

33rd Annual Report 2017-18

KAPASHI COMMERCIAL LIMITED

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KAPASHI COMMERCIAL LIMITED

ANNUAL REPORT 2017-18

KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS

MAHENDRABHAI GULABDAS PATEL (With Effect from 20 th July 2018)	Additional Director (DIN: 00104706)
MUNJAL MAHENDRABHAI PATEL (With Effect from 20 th July 2018)	Additional Director (DIN: 02319308)
SHWETA SAMIR SHAH (With Effect from 20 th July 2018)	Additional Director (DIN: 03082967)
RAXESH CHANDRAVADAN SATIA (With Effect from 27 th August 2018)	Additional Director (DIN: 00577822)
JAYESH SHAH (With effect from Allotment of DIN)	Additional Director (DIN Pending)
SEVANTILAL SHANTILAL KAPASHI (Resigned from Board w.e.f 27 th August, 2018)	Whole time Director (DIN: 00008435)
VARSHA PRAFUL DALAL (Resigned from Board w.e.f. 27 th August, 2018)	Director (DIN: 00179876)
BINDU DIVYESH MEHTA (Resigned from Board w.e.f. 27 th August, 2018)	Additional Director (DIN: 08130882)
INDUKUMAR SHANTILAL KAPASHI (Resigned from Board w.e.f. 20 th July, 2018)	Whole Time Director (DIN: 00008413)
PARESH SEVANTILAL KAPASHI (Resigned from Board w.e.f. 20 th July, 2018)	Director (DIN: 00008486)
NIMISH INDUBHAI KAPASHI (Resigned from Board w.e.f. 20 th July, 2018)	Director (DIN: 00073665)
AMITA RAJNIKANT SHAH (Resigned from Board w.e.f. 11 th May, 2018)	Additional Director (DIN: 00008365)
Mr. MAHASUKH POPATLAL SHAH (Demised on 29 th January, 2018)	Independent Director (DIN: 00073676)

AUDITORS

K. S. Maheshwari & Co. Chartered Accountants

BANKERS

Oriental Bank of Commerce
Axis Bank Ltd.

REGISTRAR AND SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd.,
9, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (East), Mumbai -400 011.

CORPORATE OFFICE

306, S.F, Ashirwad Paras-1
Near Kanti Bharwad PMT
Opp. Andaz Party Plots,
Makbara
Ahmedabad- 380051.

REGISTERED OFFICE

Nishuvi, 4th Floor
75 Dr. Annie Besant Road,
Worli, Mumbai- 400018.
Tel. No.: 0281-3241064

NOTICE

(CIN: L51900MH1985PLC037452)

NOTICE is hereby given that the **33rd Annual General Meeting** of the Members of **KAPASHI COMMERCIAL LIMITED** will be held on **Saturday, 29th September, 2018** at **2.00 P.M. at the registered office of the Company situated at "NISHUVI", 4th Floor, 75, Dr. Annie Besant Road, Worli, Mumbai - 400 018** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statements") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS:

2. **Appointment of Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) as Director of the Company.**

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under the said Act, and any other regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) who was appointed as an Additional Director of the Company under the Promoter category w.e.f. 20.07.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard."

3. **Appointment of Mr. Munjal Mahendrabhai Patel (DIN: 02319308) as Director of the Company.**

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under the said Act, and any other regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Munjal Mahendrabhai Patel (DIN: 02319308) who was appointed as an Additional Director of the Company under the Promoter category w.e.f. 20.07.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard."

4. **Appointment of Mrs. Shweta Samir Shah (DIN: 03082967) as Director of the Company.**

"RESOLVED THAT pursuant to the provisions of Sections 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under the said Act, and any other regulation of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Shweta Samir Shah (DIN: 03082967) who was appointed as an Additional Director of the Company under the Promoter category w.e.f. 20.07.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose her as a candidate for the office of the Director of the Company, be and is hereby appointed Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

5. Appointment of Mr. Raxesh Chandravadan Satia (DIN: 00577822) as an Independent Director of the Company.

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under and Schedule IV to the said Act, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Raxesh Chandravadan Satia (DIN: 00577822) who was appointed as an Additional Director of the Company under the category of Independent director w.e.f. 27.08.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

6. Appointment of Mr. Jayesh Shah (w.e.f. allotment of DIN) as an Independent Director of the Company.

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under and Schedule IV to the said Act, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Jayesh Shah who was appointed as an Additional Director of the Company under the category of Independent director subject to allotment of DIN and w.e.f. allotment of DIN and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.

7. Change In Name Of The Company From “KAPASHI COMMERCIAL LIMITED” To “GRAVITY FINVEST LIMITED”/“ GUARDIAN INVESTMENT AND FINANCE LIMITED” or any other name as may be approved by the office of the Registrar of Companies, Central Registration Centre:

“**RESOLVED THAT** pursuant to section 13(2) and other applicable provision of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rule 29 of the Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Registrar of Companies, consent of the members of the Company be and is hereby accorded to change the name of the Company from “**KAPASHI COMMERCIAL LIMITED**” to “**GRAVITY FINVEST LIMITED**”/“ **GUARDIAN INVESTMENT AND FINANCE LIMITED**” or any other name as may be approved by the office of the Registrar of Companies, Central Registration Centre.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 the clause I of the Memorandum of Association of the company will be substituted by the following:

Clause I: The name of the Company is “**GRAVITY FINVEST LIMITED**”/“**GUARDIAN INVESTMENT AND FINANCE LIMITED**” or any other name as may be approved by the office of the Registrar of Companies, Central Registration Centre.

FURTHER RESOLVED THAT in terms of Section 14 of the Companies Act, 2013 the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

FURTHER RESOLVED THAT the Board of Directors or any Committee thereof be and is hereby authorized to accept any other name approved by the relevant Regulatory Authorities and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.”

8. Shifting of the Registered Office from the State of Maharashtra to the State of Gujarat subject to necessary approval and Alteration of Memorandum of Association:

“**Resolved that** pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or reenactment(s) thereof for the time being in force) and subject to the approval of the Central Government (power delegated to Regional Director) and/or any other authority(ies) as may be prescribed from time to time and subject to such other approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the members of the Company be and is hereby accorded for shifting the Registered Office of the Company from the State of Maharashtra (i.e. from the jurisdiction of Registrar of Companies, Mumbai, Maharashtra) to the State of Gujarat (i.e. to the jurisdiction of Registrar of Companies, Ahmedabad, Gujarat)and that Clause II of the Memorandum of Association of the Company be substituted with the following clause:

II. The registered office of the Company will be situated in the State of Gujarat i.e. within the jurisdiction of Registrar of Companies of Gujarat at Ahmedabad.

Resolved further that the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall deem to include any of its duly constituted Committee) or any officer/executive/representative and/or any other person so authorized by the Board, be hereby authorized on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any authority, while according approval, consent as may be considered necessary and to appoint counsels/consultant and advisors, file applications/petitions, issue notices, advertisements, obtain orders for shifting of Registered Office from the authorities concerned and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company”.

Registered Office
Nishuvi 4th Floor,
75 Dr A Brd Worli,
Mumbai- 400018

Date: 27/08/2018
Place: Mumbai

By order of Board of Directors
For, KAPASHI COMMERCIAL LIMITED

sd/-
MAHENDRABHAI GULABDAS PATEL
Chairman cum Managing Director
(DIN: 00104706)

NOTES

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

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority letter, as applicable, issued on behalf of the nominating organization.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a 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 shall not act as a proxy for any other person or Member.

2. Members/Proxies/Authorized representatives should bring the duly filled Attendance Slip enclosed herewith along with their copy of the Annual Report to attend the Meeting.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours up to the date of the Meeting.
6. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice.
7. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent i.e. Purva Shareregistry (India) Pvt. Ltd No 9, Shiv Shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp Kasturba Hospital, Lower Parel East, Mumbai, Maharashtra, 400011 for assistance in this regard.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact Purva Shareregistry (India) Pvt. Ltd No 9, Shiv Shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp Kasturba Hospital, Lower Parel East, Mumbai, Maharashtra, 400011 for assistance in this regard.

10. The Annual Report of the year 2017-18 of the Company circulated to the Members of the Company will be made available on the Company's website at www.kapashicommercial.com and also on the website of the respective Stock Exchanges at www.bseindia.com and the physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours and only on working days. Members who have not registered their e-mail addresses so far as requested to receive all communication including Annual Report, Notices, Circulars etc. from the Company electronically, may also registered their e-mail addresses.
11. Equity Shares of the Company are available for dematerialisation, as the Company has entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization services of its Equity Shares. Those Shareholders who wish to hold shares in electronic form may approach their Depository Participant. ISIN No. of the Company's Equity Share is INE017I01019.
12. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of members and share transfer books of the company will remain closed from Saturday, 22nd September, 2018 to Saturday, 29th September 2018 (both days inclusive).
13. Any recipient of the Notice, who has no voting rights as on the Cut-off date i.e. 22nd September, 2018 shall treat this Notice as intimation only.
14. The Route Map showing directions to reach the venue of the 23rd AGM is annexed as per requirement of SS-2 on general meetings.
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013. The Register of contract and arrangements in which the directors are interested under section 189 of the Companies Act, 2013 will be available for inspection at the AGM.

Registered Office
Nishuvi 4th Floor,
75 Dr A Brd Worli,
Mumbai- 400018

Date: 27/08/2018
Place: Mumbai

By order of Board of Directors
For, KAPASHI COMMERCIAL LIMITED

sd/-
MAHENDRABHAI GULABDAS PATEL
Chairman & Managing Director
(DIN: 00104706)

Explanatory Statement

ITEM 2:-

Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) was appointed as an additional director under the Promoter category of the Company w.e.f 20.07.2018. Under section 161 of the Companies Act, 2013, Mr. Mahendrabhai Gulabdas Patel holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 2 of the Notice for the appointment of Mr. Mahendrabhai Gulabdas Patel as a Director, liable to retire by rotation.

Brief profile of Mr. Mahendrabhai Gulabdas Patel in terms of Regulation 36 (3) of the Listing Regulations is forming part of this notice.

