.70	233.55
Profit Before Tax					393.39	542.94
Provision For Income Tax (including Deferred Tax)					129.35	133.63
Net Profit					264.04	409.31
C. Other Information						
Capital Employed						
Segment Assets	2383.49	2487.89	2796.81	4860.13	5180.30	7348.02
Segment Liabilities	486.75	395.23	1303.80	2548.59	1790.55	2943.82
Other Unallocable Corporate Assets and Liabilities	0.00	0.00			-184.19	-1417.17
Total Capital Employed					3205.56	2987.03
Capital Assets/Expenditure including Capital Work-in-Progress incurred during the Year	423.08	242.61	6.23	85.76	429.31	328.37
Other Unallocable Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00
Total	423.08	242.61	6.23	85.76	429.31	328.37
D. Segment Depreciation	190.71	200.28	57.78	79.51	248.49	279.79
E. Non Cash Expenses other than Depreciation	0.00	0.00	0.03	41.62	0.03	41.62

AS PER OUR ATTACHED REPORT OF EVEN DATE

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

For and on behalf of Board of Directors of
GSEC Limited

CA BIPIN SHAH
Partner
Membership No. 10712

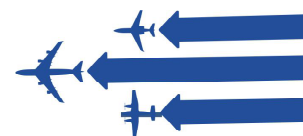
RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
Whole Time Director
DIN : 00421878

DARSHIL SHAH
Company Secretary
M. No. A37483

DATE : 23.08.2019
PLACE : AHMEDABAD

DATE : 23.08.2019
PLACE : AHMEDABAD



INDEPENDENT AUDITOR'S REPORT

To The Members of GSEC Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of GSEC Limited ('the holding Company'), and its subsidiaries (together referred to as 'The Group') which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31 March 2019 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Information other than the financial statements and auditors' report thereon

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

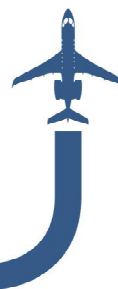
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

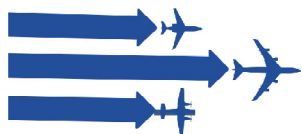
Management's Responsibility for the Consolidated Financial Statements

The Holding Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these consolidated financial statements 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 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Group's financial reporting process.





Auditor's Responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

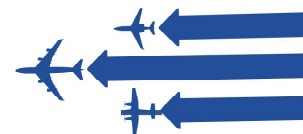
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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





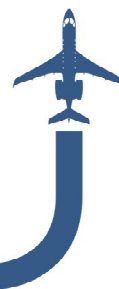
2. As required by Section 143 (3) of the Act, we report that:

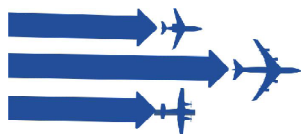
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the consolidated balance sheet, the consolidated statement of profit and loss and the 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 as on 31 March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) As detailed in Note 25(iv) of the notes to the Consolidated financial statements, the Company has disclosed the impact of pending litigation on its financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For BJS & Associates
Chartered Accountants
Firm Registration Number:113268W

CA BIPIN SHAH
Partner
Membership number: 10712

Place: Ahmedabad
Date: 23.08.2019





ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of GSEC Limited ('the holding Company'), and its subsidiaries (together referred to as 'The Group') as of 31 March 2019 in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Companies' management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

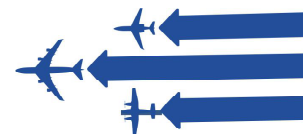
Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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





Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

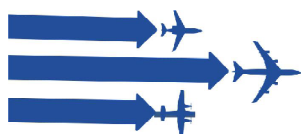
In our opinion, the Respective Companies has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BJS & Associates
Chartered Accountants
Firm Registration Number:113268W

CA BIPIN SHAH
Partner
Membership number: 10712

Place: Ahmedabad
Date: 23.08.2019





BALANCE SHEET AS AT 31ST MARCH,2019

(₹ in Lakhs)

Particulars	Notes	31st March,2019	31st March,2018
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	755.00	755.00
(b) Reserves and Surplus	2	2,359.09	2,149.32
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term Borrowings	3	258.93	489.99
(b) Deferred Tax Liabilities (Net)		-	
(c) Other Long term Liabilities	4	0	9.27
(d) Long-Term Provisions		-	-
4 Current liabilities			
(a) Short-Term Borrowings	5	556.36	1,481.75
(b) Trade Payables	6	1,067.98	2,633.82
(c) Other Current Liabilities	7	531.57	684.09
(d) Short-Term Provisions	8	88.34	81.13
		-	
TOTAL		5,617.26	8,284.38
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets			
(i) Tangible Assets	9	2,359.58	2,187.13
(ii) Intangible Assets			
(iii) Capital Work-in-Progress			
(iv) Intangible Assets Under Development			
(b) Non-Current Investments	10	278.29	250.19
(c) Deferred Tax Assets (Net)		88.96	90.19
(d) Long-Term Loans and Advances	11	351.47	344.33
(e) Other Non-Current Assets		-	-
2 Current assets			
(a) Current Investments	12	5.00	5.00
(b) Inventories	13	27.57	22.37
(c) Trade Receivables	14	1,207.14	3,617.17
(d) Cash and Cash Equivalents	15	504.87	680.25
(e) Short-Term Loans and Advances	16	791.04	1,077.80
(f) Other Current Assets	17	3.34	9.93
TOTAL		5,617.26	8,284.38
Significant Accounting Policies & Notes on Financial Statements	24		

AS PER OUR ATTACHED REPORT OF EVEN DATE

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

For and on behalf of Board of Directors of
GSEC Limited

CA BIPIN SHAH
Partner
Membership No. 10712

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

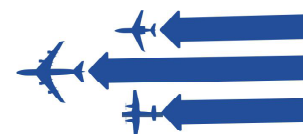
SAMIR MANKAD
Whole Time Director
DIN : 00421878

DARSHIL SHAH
Company Secretary
M. No. A37483

DATE : 23.08.2019
PLACE : AHMEDABAD

DATE : 23.08.2019
PLACE : AHMEDABAD





PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Notes	2018-19	2017-18
I. Revenue From Operations			
Sale of Trading Goods		34,719.91	34,142.04
Sale of Services		3,497.30	3,573.38
Other Operating Revenues	18	38.04	252.00
<u>Less:</u>		-	
Excise duty		-	
II. Other Income	19	281.41	449.34
III. Total Revenue (I + II)		38,536.66	38,416.76
IV. Expenses:			
Cost of Trading Goods Sold		34,694.91	34,307.14
Changes in Inventories of Stock-in Trade	20	-5.20	-12.35
Employee Benefits Expense	21	488.64	411.00
Finance Costs	22	251.74	267.90
Depreciation and Amortization Expense		256.85	290.93
Other expenses	23	2,465.05	2,596.02
Total expenses		38,152.00	37,860.63
V. Profit before exceptional and extraordinary items and tax (III-IV)		384.67	556.14
VI. Exceptional items			
VII. Profit before extraordinary items and tax (V - VI)		384.67	556.14
VIII. Extraordinary Items			
IX. Profit before tax (VII- VIII)		384.67	556.14
X Tax expense:			
(1) Current tax		119.52	143.60
(2) Deferred tax		1.23	-10.12
(3) Short Provision For Last Years		8.62	1.06
XI Profit (Loss) for the period from continuing operations (IX-X)		255.30	421.60
XII Profit/(loss) from discontinuing operations			
XIV Profit/(loss) from Discontinuing operations (After tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		255.30	421.60
XVI Earnings per equity share (in Rs.) :		3.38	5.58

