

THE GAEKWAR MILLS LTD.

REGD. OFFICE: 2/2, Plot-2, New Sion CHS, Swami Vallabhdas Marg, Road No. 24, Sindhi Colony, Sion Mumbai - 400022.
CIN: L17120MH1949PLC007731

Website: www.gaekwarmills.com



27th September, 2016

To,
The Manager (Listing)
BSE Limited
P.J. Towers, Dalal Street
Mumbai - 400 001
Ph: 022-2272 1233/34
Fax: 022 2272 3719

Sub: Annual Report 2015-16

Ref: Scrip Code No. 502850

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, enclosed herewith the soft copy of the Annual Report of the Company in PDF format for the financial year 2015-16.

This is for your information and record please.

Thanking you,

Yours faithfully,

For Gaekwar Mills Limited

V.N. Rathod

Vaishali Rathod
Company Secretary & Compliance Officer



The Gaekwar Mills Limited

CIN:L17120MH1949PLC007731

**(Incorporated under the Baroda State Companies Act 2 of Samvat Year 1975
and now an existing company under Companies Act, 2013)**

87th Annual Report

2015 – 2016

The Gaekwar Mills Limited

(Incorporated under the Baroda State Companies Act 2 of Samvat Year 1975
and now an existing company under Companies Act, 2013)

CIN:L17120MH1949PLC007731

HOMI F. MEHTA	Chairman
RATAN N. KARANJIA	Independent Director
OM DUTT PUROHIT	Independent Director (Expired)
GIRISHBHAI SHAH	Independent Director
SHWETA B. PAREKH	Woman Director
RAJEN DOSHI	Additional Director (Appointed w.e.f 30.05.2016)
VAISHALI RATHOD	Company Secretary

Auditors

Messrs M. D. Pandya & Associates
Chartered Accountants

Registrar & Transfer Agent

**System Support Services,
209, Shivai Industrial Estate,
AndheriKurla Road,
Saki Naka, Andheri (E),
Mumbai 400 072.**

Registered Office

**2/2, Plot – 2, New Sion CHS,
Swami Vallabhdas Marg, Road No. 24,
Sindhi Colony, Sion, Mumbai – 400022.**

GAEKWAR MILLS LIMITED

CIN NO.: L17120MH1949PLC007731

**2/2, PLOT – 2, NEW SION CHS,
SWAMI VALLABHDAS MARG, ROAD NO. 24,
SINDHI COLONY, SION, MUMBAI – 400022.**

NOTICE

Notice is hereby given that the 87th Annual General Meeting of the shareholders of M/s Gaekwar Mills Limited shall be held on Saturday, the 17th day of September, 2016 at 11.00 a.m. at Matunga Gujarathi Club Ltd, Nathalal Parekh Marg, Near King Circle, Matunga, Mumbai- 400019 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the year ended March 31, 2016 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Shweta Parekh (DIN: 03287393) who retires by rotation and being eligible, seeks re - appointment.
3. To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 139(2) and 142(1) of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, appointment of M/s. M.D. Pandya & Associates (Membership No.33184), Chartered Accountants, be and is hereby ratified by the members of the Company for the financial year 2016-2017, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors, based on recommendation of the Audit Committee, plus applicable service tax and reimbursement of travelling and other incidental expenses to be incurred by them in the course of their audit.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of Section , 152, 160, 161 and other applicable provision of Companies Act, 2013 Mr. Rajen Doshi, (holding DIN: 01558132), who was appointed as an Additional Director with effect from 30th May, 2016 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and as per Article of Association of the Company and who holds office up to the date of Annual General Meeting, and in respect of whom notice in writing along with requisite deposit, under Section 160 of Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company”

Registered Office:
2/2, Plot-2, New Sion CHS,
Swami Vallabhdas Marg, Road
No. 24, Sindhi Colony, Sion
Mumbai- 400022.

By order of the Board of Directors
For GAEKWAR MILLS LIMITED

Date: 12/08/2016

Sd/-
VAISHALI RATHOD
COMPANY SECRETARY

Notes:

1. Explanatory Statement pursuant to Section 102(1) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder with respect to Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.

Proxy/Proxies submitted on behalf of limited Companies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) members and holding in the aggregate not more than ten (10) per cent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent 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 shareholder.

3. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but shall not have a right to vote.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 12th September, 2016 to Saturday, 17th September 2016 (both days inclusive) for the purpose of Annual General Meeting.
5. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Members holding shares in physical form and wishing to make / change in a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
8. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant.
9. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

10. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company.
11. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
12. Members are requested to mention their Folio Number in all their correspondence with the Company in order to facilitate response to their queries promptly.
13. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission at the entrance to the place of the meeting.
14. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
15. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote, whether in person or by proxy.
16. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.

17. Details of Director Seeking Re-Appointment/Appointment at the Annual General Meeting

Name	MS. SHWETA PAREKH	MR. RAJEN DOSHI
Date of Birth	24/03/1990	18/09/1966
Directors Identification Number (DIN)	03287393	01558132
Age	26 years	50 years
Qualification	Bachelor's Degree in Business Administration, Kingston University, U.K.	B.Com
Expertise in Specific Area	Marketing Management	Commercial Prudence
Date of first Appointment on board of the Company	31/03/2015	30/05/2016
Shareholding in GAEKWAR MILLS LIMITED	100 shares	NIL
List of Directorship held in other listed companies	NIL	NIL
Membership/Chairmanships of Audit and Stakeholders Relationship committees	NIL	NIL

18. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection by the members at the Meeting.
19. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in

physical or in electronic form at the registered office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, from 10 a.m to 12:00 noon, except Saturdays.

20. Voting through electronic means:

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19th March, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), 2015, and Secretarial Standard, on General Meetings (SS2) issued by Institute of Company Secretary of India, the Company is pleased to provide to the members, the facility of voting by electronic means in respect of business to be transacted at the Meeting which includes the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") and the same will be provided by Central Depository Services (India) Limited (CDSL).
- ii. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- iii. The remote e-voting period commences on Wednesday, 14th September, 2016 (9.00 A.M. IST) and ends on Friday, 16th September, 2016 (5.00 P.M. IST). During this period, Members of the Company, holding shares as on the close of working hours on Tuesday, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting on Friday, 16th September 2016 after 5.00 P.M. IST. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
- iv. The company has appointed Mr. Anish Gupta, Company Secretary in whole time practice as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, 14th September, 2016 (9.00 A.M. IST) and ends on Friday, 16th September, 2016 (5.00 P.M. IST). During this period shareholders of the Company, holding shares as on the cut-off date (record date) of Saturday, 10th September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant **GAEKWAR MILLS LIMITED** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under Help Section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013

Item No. 4

Mr. Rajen Doshi was appointed as an Additional Director w.e.f. May 30, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mr. Rajen Doshi candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013 along with the deposit as required under the Act. The Board feels that presence of Mr. Rajen Doshi on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

None of the Directors, except Mr. Rajen Doshi, and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