Mr. Mahendrabhai Gulabdas Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

None of the Director of the Company except Mr. Mahendrabhai Gulabdas Patel is concerned or interested in this resolution.

ITEM 3:-

Mr. Munjal Mahendrabhai Patel (DIN: 02319308) was appointed as an additional director under the Promoter category of the Company w.e.f 20.07.2018. Under section 161 of the Companies Act, 2013, Mr. MUNJAL MAHENDRABHAI PATEL (DIN: 02319308) holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company .

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 2 of the Notice for the appointment of Mr. Munjal Mahendrabhai Patel as a Director, liable to retire by rotation.

Brief profile of Mr. Munjal Mahendrabhai Patel in terms of Regulation 36 (3) of the Listing Regulations is forming part of this notice.

Mr. Munjal Mahendrabhai Patel is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

None of the Director of the Company except Mr. Munjal Mahendrabhai Patel is concerned or interested in this resolution.

ITEM 4:-

Mrs. Shweta Samir Shah (DIN: 03082967) was appointed as an additional director under the Promoter category of the Company w.e.f 20.07.2018. Under section 161 of the Companies Act, 2013, Mr. Dilip Shah holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose her as a candidate for the office of Director of the Company.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 2 of the Notice for the appointment of Mrs. Shweta Samir Shah as a Director, liable to retire by rotation.

Brief profile of Mrs. Shweta Samir Shah in terms of Regulation 36 (3) of the Listing Regulations are forming part of this notice.

Mrs. Shweta Samir Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

None of the Director of the Company except Ms. Shweta Samir Shah is concerned or interested in this resolution.

ITEM 5:-

Mr. Raxesh Chandravadan Satia (DIN: 00577822) was appointed as an additional director under the category of Independent Director of the Company w.e.f 27.08.2018. Under section 161 of the Companies Act, 2013, Mr. Raxesh Chandravadan Satia holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company. The Board is also of the opinion that based on the declarations submitted by Mr. Raxesh Chandravadan Satia, he fulfills the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Mr. Raxesh Chandravadan Satia shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149 (13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief profile of Mr. Raxesh Chandravadan Satia in terms of Regulation 36 (3) of the Listing Regulations are forming part of this notice. Mr. Raxesh Chandravadan Satia is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends passing of the resolution as set out in Item No. 5 of this Notice.

None of the Director of the Company except Mr. Raxesh Chandravadan Satia is concerned or interested in this resolution.

ITEM 6:-

Mr. Jayesh Shah was appointed as an additional director under the category of Independent Director subject to allotment of DIN by concerned authority and w.e.f allotment of DIN. Under section 161 of the Companies Act, 2013, Mr. Jayesh Shah holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company. The Board is also of the opinion that based on the declarations submitted by Mr. Jayesh Shah, he fulfills the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Mr. Jayesh Shah does not hold any equity share of the Company. The period of office of Mr. Jayesh Shah shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149 (13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief profile of Mr. Jayesh Shah in terms of Regulation 36 (3) of the Listing Regulations is forming part of this notice. Mr. Jayesh Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends passing of the resolution as set out in Item No. 6 of this Notice.

None of the Director of the Company except Mr. Jayesh Shah is concerned or interested in this resolution.

ITEM 7:-

The Board of Directors of the Company in its meeting held on 27th August, 2018 decided to change the name of the Company from "**KAPASHI COMMERCIAL LIMITED**" to "**GRAVITY FINVEST LIMITED**"/"**GUARDIAN INVESTMENT AND FINANCE LIMITED**" or any other name as may be approved by the office of the Registrar of Companies, Central Registration Centre. The Directors believe that the change in the name of the Company which is being undertaken as part of corporate rebranding would make the name of the Company simple, sharp and focused.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

As per the provisions of Sections 13 of the Companies Act, 2014, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution. Hence, the resolution is put up for shareholders approval.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any.

ITEM 8:-

Presently, the Registered Office of the Company is situated in State of Maharashtra (i.e. from the jurisdiction of Registrar of Companies, Mumbai, Maharashtra). To exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of affairs, the Board of Directors of the Company in its meeting held on August 27, 2018 has recommended to shift the Registered Office of the Company from the State of Maharashtra (i.e. from the jurisdiction of Registrar of Companies, Mumbai, Maharashtra) to State of Gujarat (i.e. to the jurisdiction of Registrar of Companies, Ahmedabad, Gujarat)

Pursuant to the provisions of Section 12, 13, and all other applicable provisions, if any, of the Act read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association (the "MOA") of the Company requires the approval of the members of the Company by means of a Special Resolution through Postal Ballot and approval of the Central Government (power delegated to Regional Director).

Copy of the Memorandum of Association of the Company will be available for inspection at the registered office of the Company to any member during any working day between 11:00 a.m. and 1:00 p.m.

The proposed change will in no way be detrimental to the interest of any member of public, employees or any other person in any manner whatsoever. The Board is of the opinion that the aforesaid Resolution is in the best interest of the Company and hence, recommends the above resolution for your approval as a special resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the resolution under Item No. 8 for approval of the members as a Special Resolution.

Registered Office
Nishuvi 4th Floor,
75 Dr A Brd Worli,
Mumbai- 400018

Date: 27/08/2018
Place: Mumbai

By order of Board of Directors
For, KAPASHI COMMERCIAL LIMITED

sd/-
MAHENDRABHAI GULABDAS PATEL
Chairman & Managing Director
(DIN: 00104706)

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

<i>NAME OF DIRECTORS</i>	<i>MAHENDRAB HAI GULABDAS PATEL</i>	<i>MUNJAL MAHENDRAB HAI PATEL</i>	<i>SHWETA SAMIR SHAH</i>	<i>RAXESH CHANDRAVA DAN SATIA</i>	<i>JAYESH SHAH</i>
DIN	00104706	02319308	03082967	00577822	08218502
Date of Birth	26/01/1954	26/06/1982	17/11/1969	14/04/1968	29/09/1963
Date of Appointment	20/07/2018	20/07/2018	20/07/2018	27/08/2018	07/09/2018
Qualification and experience in specific functional area	B.COM	MBA-Finance	B.COM	B.COM	B.COM & LLB
Directorship held in other companies*	1.LINCOLN PHARMACEUTICALS LTD 2.PASHUPATI COTSPIN LIMITED	1. LINCOLN PHARMACEUTICALS LTD 2. KARNAVATI DISTRIBUTORS LIMITED	1. FELIX INDUSTRIES LIMITED	1. FELIX INDUSTRIES LIMITED 2. RAJPATH CLUB LIMITED	NIL
Membership / Chairmanships of Committee in other Public Companies	5	NIL	1	2	NIL
Number of shares held in the company	1,48,494	2,97,002	2,89,950		NIL
Relationship with any Director(s) of the Company	Mr.Mahendra G. Patel is father of Mr.Munjali M. Patel	Mr.Munjali M. Patel is son of Mr.Mahendra G. Patel	NA	NA	NA

***Pvt. Companies excluded**

Registered Office

Nishuvi 4th Floor,
75 Dr A Brd Worli,
Mumbai- 400018

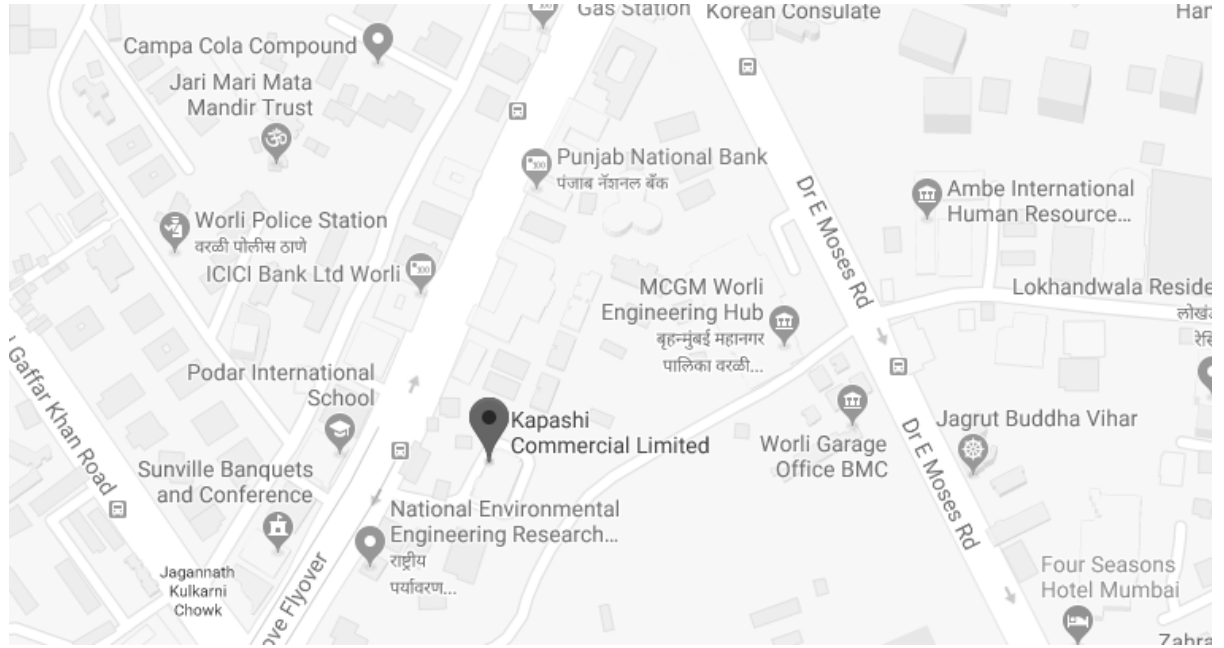
Date: 27/08/2018

Place: Mumbai

**By order of Board of Directors
For, KAPASHI COMMERCIAL LIMITED**

sd/-
MAHENDRABHAI GULABDAS PATEL
**Chairman cum Managing Director
(DIN: 00104706)**

Route Map



Registered Office

Nishuvi, 4th Floor, 75 Dr Annie Besant Road, Worli, Mumbai, Maharashtra, 400018

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting this Thirty Third Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2018.