AS PER OUR ATTACHED REPORT OF EVEN DATE

For BJS & Associates

Chartered Accountants

Firm Registration No. 113268W

For and on behalf of Board of Directors of

GSEC Limited

CA BIPIN SHAH

Partner

Membership No. 10712

RAKESH SHAH

Chairman & Managing Director

DIN:00421920

SAMIR MANKAD

Whole Time Director

DIN : 00421878

DARSHIL SHAH

Company Secretary

M. No. A37483

DATE : 23.08.2019

PLACE : AHMEDABAD

DATE : 23.08.2019

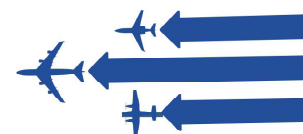
PLACE : AHMEDABAD



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	For the Year ended 31st March, 2019	For the Year ended 31st March, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	376.04	412.39
Adjustments For:		
Depreciation	256.86	290.93
Interest Paid	251.70	267.89
Interest received	(44.68)	(72.54)
(Profit)/Loss on Sale of Investments	0.00	0.00
Excess Provision for earlier year	(0.02)	0.00
(Profit)/Loss on Sale of Fixed Assets	0.00	(13.46)
Dividend Received	(1.15)	(3.40)
Rent Income	0.00	0.00
Profit on redemption of Mutual fund	(5.78)	0.00
Interest on IT refund	0.03	0.00
Misc.Dr./Cr. Written off	832.99	121.90
Operating Profit before working capital changes	1665.99	1003.70
Movements in working capital		
Adjustment for Decrease (Increase) in operating assets		
Decrease in Inventories	(5.20)	(12.35)
(Increase) in Trade and other Receivables	2410.03	(2752.48)
(Increase) in Short Term Loans and Advances	(224.87)	(17.77)
Decrease in other Current Assets	6.56	7.50
(Decrease) in Short Term Borrowings	0.00	(314.40)
Increase in Trade Payables	(553.74)	1783.93
(Decrease) in other Current Liabilities	(1565.85)	334.11
Increase in Short Term Provisions	(160.07)	57.80
(Decrease) in Short Borrowings	0.69	0.00
Net Cash Flow from Operating Activities before tax and Exceptional Items (A)	(92.45)	(913.67)
Taxes Paid	(113.00)	(110.47)
Net cash generated from operating activities before exceptional items	1460.54	(20.44)
Exceptional Items	0.00	0.00
Net cash generated from operating activities	1460.54	(20.44)



(₹ in Lakhs)

Particulars	For the Year ended 31st March,2019	For the Year ended 31st March,2018
CASH FLOW FROM INVESTING ACTIVITIES:		
Increase in Margin Money	152.98	89.02
Purchase of Fixed Assets	(429.31)	(328.37)
Reduction due to sale of subsidiary	0.00	0.00
Sale Proceeds of Fixed Assets	0.00	60.00
Interest received	44.68	72.54
Dividend Received on Investments	1.15	3.40
Purchase of Investments	(28.25)	47.85
Rent Received	0.00	0.00
Sale of Investments in subsidiary	0.00	0.00
Redemption of mutual Fund	(6.78)	250.00
Long Term Loans and Advances	0.00	(115.66)
Decrease in Fixed Deposit	5.78	0.00
Net cash flow from investing activities	(259.75)	78.77
CASH FLOW FROM FINANCING ACTIVITIES:		
Long term Borrowing (Net off repayment)	0.00	0.00
Addition/Repayment of Secured/Unsecured Loans (Net)	(4.91)	(58.08)
Other Long Term Loans and Advances	(95.81)	11.39
Decrease in unclaimed Dividend	(0.32)	0.00
Interest paid	(251.70)	(267.89)
Decrease in Minority interest on sale of subsidiary	0.00	0.00
Dividend Paid	(37.64)	
Net cash flow from financing activities	(390.37)	(314.58)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(22.41)	(256.25)
Cash and cash equivalents at the beginning of the year	100.00	356.25
Cash and cash equivalents at the end of the year	77.59	100.00

AS PER OUR ATTACHED REPORT OF EVEN DATE

For BJS & Associates

Chartered Accountants

Firm Registration No. 113268W

For and on behalf of Board of Directors of
GSEC Limited

CA BIPIN SHAH

Partner

Membership No. 10712

RAKESH SHAH

Chairman & Managing Director

DIN:00421920

SAMIR MANKAD

Whole Time Director

DIN : 00421878

DARSHIL SHAH

Company Secretary

M. No. A37483

DATE : 23.08.2019

PLACE : AHMEDABAD

DATE : 23.08.2019

PLACE : AHMEDABAD



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2019

Note 1 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10 each	1,00,30,000	1,003.00	1,00,30,000	1,003.00
Issued				
Equity Shares of Rs.10 each	75,50,000	755.00	75,50,000	755.00
Subscribed & fully Paid up				
Equity Shares of Rs.10 each	75,50,000	755.00	75,50,000	755.00
Total	75,50,000	755.00	75,50,000	755.00

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:

Particulars	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	75,50,000	755.00	75,50,000.00	755.00
Shares Issued during the year	0.00	0.00	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Any other movement (please specify)	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	75,50,000	755.00	75,50,000.00	755.00

1.3 Terms/rights attached to equity shares

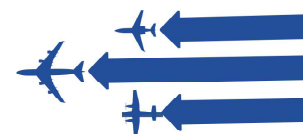
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts.

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, 2019	As at 31st March, 2018
Equity Shares	Holding	47,83,910	47,83,910
Komal Infotech Private Ltd.	Company		

1.5 Details of Shareholders holding more than 5% shares

Name of Shareholder	Equity Shares			
	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Komal Infotech Private Ltd.	47,83,910	63.36	47,83,910	63.36
Priti R. Shah	14,47,670	19.17	14,47,670	19.17
Rakesh R. Shah	6,36,090	8.42	6,36,090	8.42
Shaishav R. Shah	4,87,270	6.45	4,87,270	6.45



Note 2 Reserves & Surplus

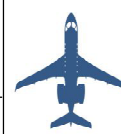
(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
a. Securities Premium Account		
Opening Balance	337.00	337.00
Add : Securities premium credited on Share issue		
Closing Balance	337.00	337.00
Capital Reserve	15.00	15.00
b. General Reserves	-	-
Opening Balance	-	-
(+) Current Year Transfer	168.23	168.23
(-) Amount Pursuant to Scheme of Amalgamation	-	-
[Refer Note No.24 (v)]	-	-
Closing Balance	183.23	183.00
c. Surplus/Deficit in statement of Profit and Loss	-	-
Opening balance	1,629.07	1,252.94
(+) Net Profit/(Net Loss) For the current year	255.29	421.59
(+) Transfer from Reserves	-	-
(-) Short Provision of income tax of earlier years	-	-
(-) Proposed Dividend	37.75	37.75
(-) Tax on Proposed Dividend	7.76	7.69
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	1,838.84	1,629.09
Total	2,359.07	2,149.32

Note 3 Long-term Borrowings

(₹ in Lakhs)

Particulars	Non-Current	
	As at 31 st March, 2019	As at 31 st March, 2018
Secured Loans		
Term loans		
Rupee Loan		
-From Banks		
-From Others	115.00	201.54
(All above loans are secured against Hypothecation of Motor cars)	-	-
Loan From Shaishav R Shah	143.93	144.17
Loan From GSEC Ltd	-	-
	258.93	345.70
Amount disclosed under the head *Other Current Liabilities (Note - 7)		
Total	258.93	345.70



Note 4 Other Long Term Liabilities**(₹ in Lakhs)**

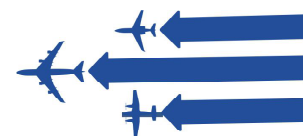
Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Payable		
Due to Others	9.27	-
Total	9.27	-

Note 5 Short-Term Borrowings**(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
a) Secured Loans		
Working capital facilities from State Bank of India	474.05	650.72
Working capital facilities from DCB Bank Limited.	(0.57)	243.18
Working capital facilities from UCO bank		
(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 & their relatives)		
	473.48	893.91
b) Unsecured Loans		
(i) Loans repayable on demand	82.87	-
	-	82.87
(ii) Loans from Related parties		
Komal Infotech Pvt Ltd	-	98.95
GSEC Aviation Ltd	-	
GSEC Ltd	-	374.39
KALPAVRUKSHA ESTATE AND FINANCE PVT. LTD.	-	-
Komal infrastructure Pvt. Ltd.	-	473.34
(iii) Deposits		
Director's Deposit	-	31.64
	-	587.85
Total	473.49	1,481.75

Note 6 Trade Payables**(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Payables - For Expenses	331.51	296.05
Others - For Purchases	736.48	2337.78
Total	1,067.98	2,633.82



Note 7 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Current maturities of long-term debt	86.54	241.34
(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	9.63	2.08
(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	-	-
(i) Other payables (specify nature)	-	-
a) Statutory Dues Payables	129.48	112.81
b) Trade/Security Deposit	112.79	130.48
c) Advance from Customers	164.40	173.66
d) Provision for Leave encashment	-	-
e) Provision for bonus	22.08	20.76
f) Other Liabilities	6.65	2.97
TOTAL	531.57	684.09

Note 8 Short-term Provisions

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Provision for Employee Benefits*		
Gratuity (Funded)	0.34	1.80
Leave Encashment (Unfunded)	14.07	14.08
Total	14.41	15.87
(b) Other Provision		
Proposed Dividend	37.75	37.75
Tax on Proposed Dividend	7.76	7.69
Others	28.41	19.82
Total	73.92	65.26
Total	88.34	81.13