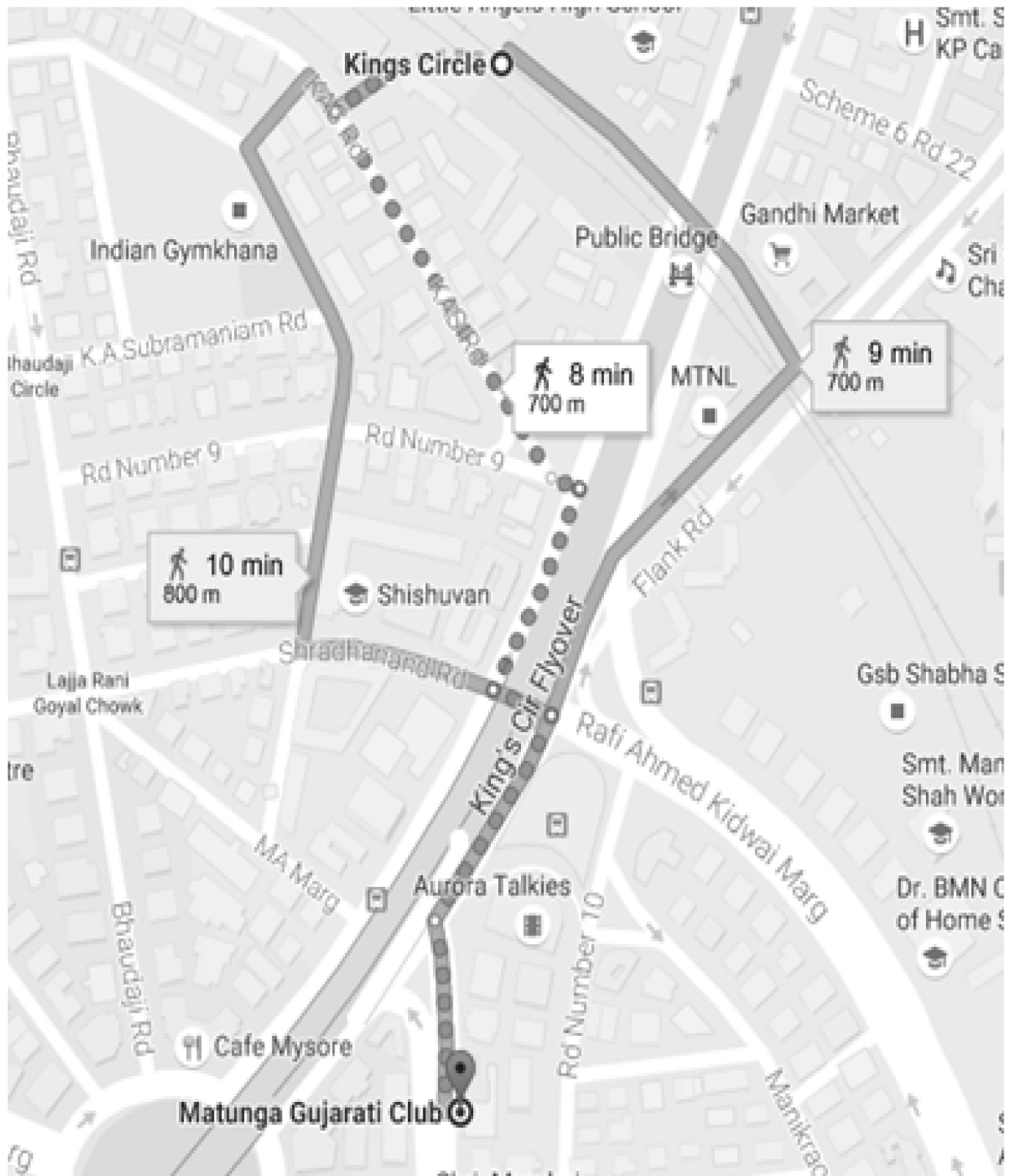
Registered Office:
2/2, Plot-2, New Sion
CHS, Swami
Vallabhdas Marg,
Road N. 24, Sindhi
Colony, Sion
Mumbai- 400022.

By order of the Board of Directors
For GAEKWAR MILLS LIMITED

Date: 12/08/2016

Sd/-
VAISHALI RATHOD
COMPANY SECRETARY

AGM VENUE ROUTE MAP



Directors' Report

To,
The Members

Your Directors are pleased to present the Eighty Seventh Annual Report on the business and operations of the Company and the audited accounts for the year ended on March 31, 2016.

FINANCIAL HIGHLIGHTS:

	(Rs. in lakhs)	
	FY 2015-16	FY 2014-15
Loss for the Year	311.31	290.14
Add: Loss brought forward	3748.48	3458.34
Loss carried forward	4059.79	3748.48

RESERVES:

The Company does not have any Reserves.

YEAR IN REVIEW:

The Company came out of liquidation during the year by an order dated 30/06/2015 passed by the Hon. Bombay High Court. Gaekwar Mills Sangharsh Committee an one of the alleged association of worker have filed Notice of Motion before the Hon. Bombay High Court for recall stroke stay of this order which has been rejected by the Hon. Bombay High Court by an order dated 28/07/2016. Nevertheless Directors were allowed to take steps to ensure implementation of the Scheme of Compromise/Arrangement sanctioned by the Hon. Bombay High Court in September 2009 and subsequently modified from time to time.

The Company incurred loss of Rs. 311.306 lakhs during the year. This is essentially on account of interest provided on Secured Debentures of Rs. 30 crores, the proceeds of which were used to discharge statutory and other liabilities as per the Scheme of Compromise/Arrangement.

FUTURE PROSPECTS:

The Company is ready with its plans for developing an ultra-modern township on 60% of the land at Bilimora. The Company had initially submitted an application for survey of its land to fix boundaries as per new development plan published by Government of Gujarat. The said survey is completed and an application for construction of compound wall as per new boundaries has been submitted, which is under consideration by Bilimora Nagarpalika. Under the new development plan various reservations on Company's land has been removed by the government of Gujarat.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

Pursuant to the order dated 13/01/2015 of the Supreme Court of India passed in various Special Leave Applications the pending appeal of worker has been restored by the Hon. Bombay High Court and the appeal has been admitted by the Hon. Bombay High Court on 04/01/2016 without granting of any ad-interim / interim reliefs. Now the appeal is likely to be posted for final hearing and disposal at the convenience of the Hon. Bombay High Court.