A. The Extract of the Annual Return in form MGT-9:

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: L51900MH1985PLC037452

ii. Registration Date: 11th September, 1985

iii. Name of the Company: KAPASHI COMMERCIAL LIMITED

iv. Category: Company Limited by shares
Sub-Category of the Company: Indian Non-Government Company

v. Address of the Registered Office and contact details:
'NISHUVI', 4th Floor, 75, Dr. Annie Besant Road, Worli, Mumbai- 400018,
[Tel:\(022\)24954236](tel:(022)24954236), [Fax:\(022\)43005105](tel:(022)43005105).; Email: admin@kcltd.co.in,
Website: www.kapashicommercial.com

vi. Whether Listed Company: Yes, Listed on BSE Limited

vii. Name, Address and Contact details of Registrar and Transfer Agent:
Purva Sharegistry (India) Pvt. Ltd.
No. 9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Kasturba Hospital,
Lower Parel, Mumbai- 400011.
Tel.: 91-22-23016761/8261, Fax: 91-22-23012517, Email: busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES

All the business activities contributing 10% or more of the total turnover of the Company.

Sl. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1.	Finance	65293	100%

III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
	NIL	-	-	-	-

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

i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. 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. Promoters									
(1) Indian									
a) Individual/HUF	735446	-	735446	73.54	735446	-	735446	73.54	-----
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-----
d) Bodies Corp.	-	-	-	-	-	-	-	-	-----
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	---
Sub-total (A) (1)	735446	-	735446	73.54	735446	-	735446	73.54	--
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	735446	-	735446	73.54	735446	-	735446	73.54	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-----
b) Banks / FI	-	-	-	-	-	-	-	-	- --
c) Central Govt	-	-	-	-	-	-	-	-	---
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	- -
g) FIs	-	-	-	-	-	-	-	-	--
h) Foreign	-	-	-	-	-	-	-	-	-

Venture Capital Funds									
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	82650	-	82650	8.27	2481	-	2481	0.25	-8.02
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	17500	2850	20350	2.04	18867	2850	21717	2.18	0.14
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	158254	-	158254	15.83	178156	-	178156	17.81	1.99
c) Others (specify)									
Trusts	-	-	-	-	-	-	-	-	-
Clearing member	-	-	-	-	-	-	-	-	--
Market Maker	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	--	-	-
Non Resident Indians (Repat)	-	-	-	-	-	-	-	-	-
Non Resident Indians (Non-Repat)	-	-	-	-	-	-	-	--	-
Foreign Companies	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	-	-	-	-	-	-
HUF	3300	-	3300	0.33	62200	-	62200	6.22	5.89
Sub-total (B)(2):	261704	2850	264554	26.46	261704	2850	264554	26.46	-

Total Public Shareholding (B)=(B)(1)+(B)(2)	261704	2850	264554	26.46	261704	2850	264554	26.46	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	997150	2850	1000000	100	997150	2850	1000000	100	-

(ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Indukumar Shantilal Kapashi	72494	7.25	N.A	72494	7.25	N.A	No change
Paresh Kapashi	111150	11.11	N.A	111150	11.11	N.A	No change
Nimish Kapashi	155850	15.59	N.A	155850	15.59	N.A	No change
Nandini Paresh Kapashi	109200	10.92	N.A	109200	10.92	N.A	No change
Seventibhai Kapashi	80202	8.02	N.A	80202	8.02	N.A	No change
Bhakti N Kapashi	60950	6.10	N.A	60950	6.10	N.A	No change
Sejal Indubhai Kapashi	46000	4.60	N.A	46000	4.60	N.A	No change
Nitina Kapashi	43500	4.35	N.A	43500	4.35	N.A	No change
Shushilaben Kapashi	32500	3.25	N.A	32500	3.25	N.A	No change
Paresh Sevantilal Kapashi	23600	2.36	N.A	23600	2.36	N.A	No change

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

	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
Indukumar Shantilal Kapashi				
At the beginning of the year	72494	7.25	72494	7.25
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			

At the End of the year	72494	7.25	72494	7.25
Paresh Kapashi				
At the beginning of the year	111150	11.11	111150	11.11
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year			134750	13.47
Nimish Kapashi				
At the beginning of the year	155850	15.59	155850	15.59
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	155850	15.59	155850	15.59
Nandini Paresh Kapashi				
At the beginning of the year	109200	10.92	109200	10.92
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	109200	10.92	109200	10.92
SEVENTIBHAI KAPASHI				
At the beginning of the year	80202	8.02	80202	8.02
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	80202	8.02	80202	8.02
BHAKTI N KAPASHI				
At the beginning of the year	60950	6.10	60950	6.10
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	60950	6.10	60950	6.10
SEJAL INDUBHAI KAPASHI				
At the beginning of the year	46000	4.60	46000	4.60
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	46000	4.60	46000	4.60
NITINA KAPASHI				
At the beginning of the year	43500	4.35	43500	4.35
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons	No Change During the year			

for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year	43500	4.35	43500	4.35
SHUSHILABEN KAPASHI				
At the beginning of the year	32500	3.25	32500	3.25
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	32500	3.25	32500	3.25
PARESH SEVENTILAL KAPASHI				
At the beginning of the year	23600	2.36	23600	2.36
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	No Change During the year			
At the End of the year	23600	2.36	23600	2.36

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

	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. MITESH JAGDISH PARIKH				
At the beginning of the year	-	-	60000	6.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	24.11.2017 Increase 50019 Shares 01.12.2017 Increase 2562 Shares 08.12.2017 Increase 7419 Shares			
At the End of the year	-	-	60000	6.00
2. ROOPESH CHAITANYA				
At the beginning of the year	47350	4.73	47350	4.73
Date wise Increase / Decrease in Share holding 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			47350	4.73
3. SANJAY R KOTHARI				
At the beginning of the year	43000	4.30	43000	4.30
Date wise Increase / Decrease in Share holding 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			43000	4.30
4. SHOBHA S KOTHARI				
At the beginning of the year	42904	4.29	42904	4.29

Date wise Increase / Decrease in Share holding 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	-	-	42904	4.29
5 SUNIL R KOTHARI				
At the beginning of the year	25000	2.50	25000	2.50
Date wise Increase / Decrease in Share holding 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			25000	2.50
6. PREMILABEN NAGINBHAI SHAH				
At the beginning of the year			19902	1.99
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	12/01/2018 Increase 19902 Shares			
At the End of the year			19902	1.99
7 RASILA VINODRAY MEHTA				
At the beginning of the year	6300	0.63	6300	0.63
Date wise Increase / Decrease in Share holding 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			6300	0.63
8. JASHVANTI HASMUKHLAL KAPASHI				
At the beginning of the year	4000	0.40	4000	0.40
Date wise Increase / Decrease in Share holding 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			4000	0.40
9. RAJAN H KAPASHI				
At the beginning of the year	3950	0.395	3950	0.395
Date wise Increase / Decrease in Share holding 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	-	-	3950	0.395
10. DIVYESH V MEHTA				
At the beginning of the year	3300	0.33	3300	0.33
Date wise Increase / Decrease in Share holding during the year specifying the reasons for	10.11.2017 Decrease 1100 Shares			

increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year	-	-	2200	0.22

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. INDUKUMAR SHANTILAL KAPASHI (Whole Time Director)				
At the beginning of the year	72494	7.24	72494	7.24
Date wise Increase / Decrease in Share holding 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			72494	7.24
Mr. SEVANTILAL SHANTILAL KAPASHI (Whole-time director)				
At the beginning of the year	80202	8.02	80202	8.02
Date wise Increase / Decrease in Share holding 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			80202	8.02
Mr. PARESH SEVANTILAL KAPASHI (Director)				
At the beginning of the year	111150	11.11	111150	11.11
Date wise Increase / Decrease in Share holding 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			111150	11.11
Mr. NIMISH INDUBHAI KAPASHI (Director)				
At the beginning of the year	155850	15.58	155850	15.58
Date wise Increase / Decrease in Share holding 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			155850	15.58
Mr. MAHASUKH POPATLAL SHAH (Director) *				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding during the year	No Change During the year			

specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
At the End of the year			0	0
MS. VARSHA PRAFUL DALAL (Director)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding 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			0	0
MS. AMITA R. SHAH (Director)**				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding 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			0	0
Ms. NANDINI PARESH KAPASHI (CFO)				
At the beginning of the year	109200	10.92	109200	10.92
Date wise Increase / Decrease in Share holding 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			109200	10.92
Ms. POOJA PARESH BAGWE (Company Secretary)				
At the beginning of the year	0	0	0	0
Date wise Increase / Decrease in Share holding 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	0	0	0	0

* Mr. MAHASUKH POPATLAL SHAH (Director) : Ceased to be Director on 29-01-2018 due to death.

** MS. AMITA R. SHAH (Director) : Appointed as an Independent Director on 07-02-2018.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	175,000	Nil	175,000
i) Principal Amount				

ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		175,000		175000
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
• Addition		-	-	-
• Reduction		175,000	175,000	175000
Net Change		-175,000	-175,000	-,175,000
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Particulars of Remuneration	Mr. INDUKUMAR SHANTILAL KAPASHI (Whole-time director)	Mr. SEVANTILAL SHANTILAL KAPASHI (Whole-time director)	TOTAL
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
(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			
Stock Option	-	-	
Sweat Equity	-	-	
Commission			
- as % of profit	-	-	
- others			
Others	-	-	
Total (A)	NIL	NIL	NIL
Ceiling as per the Act			

B. Remuneration to other directors:

Particulars of Remuneration	Total Amount					
	Mr. Paresh Sevantilal Kapashi	Mr. Nimish Indubhai Kapashi	Mr. Mahasukh Popatlal Shah	Ms. Varsha Praful Dalal	Ms. Amita R. Shah	
Independent Directors						
• Fee for attending board / committee meetings	-	-	7,000	13,000	4,000	24,000
• Commission	-	-	-	-	-	-
• Others	-	-	-	-	-	-
Total (1)	-	-	7,000	13,000	4,000	24,000
4. Other Non-Executive Directors						
• Fee for attending board / committee meetings	11,000	8,000	-	-	-	19,000
• Commission	-	-	-	-	-	-
• Others	-	-	-	-	-	-
Total (2)	11,000	8,000	-	-	-	19,000
Total (B)=(1+2)	11,000	8,000	7,000	13,000	4,000	43,000
Total Managerial Remuneration	11,000	8,000	7,000	13,000	4,000	43,000

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

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	Company Secretary	CFO	
	Ms. Pooja Paresh Bagwe	Ms. Nandini Paresh Kapashi	
Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	126,000	NIL	126,000
(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	--	--	--
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - others	-	-	-
Others	-	-	-
Total	126,000	NIL	126,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Sd/-

sd/-

Place: Mumbai
Dated: August 27, 2018

Sevantilal Kapashi
DIN: 00008435
Whole-time Director

Nimish Kapashi
DIN: 00073665
Director

B (I) Number of meeting of the Board:

During the year 2017-18, the Board of Directors met Seven times viz. on 16th May, 2017; 9th August, 2017; 14th November, 2017; 30th December, 2017; 7th February, 2018, 8th February 2018 and 8th March, 2018.