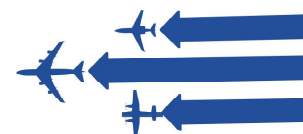


Note 9 Fixed Assets
(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2018	Additions/ (Disposals)	Deductions/ Adjustments	Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation charge for the year - Approx.	On disposals	Balance as at March 31, 2019	Balance as at March 31, 2019	Balance as at March 31, 2018
a. Tangible Assets										
Land - Freehold	20.93	0.00	0.00	20.93	0.00	0.00	0.00	0.00	20.93	20.93
Buildings	1,223.93	315.51	0.00	1,539.44	286.05	46.33	0.00	332.38	1,207.06	937.88
Plant and Equipment	460.65	2.25	0.00	462.90	195.57	57.71	0.00	253.28	209.62	265.08
Furniture and Fixtures	409.73	26.96	0.00	436.69	284.38	33.86	0.00	318.24	118.45	125.35
Vehicles	603.96	-	-	603.96	383.80	65.68	0.00	449.48	154.48	220.16
Office Equipment	517.97	62.76	0.00	580.73	439.95	32.17	0.00	472.12	108.61	78.02
Computers	139.28	18.70	0.00	157.98	122.27	7.63	0.00	129.90	28.08	17.01
A.C Machines & Plant	63.93	3.13	0.00	67.06	51.44	5.11	0.00	56.55	10.51	12.49
Total	3,440.38	429.31	-	3,869.69	1,763.46	248.49	-	2,011.95	1,857.74	1,676.92
Previous Year	3,112.01	328.37	-	3,440.38	1,483.67	279.79	-	1,763.46	1,676.92	1,628.34

Note 10 Non-Current Investments
(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Investments		
In Equity Shares of Subsidiary Companies-		
Unquoted, fully paid-up		
50,000 Equity Shares of GSEC Logistics Limited of Rs. 10 each (P.Y. 50,000 Shares)	-	-
95,625 Equity Shares of Komoline Aerospace Limited of Rs. 100 each (P.Y. 95625 Shares)	-	-
10,000 GSEC Green Energy Private Limited of Rs. 10 each (P.Y. 10000 Shares)	-	-
	-	-
Other Investments		
Investment in Equity Instruments		
QUOTED INVESTMENTS		
73,925 Equity Shares fully paid up of Re. 1 each of Adani Enterprises Limited (P.Y. 23,925 Shares of Re. 1 Each)	76.80	107.18
23,925 Equity Shares fully paid up of Re. 1 each of Adani Transmission Limited (P.Y. 23925 Shares of Rs. 10 each)	-	-
33,789 Equity Shares fully paid up of Re. 1 each of Adani Port Special Economic Zone Limited (P.Y. 33789 Shares of Rs. 2 each)	-	-
44,490 Equity Shares fully paid up of Re. 1 each of Adani Power Limited (P.Y. 44490 Shares of Rs. 10 each)	26.42	26.41
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
6,670 Equity Shares fully paid up of Rs. 10/- each of Tata Steel Limited (P.Y. 5,750 Shares of Rs. 10 each)	29.50	29.50
10,000 Equity Shares fully paid up of Rs. 2/- each of AXIS Bank Limited (P.Y. 10000 Shares)	40.36	40.36
10,000 Equity Shares fully paid up of Re.1/- each of State Bank of India Limited (P.Y. 10000 Shares)	-	-
25,000 Equity Shares fully paid up of Re.1/- each of Cadila Healthcare Limited (P.Y. 25000 Shares)	32.00	-



Particulars	As at 31 st March, 2019	As at 31 st March, 2018
1,00,000 Equity Shares fully paid up of Re.1/- each of Neela Infrastructure Limited (P.Y. 0 Shares)	11.72	11.72
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 Rs. 10 each of PAN India Corporation Limited (P.Y. 1000 Shares)	0.01	0.01
5 Equity Shares fully paid up of Re. 1 each of Pentamedia Graphic Limited (P.Y. 5 Shares)	-	0.00
13700 Equity Shares fully paid up of Re. 1 each of Enrich Industries Limited (P.Y. 13700 Shares)	0.69	0.69
56256 Equity Shares fully paid up of Rs. 10 each of Adani Green Energy Limited (P.Y. 0 Shares)	23.83	
73925 Equity Shares fully paid up of Rs. 1 each of Adani Gas Limited (P.Y. 0 Shares)	6.54	
UNQUOTED INVESTMENTS	-	0.15
667 Equity Shares of GITCO OF Rs.100 each (P.Y. 667 Shares)	0.67	0.67
15000 Equity Shares of Kalapur Commercial Co.Op. Bank Limited of Rs. 25/- each (P.Y. 15000 Shares)	-	3.75
Investments in Government Securities-Unquoted	-	
7 Years National Savings Certificates (Deposited with Mamlatdar Gandhidham)	0.10	0.10
7 Years National Savings Certificates (Deposited with Governor of Karwar)	-	-
	252.57	224.47
INVESTMENT IN PROPERTY		
BLOCK D - SILVER ARC APARTMENT	25.72	25.72
Total	278.29	250.19

Note 11 Long Term Loans & Advances (Unsecured, Considered Good)

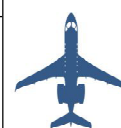
(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Capital Advance	60.16	60.16
Deposit and Balance with Government Authorities	3.81	3.81
Deposit with Others	18.90	20.04
Advance Income Tax (Net of Provisions)	8.98	12.74
Other Loans and Advances	259.61	247.58
Total	351.47	344.33

Note 12 Current Investments

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Investment in Mutual Fund		
PRINCIPAL MUTUAL FUND	-	-
SBI DUEL ADVANTAGE FUND - SERIES XIX	5.00	5.00
Total	5.00	5.00



Note 14 Trade Receivables**(₹ in Lakhs)**

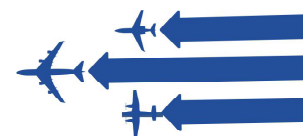
Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Unsecured- Considered good		
Outstanding for period exceeding six months	428.48	266.08
Other Receivables	778.66	3,351.09
	1,207.14	3,617.17
Unsecured, considered doubtful		
Outstanding for period exceeding six months	-	-
Other Receivables	-	-
Less: Provision for doubtful debts	-	-
Total	1,207.14	3,617.17

Note 15 Cash & Bank Balance**(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
a. Balances with banks		
- In Current Accounts	72.37	94.25
- In Fixed Deposit Accounts as Margin Money against Bank Guarantee	417.65	578.19
- Unpaid Dividend Accounts	9.63	2.07
b. Cash on hand	5.22	5.74
Total	504.86	680.25

**Note 16 Short-term Loans and Advances
(Unsecured and Considered Good)****(₹ in Lakhs)**

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Loan and advances to related parties		
Unsecured , considered good	511.28	518.68
Loans to Employees (Unsecured , considered good)	5.77	9.47
Prepaid Expenses (unsecured , considered good)	22.86	35.08
Balances with Statutory/Government Authorised (Unsecured , considered good)	-	-
CENVAT Credit Receivable	-	-
GST Credit Receivable	26.34	9.28
Service Tax Credit Receivable	-	-
Sales Tax Credit Receivable	25.00	25.00
Entry Tax	-	-
Inter Corporate deposits (unsecured , considered good) - METRO GLOBAL LTD.	-	-
	79.97	78.83



Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Other Loans and Advances (Unsecured , including advance to Suppliers)		
Unsecured , Considered Good	698.98	471.03
Doubtful	-	-
Provision for Doubtful Advances	-	-
	698.98	471.03
Advance Income Tax(Net of Provision)	12.09	9.28
Total	791.04	1,077.80

Note 17 Other Current Assets

(Unsecured and Considered Good)

(₹ in Lakhs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Interest accrued on FDR	2.29	8.27
Interest Accrued on VAT Deposit Green Energy		
Advance given to shilp Shree Associates	1.05	1.05
Investment in Silver Coins	-	0.61
Total	3.34	9.93

Note 18 Other Operating Revenues

(₹ in Lakhs)

Particulars	2018-19	2017-18
Auction Sale	-	
Commission Income	-	
Consultancy income	-	252.00
Ground Handling Income	25.98	
Management Fees	12.06	
Total	38.04	252.00