Other than the above matter, no significant or material orders have been passed by any regulators or courts or tribunals against the Company during the year 2015-16.

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

No material changes and commitments have occurred subsequent to the close of FY 2015-16 till date of this report.

DIVIDEND:

The Directors do not recommend any dividend for the financial year 2015-16, in view of the accumulated loss.

DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL:

Presently, the Share Capital of the Company is Rs. 2,00,00,000/- divided into 2,00,000 Equity Shares of Rs. 100/- each.

CORPORATE GOVERNANCE:

In terms of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, compliance relating to Corporate Governance, is not applicable for the Listed Company having paid up equity share capital not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores on the last day of the previous financial year.

As your Company's paid up equity share capital is not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores, Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 are not applicable and do not form a part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

During the year the Company has not carried any business activity, hence there is no requirement to provide information.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Provision of Section 135 and Schedule VII of the Companies Act, 2013 in respect to Corporate Social Responsibility (CSR) is not applicable on the Company.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has given Inter Corporate Deposit to its associate company M/s Platinum Square Pvt. Ltd. The details of Loans to Associate Company are provided in Note 20 of the notes to accounts.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

A. Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of Conservation of Energy and Technology Absorption have not been furnished as the Company did not conduct any activities during the year under review.

B. (a) Conservation of Energy measures taken: - N.A.

(b) Technology Absorption measures: - N.A.

C. Foreign Exchange Earnings And Outgo

There were no foreign exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The Company does not have any employees drawing remuneration in excess of the limits specified in Section 197(12) read with Rule 5 of (Appointment and remuneration of managerial Personnel) Rules, 2014.

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

The Company does not have employees more than 10, hence the declaration required under Sexual Harassment of Women at Work (Prevention, Prohibition and Redressal) Act does not apply.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013.

There were no materially significant transactions with Related Parties during the financial year 2015-16 which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in the Note 20 to the financial statements.

RISK MANAGEMENT POLICY:

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal and Risk Management Policy will be developed as and when Company starts operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate system of internal controls commensurate with the size and the limited nature of its business activities.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.

- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The directors have prepared the annual accounts on a going concern basis.
- 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 system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

DIRECTORS:

Changes in Board Constitution-

The Directors regret to report the sad demise of Mr. Om Dutt Purohit, Independent Director of your Company on 15.02.2016. The Board of Directors records their appreciation for guidance received from late Mr. Om Dutt Purohit during his tenure of a Director of the Company and Chairman of Stakeholders Relationship Committee of the Board of Directors of the Company since 2009.

The Company has appointed Mr. Rajen Doshi (DIN: 01558132) as an Additional Director w.e.f 30th May, 2016. The Company has received notice from a member of the Company under Section 161 of the Companies Act, 2016 in respect of his appointment as Director, alongwith the requisite deposit. Mr. Rajen Doshi is not disqualified from being appointed as a Director as specified in terms of Section 164 of the Companies Act, 2013.

In accordance with the provisions of the Companies Act, 2013, Ms. Shweta Parekh (DIN: 03287393) retires by rotation at the ensuing AGM and being eligible offers herself for reappointment.

Brief profile of Ms. Shweta Parekh and Mr. Rajen Doshi who are proposed for appointment, as stipulated provision of SEBI (LODR) Regulation, 2015 is furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends their re-appointment at the ensuing AGM.

MEETINGS:

Minimum four pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation. During the year Six Board Meetings and Six Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DECLARATION BY AN INDEPENDENT DIRECTORS:

The Company has received declaration by all Independent Director(s) that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

COMMITTEES OF BOARD

AUDIT COMMITTEE

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Power) Rules, 2014 is applicable to the Company.

The Audit Committee of the Company comprises entirely of Independent members. The current members of the committee are Mr. Ratan Karanjia, Chairman, Mr. Om Dutt Purohit and Mr. Girish Shah. The Board has accepted all recommendations made by the Audit Committee during the year.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is in existence and in accordance with the provisions of sub section (3) of Section 178.

The Nomination and Remuneration Committee comprises of Mr. Girish Shah, serves as Chairman, Mr. Ratan Karanjia and Ms. Shweta Parekh as other members.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The provision of Section 178 of the Companies Act, 2013 is applicable to the Company. The Stakeholders Relationship Committee comprises of Ms. Shweta Parekh, serves as a Chair person, Mr. Ratan Karanjia and Mr. Girish Shah as other members.