Sr.No.	Date of Board Meeting	Directors attending Board Meeting
1	16 th May, 2017	Mr. Sevantilal S. Kapashi, Mr. Paresh S. Kapashi , Mr. Nimish I. Kapashi, Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal
2	9 th August, 2017	Mr. Sevantilal S. Kapashi, Mr. Indukumar S. Kapashi, Mr. Paresh S. Kapashi, Mr. Nimish I. Kapashi, Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal
3	14 th November, 2017	Mr. Sevantilal S. Kapashi, Mr. Indukumar S. Kapashi, Mr. Paresh S. Kapashi, Mr. Nimish I. Kapashi, Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal
4	30 th December, 2017	Mr. Sevantilal S. Kapashi, Mr. Indukumar S. Kapashi, Mr. Paresh S. Kapashi, Mr. Nimish I. Kapashi, Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal.
5	7 th February, 2018	Mr. Sevantilal S. Kapashi, Mr. Indukumar S. Kapashi, Mr. Paresh S. Kapashi, Mr. Nimish I. Kapashi, Ms. Varsha P. Dalal
6	8 th February, 2018	Mr. Sevantilal S. Kapashi, Mr. Indukumar S. Kapashi, Mr. Paresh S. Kapashi, Mr. Nimish I. Kapashi, Ms. Varsha P. Dalal, Ms. Amita R. Shah.
7	8 th March, 2018	Mr. Sevantilal S. Kapashi, Mr. Indukumar S. Kapashi, Mr. Paresh S. Kapashi, Mr. Nimish I. Kapashi, Ms. Varsha P. Dalal, Ms. Amita R. Shah.

(II) Number of meeting of the Audit Committee:

During the Year 2017-2018, the Member of Audit Committee met Four times viz. on 13th May, 2017; 9th August, 2017; 14th November, 2017 and 8th February 2018.

Sr.No.	Date of Meeting	Directors attending Meeting
1	13 th May, 2017	Mr. Paresh S. Kapashi , Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal
2	9 th August, 2017	Mr. Paresh S. Kapashi , Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal
3	14 th November, 2017	Mr. Paresh S. Kapashi , Mr. Mahashukhlal P. Shah, Ms. Varsha P. Dalal
4	8 th February, 2018	Mr. Paresh S. Kapashi , Ms. Varsha P. Dalal, Ms. Amita Shah

(III) Number of meeting of the Nomination and Remuneration Committee:

During the Year 2017-2018, the Member of Audit Committee met One time on 7th February 2018.

Sr. No.	Date of Board Meeting	Directors attending Board Meeting
1	7 th February, 2018	Mr. Nimish I. Kapashi , Ms. Varsha P. Dalal

C FAMILIRISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The familiarization programme aims to provide Independent Directors with the Finance Industry Scenario, the Socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant development so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the directors on the roles, responsibilities, rights and duties under the act and other statutes.

D Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

E. A statement on declaration given by independent directors under sub-section (6) of section 149;

All Independent Directors have given declarations that they meet the criteria of independent as laid down under Section 149(6) of the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

F. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as **Annexure A** to this Report.

G. Comments on Auditors' Report:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. K. S. Maheshwari & Co., Statutory Auditors, in their report and by M/s. R. N. Shah & Associates, Company Secretary in Practice, in secretarial audit report.

H. Particulars of loans, guarantees or investments under section 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 are given in the notes to the Financial Statements.

I. Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for related party transactions wherever required and the transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for reviewing on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.kapashicommercial.com. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

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

J. Dividend

Your Directors regret their inability to recommend any Dividend for the year under review.

K. Material Changes during the Financial Year;

(1) During the year Mr. Mahendrabhai Gulabdas Patel ("Acquirer 1"), Mr. Munjal Mahendrabhai Patel ("Acquirer 2") and Mrs. Shweta Samir Shah ("Acquirer 3") collectively known as "Acquirers" entered into a Share Purchase Agreement ("SPA") on 30th December, 2017, with promoters of Kapashi Commercial Limited, Company for acquisition of 735,443 Equity Shares representing 73.54% of the Equity Share Capital/voting capital of the Target Company (Kapashi Commercial Limited).

Mark Corporate Advisors Private Limited, Manager to the Offer, have submitted hard copy of the public announcement and the soft copy of the same to Securities Exchange Board of India, Mumbai ("SEBI) and to Target Company ("TC") at its Registered Office in terms of Regulation 13 read with Regulation 14 of SEBI (SAST) Regulation, 2011.

(2) The Company has applied for registration and is Registered as core Investment Company with the following credit rating agency as an NBFC, non Deposit accepting Company as per the RBI Direction.

- (a) Experian Credit Information Company of India Private Limited
- (b) Credit Information Bureau (India) Limited (CIBIL)
- (c) High Mark Credit Information Services Private Limited

(3) The Company has received Prior Approval from Reserve Bank of India for change in control and managements.

L. Material Changes between the date of the Board report and end of financial year

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

M. The conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;

Information on conservation of energy, technology absorption is not Applicable to your Company. There was no foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014.

N. A statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company;

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

O. The details about the policy developed and implemented by the Company, if any on Corporate Social Responsibility initiatives taken during the year;

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

P. Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors

The formal annual evaluation has been done by the board of its own performance and that of its committee and individual directors on the basis of evaluation criteria specified in the Nomination and Remuneration policy of the Company. A member of the Board/committee did not participate in the discussion of his/her evaluation.

➤ **The financial summary or highlights;**

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Total Income from Operation	4,430,835	7,703,152
Profit before Interest & finance charges, depreciation & taxation	2,411,459	5,902,125
Less: Interest & finance Charges	-	-
Operating profit before depreciation & taxation	2,411,459	5,902,125
Less: Depreciation, amortization & impairment of asset	-	-
Profit before Exceptional Items	2,411,459	5,902,125
Add: Exceptional Items	-	-
Less: Provision for earlier Years	-	-
Profit before taxation	2,411,459	5,902,125
Current Tax	(850,000)	(2,000,000)
Prior year Tax Provisions	-	-
Deferred Tax Liability	-	-
Profit after taxation	1,561,459	3,902,125
Add: Balance brought forward	(59,457,707)	(62,579,407)
Profit available for appropriation	(57,896,248)	(58,677,282)
Less: Appropriation:	-	-
Transfer to Special Reserve u/s. 45 I of RBI Act.	312,292	780,425
Transfer to General Reserve	-	-
Interim Dividend	-	-
Tax on Interim Dividend	-	-
Proposed Dividend	-	-
Provision for Tax on Proposed Dividend	-	-
Less: Additional depreciation charged due to change in useful life	-	-
Balance carried forward to Balance Sheet	(58,208,540)	(59,457,707)

The operations of the Company have shown down trend as compared to the previous year. The Company has earned total income of Rs. 4,430,835/- during the year under report as compared to Rs. 7,703,152/- during the previous year reflecting a reduction of 42.48 % over the previous year. The net profit of the Company during the year amounted to Rs. **1,561,459/-** compared to net Profit of Rs. **3,902,125/-** in the previous year.

- **a report on the performance and financial position of the associates companies included in the consolidated financial statement is presented: N.A**
- **the change in the nature of business, if any; : N.A**
- **the details of directors or key managerial personnel who were appointed or have resigned during the year:**

During the year under review due to Sad Demise of Mr. Mahasukh Popatlal Shah, Non executive Independent Director on 29th January, 2018, he ceases to be a Director of the Company. The Board has placed on record appreciation of his services during his tenure of Directorship.

The Board of Directors appointed Ms. Amita Rajnikant Shah (DIN: 00008365) as an Independent Director for five consecutive years for a term up to 6th February, 2023 with effect from February 7, 2018.

Change in Directors between the date of the Board report and end of financial year.

- * Mrs. Amita R. Shah ceased to be associated with the Company on account of her resignation as Director of the Company due to pre-occupation with other work w.e.f. 11th May, 2018.
- * Mrs. Bindu Divyesh Mehta appointed as an Independent Director of the Company for a term up to 10th May, 2023 w.e.f. 11th May, 2018. The Board recommends her appointment at the ensuing Annual General Meeting as an Independent Director.

- **The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year: N.A**
- **The details relating to deposits, covered under Chapter V of the Act: NA**
- **The details of deposits which are not in compliance with the requirements of Chapter V of the Act: N.A**
- **The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: N.A**
- **The details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance with various internal controls and other regulatory and statutory compliances.

Auditors:

M/s. K. S. Maheshwari & Co., Chartered Accountants, having registration number FRN No. 105846W were appointed as Statutory Auditors of your Company at the 32nd Annual General Meeting held on September 13, 2017 for a term of five consecutive financial years. As per the amended provisions of Section 139 of the Companies Act, 2013 notified on 7th May, 2018, the appointment of Auditors is not required to be ratified by Members at every Annual General Meeting.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

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

In order to prevent sexual harassment of women at work place the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year Company has not received any complaint of such harassment.