Note 19 Other Income**(₹ in Lakhs)**

Particulars	2018-19	2017-18
Interest Income	44.77	72.53
Interest on I.T. Refund	2.66	7.23
Entry Tax Refund - Karwar	-	-
Dividend Income	1.15	3.40
Income on Mutual Fund	86.02	55.43
Profit on Sale of Fixed Assets	-	13.46
Profit on sale of Shares	-	221.44
Foreign Exchange Difference	(25.87)	0.26
Bad Debts Recover Account	7.15	3.25
Excess Provision for Earlier Year	4.89	11.18
Duty Drawback	-	-
Misc. Income	38.96	25.29
Misc./Dr./Cr. Balance Written Back	-	11.69
Round Off	59.04	0.57
Kasar/Discount	52.13	21.60
Other Income	2.74	-
Rent Income	7.78	2.02
Total	281.41	449.34

Note 20 Change in Inventories of Finished Goods**(₹ in Lakhs)**

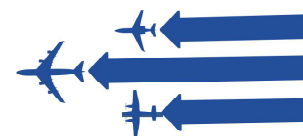
Particulars	2018-19	2017-18
Inventories (at close)		
Finished goods / Stock in trade	27.57	22.37
Inventories(at commencement)		
Finished goods / Stock in trade	22.37	10.02
Total	(5.20)	(12.35)

Note 21 Employee Benefits**(₹ in Lakhs)**

Particulars	2018-19	2017-18
(a) Salaries and incentives	317.26	266.85
(b) Remuneration to Directors	114.32	97.15
(c) Contributions to -		
(i) Provident and other fund(ii) Superannuation scheme	16.28	12.84
(ii) Gratuity fund	11.21	-
(d) Staff welfare expenses	29.57	34.15
Total	488.64	411.00

Note 22 Finance Cost**(₹ in Lakhs)**

Particulars	2018-19	2017-18
Interest Expense	136.90	161.33
Bank Charges	41.93	3.02
Other Borrowing Costs	72.92	103.55
Total	251.74	267.90



Note 23 Other Expenses

(₹ in Lakhs)

Particulars	2018-19	2017-18
Rent and License Fees	309.74	294.10
Land Lease Rent for Guest House	8.60	8.01
Rates and Taxes	3.61	3.16
Insurance	46.05	12.89
Employer/Employee Insurance	167.20	171.74
Electricity	64.41	59.92
Stationery and Printing	6.24	10.44
Postage and Telephone	13.74	15.40
Repairs and Maintenance & Renovation to Bldg	256.98	261.88
Auditors Remuneration	1.16	1.16
Fees and Legal Expenses	80.10	43.32
Vehicle Expenses	-	23.01
Detention Charges	-	132.17
Conveyance	25.89	2.91
Advertisement & Publicity Expenses	8.92	11.33
Travelling Expenses	150.05	135.13
Guest House Expenses	13.68	15.29
Miscellaneous Expenses	58.82	83.36
Director fees	1.17	1.90
Sales Promotion	126.33	188.63
Security Expenses	57.99	55.15
Royalty	643.76	536.36
Packing Materials	88.50	10.38
Donation	8.50	12.34
Bad Debts Written Off	0.03	41.62
Misc. Dr/Cr. Written off	-	12.32
Computer Repairing Expenses & Hardware Expenses	233.14	5.30
Commission	-	0.73
Deputation Charges to Custom Department	34.07	-
Cargo Handling Expenses/Ground Handling	46.73	263.95
Prior Period Expenses	-	1.67
Discount/Rate Difference Expenses	-	112.50
Advances Written off	-	67.96
Revenue Tax	5.56	
Penalty	1.08	
Total	2,462.08	2,596.02



NOTE: 24 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:

- 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"
- 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.
- 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.
- 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.
- 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.
- Gains /Losses arising on the direct sale by the company of its investments in subsidiaries or associated companies to third parties are transferred to consolidated statements of profit and loss. Such gains or losses are the difference between the sale proceeds and net carrying value of investments.
- 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. Surplus or deficits arising on sale of company's own shares held by its subsidiaries along with the tax thereon is taken to capital reserve.

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.

NOTE: 25 OTHER NOTES FORMING PART OF ACCOUNTS:

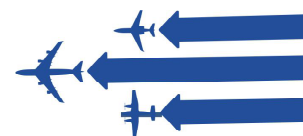
(i) Details of Payments to Auditor

(Amount Rs. In Lakhs)

Particulars	2018-19	2017-18
a. auditor	0.85	1.00
b. for taxation matters	0.15	-
c. Certification (Included in Fees and Legal Expenses).	0.08	-
Total	1.08	1.00

(ii) Salaries and wages of ₹ 114.32 Lacs (Previous Year ₹ 97.15 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 ₹ 61.86 Lacs (Previous Year ₹ 61.86Lacs)
- Bank Guarantee issued to Customs Department – Ahmedabad of ₹ 2974 Lacs (Previous Year ₹ 2974 Lacs)
- Higher demand of ₹ 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 ₹ 35 Lacs in 2013-14 under protest.
- Demand raised in 2012-13 by Directorate of revenue intelligence for short payment of Custom Duty for Import of Bitumen at various ports of ₹ 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 ₹ 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 ₹ 25 Lacs under protest.
- The Commissioner of Central Tax Audit has conducted the Service Tax audit for the period from Oct. 2013 to June, 2017 has raised a demand for Rs. 21.75 Lakhs being Service Tax payable on compensation of Rs. 150 Lakhs received from Kiri Industries Limited for order cancellation in 2016-17. The Company has not accepted the liability as according to the Company the compensation received is for the loss which company has incurred in not fulfilling its obligation of executing all the orders in time by Kiri Industries Limited.
- AAI Air Cargo Logistics & Allied Services Company Limited – Raipur Airport has raised the bills for total demand of Rs. 94.47 Lakhs as Roayalty for the period from 01.08.2017 TO 30.06.2018 Which the Company has not accepted the liability due to wrongly adopting the gestation period for the raising the bills. However, the Company has paid the same amount under protest in May, 2019.

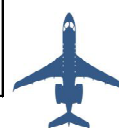
(v) **Disclosures pursuant to Accounting Standard (AS) 15 (Revised)**

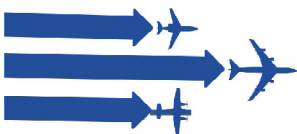
Employees Benefits:-

Defined Benefits Plans as per Actuarial Valuation on March 31, 2019

(Amount Rs. in Lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
(1)	The amounts recognized in the Balance Sheet as at the end of the year				
	Present Value of Funded Obligation	(42.59)	(53.13)	14.08	14.08
	Fair Value of Plan Assets	42.25	51.33	14.08	14.08
	Present Value of Unfunded Obligation	-	-		
	Net (Assets)/liability	0.34	(1.80)		
(2)	The amounts recognized in Profit and Loss Account for the year				
	Current Service Cost	4.11	5.79	1.65	1.65
	Interest Cost	0.14	0.41	0.94	0.94
	Expected Return on Plan Assets	0.97	(11.97)	(1.42)	(1.42)
	Actuarial (Gains)/Losses	5.22	5.22		
	Past Service Cost		(0.55)		
	Total Expenses				





(3)	The Changes in Obligations during the year				
	Present value of Defined benefit Obligation at the beginning of the year	53.12	51.90	12.91	12.91
	Current Service Cost	4.11	5.79	1.65	1.65
	Interest Cost	4.16	3.78	0.94	0.94
	Actuarial (Gains)/Losses	0.55	(12.04)	(1.42)	(1.42)
	Benefit Payments	(19.36)	(1.53)	0.00	0.00
	Past Service Cost	42.59	5.22	14.08	14.08
	Present value of Defined Benefit Obligation at the end of the year		53.12		
(4)	The changes in Plan Assets during the year				
	Plan Assets at the beginning of the year	51.33	46.34	NIL	NIL
	Actuarial gains and (losses)	(0.42)	(0.07)	NIL	NIL
	Contribution by Employer	6.68	2.37	NIL	NIL
	Actual Benefit Paid	(19.36)	(0.69)	NIL	NIL
	Plan assets at the end of the year	42.25	51.33	NIL	NIL
	Actual return on Plan Assets	4.02	3.38	NIL	NIL

Sr. No.	Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
(5)	Actuarial Assumption:		
	Discount Rate	7.29%	7.29%
	Turnover Rate	--	--
	Mortality		
	Salary Escalation Rate	7%	7%
	Retirement age	58 Years	58 Years

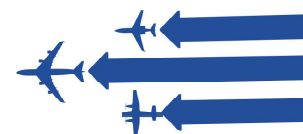
(vi) **Related Party Disclosure**

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. Name of Related Parties & Description of Relationship with whom Transactions where made during the year.