BOARD EVALUATION:

The Board of Directors has made the formal annual evaluation of its own performance and that of its committees and individual directors and found it to be satisfactory.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KMP AND REMUNERATION POLICY:

Policy will be developed as and when Company starts operations.

NOMINATION AND REMUNERATION COMMITTEE:

During the year, no such committee meeting took place.

TERMS OF APPOINTMENT & REMUNERATION CFO & MANAGING DIRECTOR:

During the year the company has not paid any remuneration to any of the non-executive directors.

KEY MANAGERIAL PERSONNEL:

The current Board of Directors comprises of Non-Executive and Independent Directors only. As the Company has not commenced any activity and has very limited resources, it has not been possible to employ Managing Director, Chief Financial Officer. The Board will take steps to recruit these personnel at the time of commencement of commercial activity.

For the time being, decision making is in the hands of Chairman, Mr. Homi F Mehta, assisted by other directors.

In compliance with Section 203 of the Companies Act, 2013, Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Company has appointed Ms.

Vaishali Rathod as a Company Secretary & Compliance Officer of the Company with effect from 9th May, 2016.

VIGIL MECHANISM:

The Company has not set up Vigil Mechanism/ Whistle Blower policy as it has not commenced any activity and does not have any employees on its rolls.

AUDITORS:

M/s M. D. Pandya & Associates, (Reg. No. 107325 W) Chartered Accountants, Mumbai, hold office till the conclusion of the ensuing Annual General Meeting (AGM), who was appointed in the 85th AGM to hold office upto the conclusion of 89th AGM.

Your company seeks ratification of appointment of the statutory auditors at the ensuing Annual General Meeting. The Company has received letter from the statutory auditors to the effect that the ratification of their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment.

STATUTORY AUDITORS' OBSERVATIONS:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s M D Pandya & Associates, Statutory Auditors, in their report

SECRETARIAL AUDITORS:

In terms of the provisions of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board had appointed M/s. Anish Gupta & Associates, Company Secretaries, Mumbai as Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year 31.3.2016. The report of the Secretarial Auditor is annexed herewith as "**Annexure [A]**"

SECRETARIAL AUDITORS' OBSERVATIONS& COMMENTS FROM BOARD:

REMARKS OF THE SECRETARIAL AUDITOR

- (1) The company has not appointed KMP as required under section 203 of Companies Act, 2013 and rules made thereunder during the year 2015-16.*
- (2) The company has not appointed Qualified Company Secretary as compliance officer of the Company as per regulation 6 of LODR agreement. However the management has appointed independent director as Compliance Officer of the Company which is inconsistent with the above regulation.*
- (3) The company has not complied with the regulation 31(2) of LODR according to which 100% shareholding of promoters shall be in Demat Form.*
- (4) The company has not applied for the connectivity from the CDSL/NSDL to provide Demat facilities to its shareholders as required under the regulation 31(2) of LODR.*
- (5) The Company is yet to approve and adopt the Policies and posting the same on the website of the Company as per the various provisions of the Companies Act and Listing Guidelines.*

COMMENTS FROM THE MANAGEMENT

1. *As the Company has not commenced any activity and has very limited resources, it has not been possible to employ KMP as required under section 203 of the Companies Act, 2013 and rules made thereunder. The Board will take steps to recruit these personnel at the time of commencement of commercial activity.*
2. *In the absence of any staff, the Company had no choice but to assign duties of Compliance Officer to an Independent Director. However, Company has appointed Compliance Officer w.e.f. 9.05.2016.*
3. *Directors has pursue this matter once again with the depositories and the Company have applied for dematerialization of 100% shareholding of Promoters and also applied to provide Demat facilities to its shareholders with NSDL.*
4. *The Company has not adopted any policies as it has not commenced any activity and does not have any employees on its rolls. The Directors have taken note of the same and will do the compliance at the earliest.*
5. *The Company does not have any staff and very limited resources. As a consequence, there was deficiency in filing of MGT-14 under Section 179 for the appointment of Internal Auditor under Section 138 of the Act. The Directors have taken note of the same and will ensure that the filing of the same is complied.*

EXTRACT OF ANNUAL RETURN:

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31st March, 2016 is given in **Annexure [B]**

OTHER DISCLOSURES:

- There were no material changes and commitments affecting the financial position of your Company between end of the financial year and the date of this report.
- Your Company has not issued any shares with differential voting.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.
- During the year your Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PREVENTION OF INSIDER TRADING:

The Company has ensured the compliance of Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Company is in process to adopt the Code of Conduct for prevention of Insider Trading.