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Requirements of Rule 5(1)	Details
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Indukumar Shantilal Kapashi - Nil: Nil (%)
	Mr. Sevantilal Shantilal Kapashi Nil: Nil (%)
	Mr. Paresh Sevantilal Kapashi - Nil: Nil (%)
	Mr. Nimish Indubhai Kapashi - Nil: Nil (%)
	Mrs Bindu Divyesh Mehta- Nil: Nil (%)
	Mr. Mahasukhlal Popatlal Shah- Nil: Nil (%)
	Ms Varsha Praful Dalal - Nil: Nil (%)
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Ms. Amita Rajnikant Shah - Nil: Nil (%)
	Mr. Indukumar Shantilal Kapashi - Nil: Nil (%)
	Mr. Sevantilal Shantilal Kapashi Nil: Nil (%)
	Mr. Paresh Sevantilal Kapashi - Nil: Nil (%)
	Mr. Nimish Indubhai Kapashi - Nil: Nil (%)
	Mrs Bindu Divyesh Mehta - Nil: Nil (%)
	Mr Varsha Praful Dalal- Nil: Nil (%)
iii) the percentage increase in the median remuneration of employees in the financial year;	Mrs. Nandini Paresh Kapashi- Nil: Nil (%)
	Mrs. Pooja Paresh Bagwe- Rs.126,000 (0%)
(iv) the number of permanent employees on the rolls of company;	Not Applicable To The Company Because No Remuneration Paid To Director In The Financial Year
(v) the explanation on the relationship between average increase in remuneration and company performance;	Two employees as on 31 st March, 2018
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Average increase in remuneration of all employees was Nil% for the year 2018 which is based on the individual's employee's performance. The total interest Income in the year decreased by 40% compared to previous year.
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	N.A.
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Shares of the Company were not traded till September, 2017. As on 31 st March, 2018 market price of the Shares was Rs.91.40 per share. The market capitalisation as on 31 st March, 2018 was Rs.9.14 Crore and the price earnings ratio is 58.59.
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	N. A. as No employee is employed other than Key Managerial Personnel.
(x) the key parameters for any variable component of remuneration availed by the directors;	Ms. Pooja Bagwe, Company Secretary : 2.84%
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are	N.A.
	No Director received remuneration during the year Company Secretary received remuneration higher

not directors but receive remuneration in excess of the highest paid director during the year; and	than the Directors.
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2018 is as per Remuneration policy of the Company

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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. R. N. Shah & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure B".

➤ **Composition of Audit Committee:**

The Audit Committee consists of the following directors:

1. Mrs. Varsha Praful Dalal, Chairperson and Independent Woman Director
2. Mr. Mahashukh P. Shah, Independent Director*
3. Mrs. Amita R. Shah, Independent Director**
4. Mr. Paresh S. Kapashi, Director
5. Ms. Bindu D. Mehta, Independent Director***

* Due to sad demise on 29th January, 2018 Mr. Mahasukh Popatlal Shah (DIN: 00073676), Non-executive Independent Director of the Company, he ceases to be Director of the Company.

** Mrs. Amita R. Shah appointed as an Independent Director of the Company for five consecutive years for a term up to 6th February, 2023 with effect from February 7, 2018. Due to her resignation she ceased to be Director on 11th May, 2018.

*** Ms. Bindu D. Mehta has been appointed as an Independent Director for five consecutive years for a term up to 10th May, 2023 with effect from 11th May, 2018.

➤ **Composition of Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee consists of the following directors:

1. Mrs. Varsha Praful Dalal, Chairperson and Independent Woman Director
2. Mr. Mahashukh P. Shah, Independent Director*
3. Mrs. Amita R. Shah, Independent Director**
4. Mr. Nimish I. Kapashi, Director
5. Ms. Bindu D. Mehta, Independent Director***

* Due to sad demise on 29th January, 2018 Mr. Mahasukh Popatlal Shah (DIN: 00073676), Non-executive Independent Director of the Company, he ceases to be Director of the Company.

** Mrs. Amita R. Shah appointed as an Independent Director of the Company for five consecutive years for a term up to 6th February, 2023 with effect from February 7, 2018. Due to her resignation she ceased to be Director on 11th May, 2018.

*** Ms. Bindu D. Mehta has been appointed as an Independent Directors for five consecutive years for a term up to 10th May, 2023 with effect from 11th May, 2018.

➤ **Vigil Mechanism/Whistle Blower Policy:**

The Company has established a Vigil Mechanism/Whistle Blower Policy for Directors and employees to report their genuine concerns.

➤ **Dematerialization**

More than 99.715% of the shares of the Company are in dematerialized form. Your Directors request all the members who have not yet got their holding dematerialized to do so to enable easy trading of the shares as the shares of the Company are compulsorily traded in dematerialized form.

➤ **Following details are also available on the website of the Company i.e. on www.kapashicommercial.com**

1. Familiarisation programmes for Independent Directors.
2. Policy on Related Party Transactions
3. Internal Financial Control Policies
4. Policy on Board Diversity
5. Risk Management Policy
6. Nomination and Remuneration Committee Policy
7. Whistle Blower Policy
8. Code of Conduct for Directors and Employees
9. Policy on Preservation of Documents

➤ **Management Discussion and Analysis Report:**

In terms of the provisions of Regulation 34(2)(e) of the Listing Regulations, the Management's discussion and analysis are as follows.

CAUTIONARY STATEMENT

Statement made in this report describing the Company's objectives, projection, estimates and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the Markets in which company operates; changes in the Government regulations; tax laws and other statutes and incidental factors.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Changing economic and business conditions and rapid growth of Business Environment are creating an increasingly competitive market environment that is driving corporations to transform their operations. Companies are focusing on their core competencies and service providers to adequately address these needs. The role of technology has evolved from supporting corporations to transforming their business.

OPPORTUNITIES AND THREATS:

The performance of market in India has a direct correlation with the prospect of economic growth and political stability. Though the growth projections for F.Y. 2018-19 appear reassuring, there are certain downside risks such as pace and shape of global recovery, effect of withdrawal of fiscal stimulus and hardening of commodity prices. Accommodative monetary policies in advanced economies, coupled with better growth prospects in Emerging Markets (EMs) including India, are expected to trigger large capital inflows in EMs which in turn could lead to inflationary pressures and asset price bubble. Our business performance may also be impacted by increased competition from local and global players operating in India, regulatory changes and attrition of employees. With growing presence of players offering advisory service coupled with provision of funds for the clients' needs, we would face competition of unequal proportion. We continuously tackle this situation by providing increasingly superior customized services.

In financial services business, effective risk management has become very crucial. Your Company is exposed to credit risk, liquidity risk and interest rate risks. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analysed and reviewed at various levels of management through an effective information system. The Company is having excellent Board of Directors who are Expert in financial sector, and are helping the Company in making good Investment.

OUTLOOK AND FUTURE PROSPECTS

Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. Company can sustain in this competitive environment only through optimization of

funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

RISKS & CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

- (1) Identification of the diverse risks faced by the company.
- (2) The evolution of appropriate systems and processes to measure and monitor them.
- (3) Risk management through appropriate mitigation strategies within the policy framework.
- (4) Monitoring the progress of the implementation of such strategies and subjecting them to Periodical audit and review.
- (5) Reporting these risk mitigation results to the appropriate managerial levels.

SUBSIDIARY COMPANY

As there are no subsidiaries of the company, investment made in subsidiaries is nil.

HUMAN RESOURCES

The Company's relations with the employees continued to be cordial.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The Company operates in only single segment. Hence segment wise performance is not applicable.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUENCY

Your Company has an effective system of accounting and administrative controls supported by an internal audit system with proper and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilization. As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is manned by highly qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings. An Information Security Assurance Service is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, Authorities and the Bankers to the Company for their valuable support and Your Directors acknowledge the support and look forward to their continued co-operation in the years to come.

Co-operation received from the employees and all those who have helped in the day to day management

For and on behalf of the Board of Directors

Sd/-

sd/-

Place: Mumbai
Dated: August 27, 2018

Sevantilal Kapashi
DIN: 00008435
Whole-time Director

Nimish Kapashi
DIN: 00073665
Director

Annexure – A

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION:

This policy has been formulated by the Committee and approved by the Board of Directors.

2. OBJECTIVE OF THE COMMITTEE:

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Director and the Board
- c. Devising a policy on Board diversity.
- d. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- e. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3. DEFINITIONS:

- 3.1 **Board** means Board of Directors of the Company.
- 3.2 **Director** means Directors of the Company.
- 3.2 **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- 3.4 **Company** means Kapashi Commercial Limited.
- 3.5 **Independent Director** means Independent Director as provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013.
- 3.6 **Key Managerial Personnel** means Key Managerial Personnel as defined Section 2(51) of the Companies Act, 2013.
- 3.7 **Senior Management** The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. GENERAL APPOINTMENT CRITERIA:

- 4.1 The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- 4.2 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
- 4.3 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

5. ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

The appointment of Independent director shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and the Companies Act, 2013.

6. TERM / TENURE:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time, and as per listing agreement.

7. REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

8. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

8.1 Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the Board from time to time.

The Independent Directors shall take the views of the executive director(s) and non-executive director(s) to review the performance of the Chairman of the Company.

8.2 Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the company;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence
- f. inform the Board immediately when they lose their independence,
- g. assist the Company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- m. Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. Provide various directions in the best interest of the Company on key issues.

Apart for aforesaid criteria, the Non-Executive Directors (including Independent Directors) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

8.3 Board (including Various Committees):

The Board (including various committees) shall be evaluated on the basis of the following criteria i.e. whether:

- a. The Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. The Board oversees the management of risk and review the effectiveness of risk management process.
- c. The Board of directors works as a team.
- d. The Board is robust in taking and sticking to decisions.
- e. The Board as a whole up to date with latest developments in the regulatory environment and the market.
- f. Sufficient Board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. The relationships and communications with shareholders are well managed.
- h. The relationships and communications within the board constructive.
- i. All directors allowed or encouraged to participate fully in board discussions.
- j. The Board take the Initiative to maintain moral value of the Company.
- k. The Board contribute to enhance overall brand image of the Company.