Nature of Relationship	Name of Related Party
Holding Company	Komal Infotech Private Limited
Fellow Subsidiary Company	GSEC Aviation Limited
	Komal Infraventures Private Limited
Key Management Personnel	Rakesh Ramanlal Shah
	Samir Hanskumar Mankad
	Shaishav Rakeshkumar ShahRaji S. Shah
Relative of Key Management Personnel	Priti Rakesh Shah
Other Related parties (Enterprise owned or significantly influenced by Key Management personnel)	GSEC Infrastructure Private Limited
	Kalpavruksha Estate And Finance Private Limited
	Keshav Land Developers Private Limited
	Prerak Capital Services Private Limited
	Vishwa Imports LLP





B Transaction during the year with related Parties (Excluding Reimbursement) (₹ in Lacs)

Nature of Transaction	Holding Company	Fellow Subsidiary Company	Relative of Director	Key Management Personnel			
	Komal Infotech Pvt. Limited	GSEC Aviation Limited	Priti R. Shah	Rakesh R. Shah	Shaishav R. Shah	Samir H. Mankad	Raji S. Shah
Rent Paid	0	0	24.96	0	3.26	0	0
Interest Paid	2.21	0.00	0.00	13.73	3.97	0	0
Remuneration	0.00	0.00	0.00	36.00	22.85	38.38	17.09
Outstanding as on 31.03.2019	0.00	610.03	0.00	0.00	0.00	0	0
Loan Taken	59.21	0.00	0.00	1071.00	597.50	0	0
Loan Repaid	160.16	183.62	0.00	1106.44	609.63	0	0

(vii) The net Deferred Tax (Liabilities)/Assets as on March 31, 2019 at as follows. (₹ in Lacs)

Deferred Tax Assets arising from	2018-19	2017-18
Net deferred Tax Assets/(Liability)	88.95	90.18

The tax impact for the above purpose has been arrived by applying a tax Rate of 33.38% 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.

(viii) Earning per Share (EPS): (₹ in Lacs)

Particulars	2018-19	2017-18
Net profit (Loss) after Tax	255.30	421.59
Number of Equity Share	7550000	7550000
Nominal Value of Equity Share	10.00	10.00
Basic & Diluted Earning Per Share (In ₹)	3.38	5.58

(ix) Other information required in terms of Clause 5 (viii) of Part-II of Schedule III to the Companies Act, 2013.

(₹ In Lacs)

Particulars	2018-19	2017-18
a C.I.F. value of imports of:		
Trading Goods	2616.04	
Spare parts	—	—
Capital Goods		
b Expenditure in Foreign Currency		
On Foreign Travel	49.97	63.56
Expenditure in Foreign Currency:		
on purchase of capital items	—	—
c Consumption of:		
i. Raw Materials	—	—
ii. Store and Spares Parts	—	—
d Remittance in Foreign Currency On accounts of Agency Commission	—	—
e Earning in Foreign Exchange (Value of Goods Exported)	—	—



- (x) 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.

NOTE NO. 26 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, 2019

	Air Cargo		Trading Activities		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
A. Revenue								
Services/Sales Revenue	3573.38	3573.38	34394.04	34394.04	0.00	0.00	37967.41	37967.41
Intersegment Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	3573.38	3573.38	34394.04	34394.04	0.00	0.00	37967.41	37967.41
B. Result								
Segment Result Profit/Loss	3573.38	3573.38	99.25	99.25	0.00	0.00	3672.63	3672.63
Other Income excluding Interest Income							369.58	369.58
Other Unallocable Expenses							3297.95	3297.95
Operating Profit							744.26	744.26
Interest Income							79.76	79.76
Interest Expenses							267.90	267.90
Profit Before Tax							556.13	556.13
Provision For Income Tax (including Deferred Tax)							134.53	134.53
Net Profit After Tax							421.59	421.59
Less: Profit/(Loss) transferred to minority interest							0.00	0.00
Profit After Tax after adjustment of Minority Interest							421.59	421.59
C. Other Information								
Capital Employed								
Segment Assets	4119.98	4119.98	3225.54	3225.54	938.85	938.85	8284.38	8284.38
Segment Liabilities	477.61	477.61	2278.83	2278.83	2578.18	2578.18	5334.62	5334.62
Other Unallocable Corporate Assets and Liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Capital Employed							2949.76	2949.76
Capital Assets/Expenditure including Capital Work-in-Progress incurred during the Year	242.61	242.61	85.76	85.76	0.00	0.00	328.37	328.37
Other Unallocable Capital Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	242.61	242.61	85.76	85.76	0.00	0.00	328.37	328.37
D. Segment Depreciation	188.26	188.26	102.67	102.67	0.00	0.00	290.93	290.93
E. Non-cash Expenses other than Depreciation	0.00	0.00	41.62	41.62	0.00	0.00	41.62	41.62

AS PER OUR ATTACHED REPORT OF EVEN DATE

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

For and on behalf of Board of Directors of
GSEC Limited

CA BIPIN SHAH
Partner
Membership No. 10712

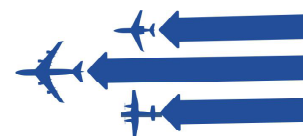
RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
Whole Time Director
DIN : 00421878

DARSHIL SHAH
Company Secretary
M. No. A37483

DATE : 23.08.2019
PLACE : AHMEDABAD

DATE : 23.08.2019
PLACE : AHMEDABAD



NOTICE OF 53RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the **53RD ANNUAL GENERAL MEETING** of the Members of **GSEC LIMITED** will be held on **Thursday the 26th day of September, 2019 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:

ORDINARY BUSINESS:-

- 1 To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company including audited Balance Sheet, as at 31st March, 2019, Statement of Profit and Loss and Cash Flow Statement for the year ended on 31st March, 2019 together with the Directors' Report and the Auditors' Report thereon.
- 2 To declare a dividend on equity shares for the Financial Year ended March 31, 2019.
- 3 To appoint a Director in place of Mr. Shaishav Rakeshkumar Shah (DIN: 00019293), who retires by rotation and being eligible seeks re-appointment.
- 4 To appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the fifty eight Annual General Meeting and to fix their remuneration:

"RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. BJS & Associates, Chartered Accountants (Firm Registration No.113268W), be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of fifty eight Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively."

SPECIAL BUSINESS:-

- 5 Appointment of Shri Natwarlal Patel (DIN: 00027540) as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to provision of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Natwarlal Patel(DIN: 00027540), who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 29, 2019 and who holds office till the conclusion of ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing candidature of Shri Natwarlal Patel for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 3 years."

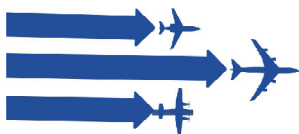
- 6 Re-appointment of Mr. Rakesh Shah (DIN: 00421920), as Chairman and Managing Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Rakesh Shah (DIN: 00421920), as Chairman and Managing Director of the Company with effect from April 1, 2019 for a period of three years, as well as for the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors and /or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be decided by the Board of Director.

RESOLVED FURTHER THAT the said Director shall not be liable to retire by rotation.





RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above, however in any case, the total remuneration shall not exceed the limit as specified under the provisions of Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

- 7 Re-Appointment of Mr. Shaishav Shah (DIN: 00019293) as a Whole-Time Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Shaishav Shah (DIN: 00019293) as Whole-time Director of the Company with effect from April 1, 2019 for a period of three years, as well as for the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors and /or Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and/or agreement in such manner as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the said Director shall be liable to retire by rotation.

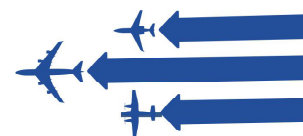
RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, he shall be paid remuneration by way of salary and perquisites as specified above, however in any case, the total remuneration shall not exceed the limit as specified under the provisions of Companies Act, 2013."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

NOTES:

- 1 A member entitled to attend, and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
- 2 Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting right. In case the proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy cannot act as a proxy for any other person or shareholder.
- 3 A proxy, in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the meeting.
- 4 A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 5 Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 6 Only bonafide members of the company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- 7 Members are requested to bring their copies of Annual Report to the Meeting.
- 8 In case of joint holders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote.
- 9 Company has fixed 26th September, 2019 as record date for the purpose of determining the entitlement of dividend.