Apart from aforesaid criteria, the Board (including Committees) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

9. POLICY ON BOARD DIVERSITY:

The appointment of director(s) on the Board should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination & Remuneration Committee is (among other things) responsible for:

reviewing the structure, size and composition of the Board and the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board.

10. REMUNERATION:

10.1 The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

10.2 Director/ Managing Director

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.3 Non executive Independent Directors

The Non- Executive Independent Director may receive remuneration by way of sitting fees as decided by the Board from time to time for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed the ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.4 KMPs / Senior Management Personnel etc.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any

prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.5 Other employees:

Without prejudice to what is stated in para 10.1 to 10.4, the remuneration to be paid to the other employees shall be decided by the management of the Company based on the experience, qualification, expertise of the employees or any other criteria as may be decided by the Management.

11. SUCCESSION PLANNING:

The Nomination & Remuneration Committee shall work with the Board on the Leadership succession plan, and shall also prepare contingency plan for succession in case of any exigencies.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

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

To,
The Members,
KAPASHI COMMERCIAL LIMITED
NISHUVI, 4TH FLOOR,
75, DR. ANNIE BESANT ROAD,
WORLI
MUMBAI - 400018.

We have conducted the secretarial audit the compliance of applicable statutory provisions and the adherence to good corporate practices by Kapashi Commercial Limited ("the Company") The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my 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, 2018 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- Mechanism in place to the extent and in the manner reported 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, 2018 according to the provisions of-

- I. The Companies Act, 2013 and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made under that Act;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that act;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI'):-
 - 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) Regulation, 1992;
 - c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;Following Regulations and/or Guidelines are not applicable to the Company for Financial year ended 31st March, 2018:
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 - The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent of Foreign Direct Investment (FDI), Overseas direct Investment (ODI), and External Commercial Borrowings (ECB);

- V. The Equity Listing Agreements with BSE Limited.
- VI. The Labour laws applicable to the Company such as,
- The Payment of Wages Act, 1936;
 - The Minimum Wages Act, 1948;
 - The Maternity Benefit Act, 1961;
 - The Child Labour Prohibition and Regulation Act, 1986;
 - The Employees Compensation Act, 1923.
 - Maharashtra Professional Tax Act, 1975.
 - Non-Banking Financial Companies Regulations as prescribed by Reserve Bank of India.
 - Goods and Service Tax Act, 2017.

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

We further report that

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

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

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

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

We further report that during the audit period the Company has not taken any actions/ events occurred having a major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Mumbai
Date: 21st May, 2018

For R. N. Shah & Associates
Company Secretaries
Sd/-
(Rajnikant N. Shah)
Proprietor
FCS NO: 1629
C P NO: 700

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,
KAPASHI COMMERCIAL LIMITED
NISHUVI, 4TH FLOOR,
75, DR. ANNIE BESANT ROAD,
WORLI
MUMBAI - 400018.

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

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

Place: Mumbai
Date: 21st May, 2018

For R. N. Shah & Associates
Company Secretaries
Sd/-
(Rajnikant N. Shah)
Proprietor
FCS NO: 1629
C P NO: 700

INDEPENDENT AUDITORS' REPORT

To,
The Members Of
KAPASHI COMMERCIAL LIMITED

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **Kapashi Commercial Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss, and the Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income cash flows and Statement of Changes in Equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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 31st March 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in its terms of sub-section (11) of section 143 of Companies Act 2013, we give in the Annexure "A" a statement on the matters specified in 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 purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
 - e) on the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
 - f) with respect to the adequacy of the internal Financial Controls over Financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure "B".
 - g) With respect to the other matters included in the auditor's report in accordance with Rule II of the Companies (Audit and Auditors) Rule 2014 as amended and to best of our information and according to the explanation given to us.
 - 1) The Company does not have any pending litigations which would impact its financial position.
 - 2) The Company did not have any long-term contracts for which there were any material foreseeable losses.
 - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai
DATED: 21st May, 2018

For K.S. MAHESHWARI & CO.
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)
Sd/-
K.S MAHESHWARI
PARTNER
M NO.39715

Annexure “A” to the independent auditor’s report of even date on the financial statements of Kapashi Commercial Limited

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

We have audited the internal financial controls over financial reporting of Kapashi Commercial Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financing 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Financing Reporting

Because of the inherent limitations of internal financial controls over financing 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 subjected to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate .

Opinion

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

Place: Mumbai
DATED: 21st May, 2018

For **K.S. MAHESHWARI & CO.**
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)

Sd/-
K.S MAHESHWARI
PARTNER
M NO.39715

Annexure "B" to the Auditors' Report.

Referred to in Paragraph 1 under "Report on other Legal and Regulatory requirements in independent Auditor's report of even date on the accounts of KAPASHI COMMERCIAL LIMITED for the year ended March 31, 2018.

- [I] The Company do not have any fixed Assets.
- [II] The Company do not hold any Inventory.
- [III] The Company has not granted any loans, secured or unsecured, to companies, firms, and Limited liability partnership or other parties covered 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 Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- [V] The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- [VI] The Rules made by the Central Government for the maintenance of cost records under Sub-Section (1) of Section 148 of the Companies Act, 2013 does not apply in respect of Company's business.
- [VII] a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Custom duty, Excise-duty, cess and other statutory dues applicable to it.
b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Custom duty, Excise-duty, cess and other statutory dues applicable to it were in arrears, as at 31st March 2018 for a period of more than six months from the date they became payable.
c) According to the information and explanation given to us, there are no dues of sale tax, income-tax, customs duty, wealth-tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- [VIII] During the year, the company has not taken any loan from any financial institution or bank and has not issued any debenture.
- [IX] The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
- [X] To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- [XI] The company has not paid / provided any managerial remuneration.
- [XII] The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- [XIII] In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

[XIV] During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

Annual Report 2017-18

[XV] In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.

[XVI] The Company is registered under Section 45-I of the Reserve Bank of India Act, 1934.

Place: Mumbai
DATED: 21st May, 2018

For **K.S. MAHESHWARI & CO.**
CHARTERED ACCOUNTANTS
(FIRM REGN NO. 105846W)
Sd/-
K.S MAHESHWARI
PARTNER
M NO.39715

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Notes	31 st March 2018 (Rs.)	31 st March 2017 (Rs.)	31 st April 2016 (Rs.)
ASSETS				
Non-current assets				
Intangible assets under development*		-	-	-
Biological assets other than bearer plants*		-	-	-
Financial assets				
i. Investments	2 (a)	6,00,565	6,00,565	9,49,737
ii. Loans	2 (b)	1,31,60,000	4,02,95,133	3,71,55,388
Total non-current assets		1,37,60,565	4,08,95,698	3,81,05,125
Current assets				
Financial assets				
i. Cash and cash equivalents	3	1,56,055	2,30,065	34,34,867
ii. Bank balances other than (i) above*		-	-	-
iii. Loans	4	3,46,64,421	63,98,687	30,24,000
iv. Other current assets	5	17,52,712	18,70,047	3,84,920
Total current assets		3,65,73,188	84,98,799	68,43,787
Total assets				
EQUITY AND LIABILITIES				
Equity				
Equity share capital	6 (a)	1,00,00,000	1,00,00,000	1,00,00,000
Other equity	6 (b)	3,99,03,540	3,83,42,081	3,44,39,956
Total equity		4,99,03,540	4,83,42,081	4,44,39,956
LIABILITIES				
Non-current liabilities				
Other non-current liabilities*		-	-	-
Total non-current liabilities		-	-	-
Current liabilities				
Financial liabilities				
i. Borrowings	7	-	1,75,000	-
Other current liabilities	8	99,602	99,521	1,03,499
Short term provisions		3,30,611	7,77,895	4,05,458
Total current liabilities		4,30,213	10,52,416	5,08,957
Total liabilities		4,30,213	10,52,416	5,08,957
Total equity and liabilities				
		5,03,33,753	4,93,94,497	4,49,48,913

* Schedule III requires these items to be presented on the face of the balance sheet. They have been included for illustrative purposes through them are not applicable to Ind AS financials

Significant Accounting Policies)
Notes on Financial Statements)

1 to 16

The accompanying notes are an integral part of financial statements

As per our Report of even date
For K. S Maheshwari & Co.
Chartered Accountants
(FRN 105846W)

For and on behalf of the Board

(S. S. KAPASHI)
DIN:00008435
Director

(N.I. KAPASHI)
DIN:00073665
Director

(K. S. MAHESHWARI)
Partner
Membership No.39715

(Nandini P.Kapashi)
Chief Financial Officer

(Pooja P. Bagwe)
Company Secretary

Mumbai
Dated: 21st May,2018

Mumbai
Dated: 21st May,2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Notes	2017-18 (Rs.)	2016-17 (Rs.)
I. Income from operations	9	44,30,835	77,03,152
ii. Other income		-	-
II. Total Revenue (i + ii)		44,30,835	77,03,152
III. Expenses			
Other Expenses	10	20,19,377	18,01,027
IV. Total Expenses		20,19,377	18,01,027
V Profit before exceptional items and tax		24,11,459	59,02,125
VI Exceptional item		-	-
VII Profit before tax (V-VI)		24,11,459	59,02,125
VII			
I Tax expenses			
(i) Current tax		8,50,000	20,00,000
IX Profit (Loss) from the period (VII-VII)		15,61,459	39,02,125
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the period (IX + X) (Comprising Profit (Loss) and other comprehensive income for the period)		15,61,459	39,02,125
Profit attributable to:			
Owners of the company		15,61,459	39,02,125
XII Earning per equity share:		1.56	3.90
Basic and diluted earnings per share			

Significant Accounting Policies) 1 to
Notes on Financial Statements) 16

The accompanying notes are an integral part of financial statements

As per our Report of even date
For K. S Maheshwari & Co.
Chartered Accountants
(FRN 105846W)