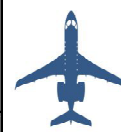


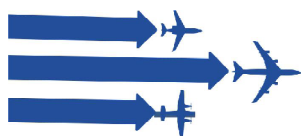
- 10 The unclaimed/unpaid dividend till the financial year ended March 31, 2011 has been transferred to the Investor Education and Protection Fund of the Central Government ("the Fund"). Shareholders are requested to note that once unpaid/unclaimed amounts are transferred to the Fund, no claim shall lie against the Fund or the Company. Shareholders who have not yet encashed their dividend warrants are requested to do so sufficiently in advance before the said transfers take place.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund. The Company has also written to the concerned shareholders intimating them their particulars of the equity shares due for transfer. No claim shall lie against the Company in respect of these equity shares post their transfer to Investor Education and Protection Fund. Upon transfer, the shareholders will be able to claim these equity shares only from the Investor Education and Protection Fund Authority by making an online application. The Company has already transferred 2670 Equity Shares to the designated Account of IEPF during the year 2018-19.

- 11 Members are requested to intimate any change of name, address etc. to RTA i.e. M/s. Bigshare Services Private Limited at A/802, Samudra Complex, Near Klassic Gold Hotel, Off C G Road, Ahmedabad-380009 or the Secretarial Department of the Company at registered office immediately.
- 12 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.
- 13 As per MCA Notification dated 10.09.2018 the transfer in physical form (except in case of transmission or transposition of securities) shall not be processed by the Company w.e.f. 02.10.2018. Therefore, the Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
- 14 Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4 for the same.
- 15 Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
- 16 Members desiring for cancelling or making any variation in the details of nomination are required to submit SH 14 as prescribed by the Government and the form can be obtained from the Registrar and Transfer Agent or the Secretarial Department of the Company at its Registered Office.
- 17 Members may also note that the Notice of the 53rd Annual General Meeting and the Annual Report for the financial period ended on 31.03.2019 will also be available on the Company's website www.gsecl.co.in for their download.
- 18 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: cs@gsecl.co.in.
- 19 A Route Map showing the Directions to reach the venue of the 53rd Annual General Meeting is attached herewith as per the requirement of Secretarial Standards - 2 on General Meeting.
- 20 Details of Directors seeking appointment/re-appointment at the 53rd Annual General Meeting of the Company:

Name of Director	Mr. Shaishav Rakeshkumar Shah	Mr. Rakesh Ramanlal Shah
Date of Birth	May 05, 1984	March 04, 1953
Date of Appointment	June 12, 2010	March 08, 2004
Relationship with Directors	Son of Mr. Rakesh Shah Managing Director of the company and spouse of Ms. Raji Shah, Whole Time Director of the Company.	Father of Mr. Shaishav Shah Whole-Time Director of the company and father in-law of Ms. Raji Shah Whole-Time Director of the company.
Qualifications	B. Com and Post Graduate Diploma in Management	B. Com





Qualifications	B. Com and Post Graduate Diploma in Management	B. Com
Expertise in functional area	Business development, Administrative and Finance	Management and Administration
Board Membership in other Companies as on March 31, 2019	1. GSEC AVIATION LIMITED 2. GSEC LOGISTICS LIMITED 3. KALPAVRUKSHA ESTATE AND FINANCE PRIVATE LIMITED 4. VINBUILD INFRASTRUCTURE PRIVATE LIMITED 5. GSEC GREEN ENERGY PRIVATE LIMITED 6. GSEC MONARCH AND DECCAN AVIATION PRIVATE LIMITED	1. VINBUILD INFRASTRUCTURE PRIVATE LIMITED 2. KALPAVRUKSHA ESTATE AND FINANCE PRIVATE LIMITED 3. GSEC LOGISTICS LIMITED 4. GSEC AVIATION LIMITED 5. GULMOHAR GREENS-GOLF AND COUNTRY CLUB LIMITED
Chairman/Member of the Committee of the Board of directors in other companies as on March 31, 2019	Nil	Nil
Number of Shares held in the Company as on March 31, 2019	487270 (6.45%)	636090 (8.43%)

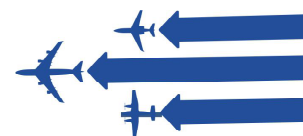
Name of Director	Mr. Natwarlal Patel
Date of Birth	June 01, 1953
Date of Appointment	March 29, 2019
Relationship with Directors	None
Qualifications	Master of Science (MSc)
Expertise in functional area	International and Domestic marketing of the Agrochemical products
Board Membership in other Companies as on March 31, 2019	1. MEGHMANI INDUSTRIES LIMITED 2. MEGHMANI CHEMICALS LIMITED 3. JOHN ENERGY LIMITED 4. MEGHMANI ORGANICS LIMITED 5. CROP CARE FEDERATION OF INDIA
Chairman/Member of the Committee of the Board of directors in other companies as on March 31, 2019	Nil
Number of Shares held in the Company as on March 31, 2019	Nil

By Order of the Board of Directors,

Darshil Shah
Company Secretary

August 23, 2019

Registered Office: 2nd Floor, Gujarat Chamber's Building,
Ashram Road, Ahmedabad - 380 009.



EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain Special Businesses mentioned in the accompanying Notice.

Item No. 5

Shri Natwarlal Patel has been appointed by the Board of Directors of the Company as an Additional Director (Category: Independent) with effect from March 29, 2019. He holds office until the ensuing Annual General Meeting under Section 161(1) of the Companies Act, 2013.

Shri Natwarlal Patel is aged 66 years, Shri Natwarlal Patel holds a Masters of Science degree from Sardar Patel University, Gujarat. Shri Natwarlal Patel, has more than 35 years experience in the dyes and Pigments industry, and more than 20 years experience in the Agrochemicals industry.

He does not hold any shares in the Company.

Shri Natwarlal Patel has given his consent to act as a Director and he is not disqualified in terms of Section 164 of the Companies Act, 2013 for being appointed as Director.

The Company has received declaration from him that he meets with the criteria of independence as prescribed under subsection (6) of Section 149 of the Companies Act, 2013 and Rules made thereunder.

The Board is of the opinion that Shri Natwarlal Patel fulfills the conditions specified in the said Act and the Rules made thereunder and also possess appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and he is independent of the management. Shri Natwarlal Patel is proposed to be appointed as an Independent Director for a term of 3 years up to March 28, 2022.

The Board recommends the Resolution set out under item no. 5 for approval of members.

Except Shri Natwarlal Patel, being an Appointee, none of the other Directors of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Company is not required to appoint Key Managerial Personnel in the Company.

Item No. 6

The Board of Directors in their meeting held on March 29, 2019, has re-appointed Mr. Rakesh Shah as Chairman and Managing Director of the Company for a period of three years from April 1, 2019 to March 31, 2022, subject to approval of the members at the ensuing Annual General Meeting (AGM).

Mr. Rakesh Shah has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time. Mr. Rakesh Shah guided the Company through decade for diversification and growth of the Company. It would be in the interest of the Company to continue the employment of Mr. Rakesh Shah as Chairman and Managing Director of the company.

In compliance with the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment of Mr. Rakesh Shah for the period of three years commencing from April 01, 2019 and payment of remuneration to Mr. Rakesh Shah therefore be placed before the members for their approval.

The details of remuneration payable to Mr. Rakesh Shah and the terms and conditions of the appointment are given below:

(A) Tenure: 1st April, 2019 to 31st March, 2022

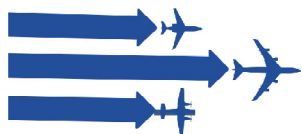
(B) Salary:

Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly package not exceeding Rs. 72,00,000/-, subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder, for each year.

(C) Increment:

An annual increment in the range of 15%-20% depending upon the performance, on the total salary amount.





(D) Perquisites:

- (a) In addition to the salary, the said Director shall be eligible for the following perquisites, which shall not be included in the computation of ceiling of remuneration specified hereinabove.
 - (i) 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.
 - (ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - (iii) Encashment of leave at the end of the tenure.
- (b) He shall also be entitled for following perquisites:
 - (i) Medical Reimbursement: Expenses incurred for self and his family subject to a ceiling of Rs. 24,000/- per year or Rs. 72,000/- over a period of three years.
 - (ii) Personal Car for official use and purpose shall be provided by the Company. Expenses for Driver and Fuel Reimbursement shall be made.
 - (iii) In addition to above, the said Director shall be entitled to all other perquisites and benefits as applicable to the Executive Directors of the Company as per the Remuneration Policy framed by the Committee and existing rules and policies of the HR Department of the Company.

The Board recommends the Resolution set out under item no. 6 for approval of members.

Except Mr. Rakesh Shah, being an appointee and Mr. Shaishav Shah and Ms. Raji Shah, Whole Time Directors and their relatives, none of the other Directors of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 6.

The Company is not required to appoint Key Managerial Personnel in the Company.

Item No. 7

The Board of Directors in their meeting held on March 29, 2019, has re-appointed Mr. Shaishav Shah as Whole-Time Director of the Company for further period of three years from April 1, 2019 to March 31, 2022, subject to approval of the members at the ensuing Annual General Meeting (AGM).

Mr. Shaishav Shah is associated with company since 2010, he played leading role to convert GSEC Limited as a company in to GSEC Group having diversified business activities in Cargo, Aviation, Petro products etc. Company has reached new heights and has sailed through many new developments and innovations. Considering the performance of the said Director, the Board recommends his re-appointment in best interests of the company.

In compliance with the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment for the period from April 1, 2019 upto March 31, 2022 and payment of remuneration to Mr. Shaishav Shah are being placed before the members for their approval.

The details of remuneration payable to Mr. Shaishav Shah and the terms and conditions of the appointment are given below:

Tenure: 1st April, 2019 to 31st March, 2022

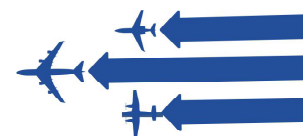
Salary: Salary plus allowances with different breakup be revised and payable monthly / yearly basis within overall limit of yearly package not exceeding Rs. 36,00,000/-, subject to ceiling of the managerial remuneration under the Companies Act, 2013 and rules made thereunder, for each year.

Increment: An annual increment in the range of 15%-20% depending upon the performance, on the total salary amount.

Perquisites: In addition to the salary, the said Director shall be eligible for the following perquisites:

- (i) 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.
- (ii) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.





(b) He shall also be entitled for following perquisites:

- (i) Medical Reimbursement: Expenses incurred for self and his family subject to a ceiling of Rs. 24,000/- per year or Rs. 72,000/- over a period of three years.
- (ii) Personal Car for official use and purpose shall be provided by the Company. Expenses for Driver and Fuel Reimbursement shall be made.
- (iii) In addition to above, the said Director shall be entitled to all other perquisites and benefits as applicable to the Executive Directors of the Company as per the Remuneration Policy framed by the Committee and existing rules and policies of the HR Department of the Company.

The Board recommends the Resolution set out under item no. 7 for approval of members.

Except Shri Shaishav Shah, being an appointee and Shri Rakesh Shah, Managing Director, Smt. Raji Shah Whole-Time Director and their relatives, none of the other Directors of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 7.

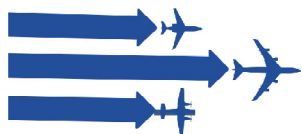
The Company is not required to appoint Key Managerial Personnel in the Company.

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I GENERAL INFORMATION:

1	Nature of Industry	Air Cargo Services, export and trading activities.		
2	Date or Expected Date of Commencement of Commercial Production	Not applicable as the company has already undertaken commercial activities long back.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
4	Financial performance based on given indicators.	₹ in Lacs		
		Particulars	2018-19	2017-18
		Total Income	38530.80	38391.62
		Profit Before Tax and Depreciation (Including Exceptional Item)	641.88	822.73
		Depreciation	248.49	279.79
		Profit Before Tax	393.39	542.94
		Tax	129.35	133.63
		Profit After Tax	264.04	409.31
		Equity Capital (face value ₹ 10)	7550000	7550000
		Earnings per Share (₹)	3.50	5.42
5	Export performance based on given indicators.	₹ in Lacs		
		Particulars	2018-19	2017-18
		Foreign Exchange Earning	--	--
		Foreign Exchange Outgo	2616.04	--
6	Foreign Investments or Collaboration, if any.	The Company did not have any foreign investments or collaborations.		





II INFORMATION ABOUT THE APPOINTEE:

1 Background Details

Mr. Rakesh Shah is a commerce graduate from the Gujarat University. At a very young age he involved himself in the varied businesses; mainly commodity trading. Early achievements made Mr. Shah so confident that it was never looking back for him since then. He has been involved in many different businesses under different enterprises which he steered successfully. At present, he serves as the Chairman and Managing Director of the Company.

Mr. Shaishav Shah is holding the degree of B. Com and Post Graduate Diploma in Management. He is possessing rich experience in Business Development, Adminstrating and in field of finance and other relevant areas. He acts as a Whole-Time Director in the Company.

2 Past Remuneration

Details of past remuneration paid to Mr. Rakesh Shah and Mr. Shaishav Shah is mentioned herein below:

Name	Remuneration Paid
Mr. Rakesh Shah	Rs. 36.00 Lacs per year in 2018-19
Mr. Shaishav Shah	Rs. 29.76 Lacs per year in 2018-19

3 Recognition or awards: NIL

4 Job Profile and suitability:

Mr. Rakesh Shah, Chairman and Managing Director:

The Chairman steers the Board of Directors and assures the smooth running of the Board Proceedings and the Company as a whole. The Managing Director shoulders the responsibility of the overall management and administration of the company.

Mr. Rakesh Shah shoulders the responsibilities of Chairman and Managing Director since the acquisition of the Company. His continuous dedication and perseverance towards achieving excellence has been the motivating force behind the turnaround story of GSEC Limited. The Board has showed trust in Mr. Rakesh Shah to be the most suitable candidate for the post of Chairman and Managing Director of the Company.

Mr. Shaishav Shah, Whole-Time Director

The Whole-Time Director devotes his full time to the company and shoulders the responsibility towards the executive decision making and overall finance management. He also assists the Managing Director in the overall management and administration of the Company as and when needed.

His experience in the field of finance, managerial aptitude and logical thinking is beneficial to the Company for bringing the new outlook into the Board of Directors. Considering this the Board of Directors has thought advisable to continue to avail his service as a Whole-Time Director.

5 Remuneration proposed: As details given above.

6 Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

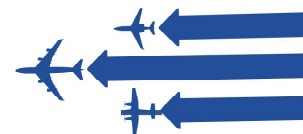
Being in a service industry with the responsibility entrusted by the Government with no direct competitor, no such statistics is available or can be framed out.

7 Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Rakesh Shah is having pecuniary relationship with the company to the extent of his shareholding, remuneration and transaction as mentioned in the notes to the financial statement. Further Mr. Shaishav Shah Whole-Time Director is son and Ms. Raji Shah Whole-Time Director is daughter in law of Mr. Rakesh Shah.

Mr. Shaishav Shah is having pecuniary relationship with the company to the extent of his shareholding, remuneration and transaction as mentioned in the notes to the financial statement. Further Mr. Rakesh Shah, Chairman and Managing Director is father and Ms. Raji Shah Whole-Time Director is wife of Mr. Shaishav Shah





III OTHER INFORMATION:

1 Reasons of Loss or Inadequate Profits:-

The Company's main operations i.e. air cargo handling and allied services are completely dependent on the imports and exports in and out of the state which are further dependent on the local and external environment. The Company is very prone, even to the small fluctuations in national and international economy.

Moreover, there is a direct involvement of the Government of India, through its various authorities and departments in the operations of the company. The handling and other service charges are decided directly by the concerned Department which naturally are highly customer friendly and hence render little room for the profitability for the company. Further, there are pretty high maintenance and operations costs have to be borne by the company mainly due to constantly increasing Government Royalty, space rent and other maintenance costs incurred for the latest high capacitive machineries and tools.

The trading business of petro chemicals, bitumen etc is also restricted to the number of industrial customers which are unlikely to fluctuate much. Hence, there is little room to increase the reach of the company to the whole new levels in short to medium term.

2 Steps taken or proposed to be taken for improvement:

After acquiring the company from the then Government of Gujarat, lot of efforts were undertaken for redefining, restructuring and improvising the operations of the Company. The company has been now stabilized and has reached to the new level of growth thanks to the diversified businesses taken up and the team efforts of the new management.

The new air cargo complex with 8X capacity to handle the air cargo against the existing one has been built. Latest technology has been introduced and the operations has been completely redefined and made more customer friendly. The management of the company constantly looks after and categorizes the new avenues of businesses to add profitability. The company has also been moderate to aggressive in taking up the marketing efforts to increase its operations. The Company continues to focus on the quality of the services provided, upholding of its high business values, increase in its cost competitiveness. The company is expected to achieve new heights in terms of volume of operations and profitability in long term

3 Expected increase in productivity and profits in measurable terms:

As already mentioned in Point no.1, being dependent on the external factors in terms of the main operations of the company, it is hard to project the future operations and profits. However, there is a strong content and dedication of the management of the company to register the growth in terms of increase in operations as well as the profitability of the company on a year to year basis.