Sd/-

(K. S. MAHESHWARI)
Partner
Membership No.39715

Mumbai
Dated: 21st May,2018

For and on behalf of the Board

(S. S. KAPASHI)
DIN:00008435
Director

Sd/-
(Nandini P.Kapashi)
Chief Financial Officer

Mumbai
Dated: 21st May,2018

(N.I. KAPASHI)
DIN:00073665
Director

Sd/-
(Pooja P. Bagwe)
Company Secretary

Statement of Changes in Equity For the year ended 31/03/2018

A)	Equity Share Capital	31/03/2018		31/03/2017		
		Nos.	Amount	Nos.	Amount	
		Issued Subscribed and fully paid				
Equity Shares outstanding at the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000		
Add - Issued during the year						
Issued Subscribed and fully paid	10,00,000	1,00,00,000	10,00,000	1,00,00,000		
Equity Shares outstanding at the beginning of the year						
B) Other Equity						
	General Reserve		Special Reserve		Statement of Profit & Loss	
Balance as on 01/04/2016	75589291		21430072		-62579407	
Profit for the year					3902125	
Other Comprehensive Income	-		-		-	
Transfer to Special Reserve	-		-		-780425	
Transfer from Statement of Profit & Loss	-		780425		-	
Balance as on 31/03/2017	75589291		22210497		-59457707	
Profit for the year	-		-		1561459	
Other Comprehensive Income	-		-		-	
Transfer to Special Reserve	-		-		-312292	
Transfer from Statement of Profit & Loss	-		312292		-	
Balance as on 31/03/2018	75589291		22522789		-58208540	

**As per our Report of even date
For K. S Maheshwari & Co.
Chartered Accountants
(FRN 105846W)**

Sd/-

**(K. S. MAHESHWARI)
Partner**

Membership No.39715

**Mumbai
Dated: 21st May,2018**

For and on behalf of the Board

**(S. S. KAPASHI)
DIN:00008435
Director**

Sd/-
(Nandini P.Kapashi)

Chief Financial Officer

**Mumbai
Dated: 21st May,2018**

**(N.I. KAPASHI)
DIN:00073665
Director**

Sd/-
**(Pooja P. Bagwe)
Company
Secretary**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018
(PURSUANT TO AMMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)

Particulars	For the		For the	
	year ended		year ended	
	31-Mar-18		31-Mar-17	
	Rupees		Rupees	
I CASH FLOW FROM OPERATING ACTIVITIES :				
(A) Net profit before tax & extra ordinary item		24,11,459		59,02,125
(B) Adjustment				
Add:				
i) Depreciation	-		-	
ii) Interest paid	-		-	
	<u> </u>		<u> </u>	
Less:				
i) Interest Earned	(44,30,835)		(73,81,091)	
II) Other Income	-		(3,22,061)	
	<u> </u>	(44,30,835)	<u> </u>	(77,03,152)
CASH FROM OPERATIONS		(20,19,377)		(18,01,027)
(C) (Increase)/Decrease in Current Assets				
i) Sundry Debtors	-			
ii) Other Current Assets and Loans & Advances	(14,03,135)		(22,46,287)	
Increase/(Decrease) in Current Liabilities				
i) Liabilities	(1,74,919)		6,89,906	
ii) Provisions	<u>(4,47,284)</u>	(20,25,338)	<u>2,68,865</u>	(12,87,516)
Net Cash From Operations (A)		(40,44,715)		(30,88,543)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018
(PURSUANT TO AMMENDMENT TO CLAUSE 32 OF THE LISTING AGREEMENT)**

	For the year ended 31-Mar-18 Rupees	For the year ended 31-Mar-17 Rupees
(II) CASH FLOW FROM INVESTMENT ACTIVITIES		
Add:		
i) Interest & Other Income Earned	44,30,835	77,03,152
Less:		
i) (Increase)/Decrease in Investment, net	-	9,49,677
ii) Purchase of Fixed Assets		
iii) Purchase/sale of investments		-
iv) Purchase/Sale of Fixed Assets		
v) Purchase/Sale of Property		
vi) Interest Paid		
vii) Proceeds from issue of share capital		
viii) Repayment of loans		
ix) Net Proceeds from Borrowings	-	-
Net Cash from Investments (B)	44,30,835	67,53,475
Net Increase/Decrease in cash & Cash Equivalent (A+B)	3,86,120	36,64,932
Opening Balance	2,30,065	34,34,867
Closing Balance	1,56,055	2,30,065

**As per our Report of even date
For K. S Maheshwari & Co.
Chartered Accountants
(FRN 105846W)**

Sd/-

**(K. S. MAHESHWARI)
Partner**

Membership No.39715

**Mumbai
Dated: 21st May,2018**

For and on behalf of the Board

**(S. S. KAPASHI)
DIN:00008435
Director**

Sd/-
(Nandini P.Kapashi)

Chief Financial Officer

**Mumbai
Dated: 21st May,2018**

**(N.I. KAPASHI)
DIN:00073665
Director**

Sd/-
**(Pooja P. Bagwe)
Company
Secretary**

NOTE No. 1

Significant Accounting Policies

1. Corporate Information

Kapashi Commercial Ltd., Company) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed in Bombay Stock Exchanges in India. The registered office of the company is located at 'Nishuvi' 4th Floor, 75, Dr. Annie Besant Road, Worli, Mumbai-400 018.

The Company is principally engaged in the business of Trading & Investments.

The financial statements were authorised for issue in accordance with a resolution for the board of directors on May 22, 2018.

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards (Ind AS) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2018 are the first the Company has prepared in accordance with Ind AS.

These financial statements are prepared on accrual basis under the historical cost convention.

2.2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Dividend

Revenue is recognized when the Company's right to receive the payment is established, which generally when shareholders approve the dividend.

Other Income

Other income is accounted for on accrual basis except where the receipt income is uncertain.

2.3 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. All the financial assets and liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities (other than financial assets and liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial asset or financial liability.

2.4 Financial Assets.

Classification and Measurement

All the financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial asset (other than financial assets carried at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement of a financial assets depends on its classification i.e. financial assets carried at amortised cost or fair value (either through other comprehensive income or through

profit or loss). Such classification is determined on the basis of Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company's financial assets primarily consists of cash and cash equivalents, trade receivables, loans to employees and security deposits etc. which are classified as financial assets carried at amortised cost.

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial assets that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company provides for lifetime expected credit losses recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

2.5 Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961, The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax for the year

Current tax are recognized in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.6 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.7 Contingent Liability

Contingent liabilities are not provided for in the accounts and are disclosed separately in Notes on Accounts.

2.8 Segment Report

During the year, the Company has only one primary business segment, i.e. Investment. Hence separate segment report as required under accounting standard 17 is not presented.

2.9 Cash & Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3. Significant Accounting Judgments, Estimates And Assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect reported amounts of revenue, expenses, assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Income Taxes

Significant judgments are involved in estimating budgeted profits for the calculation of advance tax and deferred tax, and determining provision for income taxes and uncertain tax positions.

Notes on Financial Statements for the Year Ended 31st March, 2018

Note 2: NON-CURRENT FINANCIAL ASSETS

FINANCIAL ASSETS

NOTE 2(a) NON CURRENT INVESTMENTS

Particulars	FACE VALUE	31-03-2018		31-03-2017		01-04-2016	
		Qty	Rupees	Qty	Rupees	Qty	Rupees
In Equity Investments (Quoted)							
G N F C	10	0	0	0	0	5,500	4,04,011
Tata Steel Ltd.	10	0	0	0	0	1,500	5,45,726
Fairchem Chemicals	10	1,100	6,00,565	1,100	6,00,565	0	0

Particulars	31st March 2018 (Rs.)	31st March 2017 (Rs.)	01st April 2016 (Rs.)
2(b) Loans			
Advance payments to parties	1,31,60,000	4,02,95,133	3,71,55,388
Total non-current loans	1,31,60,000	4,02,95,133	3,71,55,388

Note 3: Cash and Cash Equivalents

i) Balances with Banks			
Axis Bank Ltd.	19,981	32,241	2,18,593
Oriental Bank of Commerce	1,05,072	1,85,497	31,58,609
ii) Cash on Hand	31,002	12,327	57,665
Total Cash and Equivalent	1,56,055	2,30,065	34,34,867

Note 4: Loans to Others

	3,46,64,421	63,98,687	30,24,000
Total Loans	3,46,64,421	63,98,687	30,24,000

Note 5: Other Current Assets

i) Advance Tax net of provisions	17,52,712	18,70,047	3,84,920
Total Other Current Assets	17,52,712	18,70,047	3,84,920

Note 6: Equity Share Capital

6(a) Equity share capital			
AUTHORIZED SHARE CAPITAL			
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000	1,00,00,000
ISSUED, SUBSCRIBED & PAID-UP CAPITAL			
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000	1,00,00,000
Shares in the Company held by each shareholder			

Holding 5 Percent shares							
Name of the Shareholder	Number of		Number of		Number of		
	Shares	%	Shares	%	Shares	%	
SEVANTILAL S. KAPASHI	80202	8.02	80202	8.02	80202	8.02	
INDUKUMAR S. KAPASHI	72494	7.25	72494	7.25	72494	7.25	
PARESH S. KAPASHI	134750	13.47	134750	13.47	134750	13.47	
NIMISH I. KAPASHI	155850	15.58	155850	15.58	155850	15.58	
NANDINI P. KAPASHI	109200	10.92	109200	10.92	109200	10.92	
BHAKTI N. KAPASHI	60950	6.09	60950	6.09	60950	6.09	
Equity Shares at the beginning of the reporting period	10,00,000		10,00,000		10,00,000		
Changes in equity share capital during the year	-		-		-		
Balance at the end of the reporting period	10,00,000		10,00,000		10,00,000		
6(b) Other Equity							
i) General Reserve	7,55,89,291		7,55,89,291		7,55,89,291		
ii) Special Reserve	2,25,22,789		2,22,10,497		2,14,30,072		
iii) Statement of Profit & Loss	(5,82,08,540)		(5,94,57,707)		(6,25,79,407)		
	3,99,03,540		3,83,42,081		3,44,39,956		

Notes on Financial Statements for the Year Ended 31st March, 2018

Note 7: Financial Liabilities			
Borrowings			
From related parties	-	1,75,000	-
Total Borrowings	-	1,75,000	-
Note 8: Other Current Liabilities			
Other Payables	75,081	82,096	86,899
Statutory Liabilities	24,521	17,425	16,600
Total Other Current Liabilities	99,602	99,521	1,03,499

Particulars		31 st March 2018 (Rs.)	31 st March 2017 (Rs.)
9)	INCOME FROM OPERATIONS		
	i) Interest Gross	44,30,835	73,81,031
	ii) Dividend	0	60
	iii) Profit on Sale of Shares	0	322061
		44,30,835	77,03,152
10)	Other Expenses		
	Salaries	1,26,000	1,26,000
	Rent	4,98,000	5,51,600
	Payment to Auditors		
	Statutory Audit fees	20,000	46,000
	Tax Audit fees	55,000	40,250
	Listing fees	3,29,860	2,29,000
	Donation	4,50,000	3,00,000
	Miscellaneous expense	4,40,853	5,08,177
	GST Paid	99,663	0
		20,19,377	18,01,027

11)	Related Party Transactions		
	i. Other Associates – Nishuvi Trading LLP, Creative Corporation, Nishuvi Corporation, Indu Corporation Pvt. Ltd., Shreejee Darshan Corporation.		
	ii. Directors / Key Management Personnel – Mr. Sevantilal Shantilal Kapashi, Mr. Indukumar Shantilal Kapashi.		
	Summary of the transactions with the above – related parties as follows:		
	Nature of Transaction	Transaction for the Year ended	
	Key Management Personnel	March 2018	March 2017
		Amount in Rs.	Amount in Rs.
	Loan Received	1,38,82,003	5,51,000
	Loan Repaid	1,40,57,003	3,76,000
	Year ended balance	0	1,75,000
12)	Contingent Liability		
	Current Year Rs. NIL	Previous Year Rs.	
	NIL		
13)	Earnings per share	Year ended March 2018	Year ended March 2017
		Amount in Rs.	Amount in Rs.
	Profit/(Loss) attributable to the equity shareholders	15,61,459	39,02,125
	Number of Equity Shares Outstanding during the year	10,00,000	10,00,000
	Nominal Value of Equity Shares (Rupees per Share)	10	10
	Basic/diluted earning per share on face value of Rs.10/- Each (Previous Year Re.1/-)	1.56	3.90

14)	In the opinion of the Board, Current Assets, Loans and Advances are approximately of the same value as stated in the Balance Sheet if realised in the ordinary course of business.
15)	There are no Micro, Small and Medium Enterprises, as defined in Micro, Small, Medium Enterprises Development Act to whom the Company owes on account of principal amount together with interest and accordingly no additional disclosures have been made.
16)	Previous year's figures have been regrouped, rearranged or recast wherever considered necessary, so as to make them comparable with current year figures.

SIGNATORIES TO NOTES 1 TO 16

As per our Report of even date
For K. S Maheshwari & Co.
Chartered Accountants
(FRN 105846W)

Sd/-

(K. S. MAHESHWARI)
Partner

Membership No.39715

Mumbai
Dated: 21st May,2018

For and on behalf of the Board

(S. S. KAPASHI)
DIN:00008435
Director

Sd/-
(Nandini P.Kapashi)
Chief Financial Officer

Mumbai
Dated: 21st May,2018

(N.I. KAPASHI)
DIN:00073665
Director

Sd/-
(Pooja P. Bagwe)
Company
Secretary

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company

(Rs. In Lakhs)

Particulars		As at 31.03.2018	
Liabilities side:			
[1]	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	[a] Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
	[b] Deferred Credits	NIL	NIL
	[c] Term Loans	NIL	NIL
	[d] Inter-corporate loans and borrowing	NIL	NIL
	[e] Commercial Paper	NIL	NIL
	[f] Other Loans (specify nature)	NIL	NIL
Assets side:		Amount outstanding	
[2]	Break-up of Loans and Advances including bills receivables (other than those included in (4) below:		
	[a] Secured		
	[b] Unsecured	---	
		Rs. 478.24	
[3]	Break-up of Leased Assets and Stock on hire and hypothecation loans counting towards EL/HP activities	NIL	
	<i>[i] Lease assets including lease rentals under sundry debtors:</i>		
	<i>[a] Financial lease</i>		
	<i>[b] Operating lease</i>		
	<i>[ii] Stock on hire including hire charges under sundry debtors:</i>		
	<i>[a] Assets on hire</i>		
	<i>[b] Repossessed Assets</i>		
	<i>[iii] Other loans counting towards AFC activities</i>		
	<i>[a] Loans where assets have been repossessed</i>		
	<i>[b] Loans other than [a] above.</i>		
[4]	Break-up of Investments		
	Current Investments:		
	1. Quoted:		
	[i] Shares: [a] Equity	9.50	
	[b] Preference	NIL	
	[ii] Debentures and Bonds	NIL	
	[iii] Units of mutual funds	NIL	
	[iv] Government Securities	NIL	
	[v] Others (please specify)	NIL	

	2. Unquoted: [i] Shares: [a] Equity [b] Preference [ii] Debentures and Bonds [iii] Units of mutual funds [iv] Government Securities [v] Others (please specify)	NIL NIL NIL NIL NIL NIL
	Long Term Investments:	
	1. Quoted: [i] Shares: [a] Equity [b] Preference [ii] Debentures and Bonds [iii] Units of mutual funds [iv] Government Securities [v] Others (please specify)	NIL NIL NIL NIL NIL NIL
	2. Unquoted: [i] Shares: [a] Equity [b] Preference [ii] Debentures and Bonds [iii] Units of mutual funds [iv] Government Securities [v] Others (please specify)	NIL NIL NIL NIL NIL NIL
[5]	<i>Borrower group-wise classification of assets financed as in (2) and (3) above:</i> Please see Note 2 below	N. A.
	Category	Amount net of provisions
		Secured Unsecured Total
	1. Related Parties **	
	[a] Subsidiaries	
	[b] Companies in the same group	
	[c] Other related parties	
	2. Other than related parties	
	Total	

[6]	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below		
	Category	Market Value / Break-up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	[a] Subsidiaries		
	[b] Companies in the same group		
	[c] Other related parties		
	2. Other than related parties		
	Total		

** As per Accounting Standard of ICAI (Please see Note 3)

[7] **Other information**

	<i>Particulars</i>	<i>Amount</i>
[i]	Gross Non-Performing Assets	
	[a] Related parties	NIL
	[b] Other than related parties	NIL
[ii]	Net Non-Performing Assets	
	[a] Related parties	NIL
	[b] Other than related parties	NIL
[iii]	Assets acquired in satisfaction of debt	NIL

Notes:

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserved Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 or Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 whichever is applicable.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up / fair value / NAV in respect of un-quoted investments should be disclosed irrespective of whether they are classified as long term or current in column [4] above.

**As per our Report of even date
For K. S Maheshwari & Co.
Chartered Accountants
(FRN 105846W)**

Sd/-

**(K. S. MAHESHWARI)
Partner
Membership No.39715**

**Mumbai
Dated: 21st May,2018**

For and on behalf of the Board

**(S. S. KAPASHI)
DIN: 00008435
Whole-Time Director**

**(N.I. KAPASHI)
DIN: 00073665
Director**

Sd/-
**(Nandini P. Kapashi)
Chief Financial Officer**

Sd/-
**(Pooja P. Bagwe)
Company Secretary**

**Mumbai
Dated: 21st May,2018**

Form No. MGT-11

Proxy form

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

CIN:	L51900MH1985PLC037452
Name of the company:	KAPASHI COMMERCIALS LIMITED
Registered office:	Nishuvi, 4th Floor, 75 Dr Annie Besant Road, Worli, Mumbai, Maharashtra, 400018

Name of the member(s):
Registered address:
Email Id:
Folio No./Client Id:
DP ID:

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

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual general meeting/ Extraordinary general meeting of the company, to be held on the Saturday, 29th September , 2018 at 2.00 P.M. at the registered office of the Company situated at Nishuvi, 4th Floor, 75 Dr Annie Besant Road, Worli, Mumbai, Maharashtra, 400018 and at any adjournment thereof in respect of such resolutions as are indicated below

Resolution No. Particulars

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018, Statement of Profits & Loss together with Cash Flow Statement and Notes forming part thereto ("Financial Statements") for the year ended on 31st March, 2018 and Report of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS:

2. Appointment of Mr. Mahendrabhai Gulabdas Patel (DIN: 00104706) as Director of the Company.
3. Appointment of Mr. Munjal Mahendrabhai Patel (DIN: 02319308) as Director of the Company.
4. Appointment of Mrs. Shweta Samir Shah (DIN: 03082967) as Director of the Company.
5. Appointment of Mr. Raxesh Chandravadan Satia (DIN: 00577822) as an Independent Director of the Company.
6. Appointment of Mr. Jayesh Shah (w.e.f. allotment of DIN) as an Independent Director of the Company
7. Change In Name Of The Company From "KAPASHI COMMERCIAL LIMITED" To "GRAVITY FINVEST LIMITED"/" GUARDIAN INVESTMENT AND FINANCE LIMITED" or any other name as may be approved by the office of the Registrar of Companies, Central Registration Centre:
8. Shifting of the Registered Office from the State of Maharashtra to the State of Gujarat subject to necessary approval and Alteration of Memorandum of Association:

Signed this _____ day of _____ 2018

Signature of Member _____

Signature of Proxy holder(s) _____

Signed this _____ day of _____ 2018....

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.

2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

KAPASHI COMMERCIALS LIMITED

CIN: L51900MH1985PLC037452

Regd. Office: Nishuvi, 4th Floor, 75 Dr Annie Besant Road, Worli, Mumbai, Maharashtra, 400018

ATTENDANCE SLIP

Full name of the Member attending: _____

Name of Proxy: _____

I hereby record my presence at the Annual General Meeting being held on **Saturday, 29th September 2018, at 2.00 p.m.** at Nishuvi, 4th Floor, 75 Dr Annie Besant Road, Worli, Mumbai, Maharashtra, 400018

Regd. Folio No. -	
DP Id* -	
Client Id* -	
No. of Share held -	

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

* Applicable for members holding shares in dematerialized form.