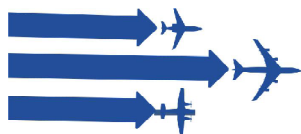
By Order of the Board of Directors,

Darshil Shah
Company Secretary

August 23, 2019

Registered Office: 2nd Floor, Gujarat Chamber's Building,
Ashram Road, Ahmedabad - 380 009.





GSEC LIMITED

Reg. Office: Gujarat Chamber s' Building, Ashram Road, Ahmedabad-380009, Gujarat, INDIA.

Phone: 79-2655 4100/2657 5757 Fax: 79-26584040

E mail: info@gsecl.co.in, CIN: U52100GJ1965PLC001347

ATTENDANCE SLIP

53RD ANNUAL GENERAL MEETING - SEPTEMBER 26, 2019 AT 11.00 A.M.

DP. Id*	Name & address of the registered shareholder
Client Id*	
Regd. Folio No.	

I/We certify that I/We am/are a registered shareholder / proxy for the registered shareholder of the Company.

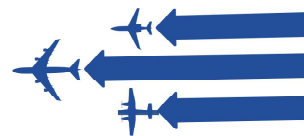
I/We hereby record my/our presence at the 53rd Annual General Meeting of the Company being held on Thursday, 26th September, 2019 at 11:00 A.M. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009.

Signature of Member/s/ Proxy

NOTE: A member or his duly appointed Proxy willing to attend the meeting must fill-up this Admission Slip and hand over at the entrance.

* Applicable for shareholding in electronic form.





GSEC LIMITED

Reg. Office: Gujarat Chamber s' Building, Ashram Road, Ahmedabad-380009, Gujarat, INDIA.

Phone: 79-2655 4100/2657 5757 Fax: 79-26584040

E mail: info@gsecl.co.in, CIN: U52100GJ1965PLC001347

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)

PROXY FORM

CIN	U52100GJ1965PLC001347
Name of Company	GSEC LIMITED
Reg. Office Address	Gujarat Chamber s' Building, Ashram Road, Ahmedabad-380009, Gujarat, INDIA.
Name of the Member	
Registered Address	
E Mail Id	
Folio No./Client ID	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

(1) Name _____

Address _____

E mail Id _____ Signature _____ or falling him / her:

(2) Name _____

Address _____

E mail Id _____ Signature _____ or falling him / her:

(3) Name _____

Address _____

E mail Id _____ Signature _____

as my/ our Proxy to attend and vote on poll for me/us on my/ our behalf at the 53rd Annual General Meeting of the Company to be held on Thursday, 26th September, 2019 at 11:00 A.M. at Sheth Sri Kasturbhai Lalbhai Hall, Gujarat Chamber of Commerce and Industries' Building, Ashram Road, Ahmedabad - 380 009 and at any adjournment thereof and respect of such resolution mentioned below:



Resolution No.	Resolution	#Optional	
		For	Against
Ordinary Business			
1	Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2	Declaration of Dividend on Equity Shares.		
3	Re-appointment of Smt. Raji Shaishav Shah (DIN: 06893581), who retires by rotation.		
4	To appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the fifty eight Annual General Meeting and to fix their remuneration.		
Special Business			
5	Appointment of Shri Natwarlal Patel (DIN: 00027540) as an Independent Director of the Company.		
6	Re-appointment of Mr. Rakesh Shah (DIN: 00421920), as Chairman and Managing Director of the Company.		
7	Re-Appointment of Mr. Shaishav Shah (DIN: 00019293) as a Whole-time Director of the Company.		

Signed on this _____ day of _____, 2019

Signature of shareholder: _____

Signature of Proxy holder(s): _____

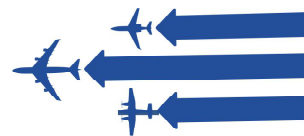
Affix
Revenue
Stamp

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 53rd Annual General Meeting.
- #3 It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 4 Please complete all details including details of member(s) in above box before submission.

ROUTE MAP FOR AGM HALL - SHETH SRI KASTURBHAI LALBHAI HALL





URGENT AND IMPORTANT FOR YOUR IMMEDIATE ATTENTION

GSEC LIMITED

(CIN: U52100GJ1965PLC001347)

Regd. Office: 2ND FLOOR, GUJARAT CHAMBERS BUILDING, ASHRAM ROAD,

AHMEDABAD - 380009

Tel.: 079 - 26554100; Fax 079 26584040; E-mail: info@gsecl.co.in; Website: www.gsecl.co.in

Subject: Copy of PAN Card and Bank Account details

Dear Shareholder(s),

We wish to bring to your kind notice that, the Securities and Exchange Board of India (SEBI) has directed Companies to seek the subject details from the shareholders holding shares in physical form with an objective to streamline the processes relating to maintenance of records, transfer of securities and seamless payment of dividend/ interest/redemption amounts to shareholders vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 read with circular No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated July 16, 2018.

Therefore, we request your good self to provide the following details for our records, which shall be linked to your respective folio:

1. Self-attested copy/copies of PAN Card of all the holders.
2. Original Cancelled Cheque leaf duly displaying name of the account holder or Bank Passbook/Statement showing IFSC Code, Bank Account Number and Name of the Account Holder duly attested by the Bank and E-mail Id.

We are enclosing Form for furnishing PAN and Bank details.

Kindly post/courier/hand-deliver the above-mentioned documents mentioning your folio number within 30 days from the date of this letter to our Registrar and Share Transfer Agent (RTA) - **BIGSHARE SERVICES PRIVATE LIMITED** at the following address:

Registrar and Share Transfer Agent:

Bigshare Services Private Limited

A/802, Samudra Complex, Near Klassic Gold Hotel , Girish Cold Drink Cross Road,

Off C G Road, Ahmedabad - 380009.

Phone: 079 – 40024135 E Mail: bssahd@bigshareonline.com

In case of shareholders holding shares in Dematerialised form, please send these details to the Depository Participant (DP) with whom your Demat Account is maintained.

Kindly ignore if already intimated.

IMPORTANT NOTE

As per SEBI Notification dated 8th June 2018 in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transfer of shares shall be processed in the dematerialised form only. It means transfer request in physical mode will be discontinued. These Regulations shall come into force within 180 days from the date of notification. In accordance to the said regulations and in your own interest, it is advisable that you should convert your physical shares into dematerialised form at the earliest.

Thanking you,

Yours truly,

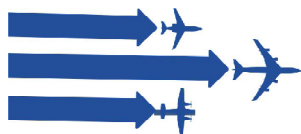
For GSEC Limited

Sd/-

Darshil Shah

Company Secretary





FORM FOR FURNISHING PAN AND BANK DETAILS

To,

Registrar and Share Transfer Agent:

Bigshare Services Private Limited

A/802, Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink Cross Road,

Off C G Road, Ahmedabad - 380009.

Phone: 079 – 40024135 E Mail: bssahd@bigshareonline.com

Unit: GSEC LIMITED

Sub: Copy of PAN and Bank Account Details

Dear Sir/Madam,

I/We refer to your letter regarding SEBI Circular No. SEBI/ HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 read with circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated July 16, 2018 on the captioned subject. I/we hereby furnish our PAN and Bank mandate details for update in your records. I/We am/are enclosing herewith:

1. Self-attested copy/copies of PAN card of all the holder(s),

2. Original cancelled cheque leaf bearing name of the Sole /First holder

OR

Photo copy of bank pass book / statement having details of Account number, Name of the shareholder, IFSC Code duly attested by Bank.

Folio No.			
Contact No. (Tel. No. with STD Code)		Mobile No.	
E-Mail id			

	Name	Signature
First Holder:		
Joint Holder1:		
Joint Holder 2:		

Date:

Place:

NB: The above details will be updated only if the documents / information found in order / valid. Kindly ignore if already intimated



REGD. OFFICE

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380 009, Gujarat, INDIA.
Ph.: +91-79-2655 4100 / 2657 5757 / 2658 5757 Fax: +91-79-2658 4040 E-mail: info@gsecl.co.in

AHMEDABAD

Air Cargo Complex, Old Alrport, Ahmedabad- 380 003.
Ph.: +91-79-2286 4747 / 5656, Fax: +91-79-2286 4646

INDORE

DABH Airport, Old Airport Building, Domestic Cargo Terminal, Indore-452 005.
Ph.: 0731-2977 774

VISAKHAPATNAM

C/o Andhra Pradesh Trade Promotion Corporation Limited, International Air Cargo Complex, Old Terminal Building, Visakhapatnam Airport, Visakhapatnam-530 009. Ph.: 0891-2794 199

RAIPUR

Swami Vivekananda Airport, Raipur (Chhattisgarh)-492 015
Ph.: 0771-2418 577