APPRECIATION:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company and other interested parties at all levels for their continuous co-operation and assistance.

**By Order of the Board of Directors
For Gaekwar Mills Limited**

Place: Mumbai
Date: 12.8.2016

Shweta Parekh
Director
(DIN No: 03287393)

Ratan Karanjia
Director
(DIN No: 00033108)

Annexure A to Board Report

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

[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,

Gaekwar Mills Limited

MUMBAI

CIN: L17120MH1949PLC007731

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (All the Securities of the Company are in physical form and hence the provisions are not applicable)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ;(Not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;(Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities), Regulation, 2008; ;(Not applicable to the Company during the Audit Period);
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

(vi) Other Laws applicable specifically to the Company:

- Presently, the company is not carrying on any business activities and therefore, no specific law is applicable to the company.
- Further, the number of employees in the company is less than the limit prescribed under the various Industrial Law; hence no industrial or labour law is applicable to the company.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India on meetings of the Board of Directors and General Meeting, notified with effect from July 1, 2015.
2. Listing Agreements entered into by the Company with the Stock Exchange:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Etc. mentioned above except as below:

- (6) The company has not appointed KMP as required under section 203 of Companies Act, 2013 and rules made thereunder during the year 2015-16.**
- (7) The company has not appointed Qualified Company Secretary as compliance officer of the Company as per regulation 6 of LODR agreement. However the management has appointed independent director as Compliance Officer of the Company which is inconsistent with the above regulation.**
- (8) The company has not complied with the regulation 31(2) of LODR according to which 100% shareholding of promoters shall be in Demat Form.**
- (9) The company has not applied for the connectivity from the CDSL/NSDL to provide Demat facilities to its shareholders as required under the regulation 31(2) of LODR.**
- (10) The Company is yet to approve and adopt the Policies and posting the same on the website of the Company as per the various provisions of the Companies Act and Listing Guidelines.**

We have not examined Compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial Audit and other designated professionals.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of 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 the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the Board were Unanimous and no dissenting views have been recorded.

We further report that there are proper and 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, no specific event /action having major bearing on the Company's affair in pursuance to the above referred laws, rules, regulations, guidelines etc referred to above.

For Anish Gupta & Associates
Company Secretaries

Place: Mumbai
Date: 12.8.2016

Anish Gupta
Proprietor
FCS 5733 / CP No. 4092

Annexure to the Board's Report.

ANNEXURE – 1

To,
The Members,
Gaekwar Mills Limited
CIN: L17120MH1949PLC007731

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. My responsibility is to express an opinion on those records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
5. 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.

For Anish Gupta & Associates
Company Secretaries

Place: Mumbai
Date: 12.8.2016

Anish Gupta
Proprietor
FCS 5733 / CP No. 4092

FORM NO. MGT 9	
EXTRACT OF ANNUAL RETURN	
as on financial year ended on 31.03.2014	
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.	

I REGISTRATION & OTHER DETAILS:

i	CIN	L17120MH1949PLC007731
ii	Registration Date	16/06/1928
iii	Name of the Company	Gaekwar Mills Limited
iv	Category/Sub-category of the Company	Company Limited by Shares / Indian Non - Government Company
v	Address of the Registered office & contact details	2/2, Fir-Grd, New Sion CHS, Swami Vallabhdas Marg, Road No. 24, Sindhvi Colony, Sion, Mumbai - 400022.
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	System Support Services 209, Shival Industrial Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (East), Mumbai - 400072.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Company has no Business Activity during the year 2015-2016		
2			
3			
4			

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Platinum Square Private Limited Sindhvi Colony, above Reliance Fresh, Sion (West), Mumbai - 400022	2/2 U70100MH1995PTC093767	Associate	37.29%	2(6)
2	Mukesh Babu Financial Services Limited 111, Makes Chamber III, Nariman Point, Mumbai - 400021.	L65920MH1985PLC035504	Associate	37.25%	2(6)

[illegible]

Clearing Members	0	0	0	0	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign Bodies - DR	0	0	0	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	168019	168019	84.01%	0	192992	192992	96.50%	24973	12.49%			
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	168019	168019	86.45%	0	192992	192992	98.94%	24973	12.49%			
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	195122	195122	100%	0	195122	195122	100%	0.00	0.00%			

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	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	% of shares pledged encumbered to	
1	Homi Mehta & Sons Pvt. Ltd.	24973	12.49%	0	0	0.00%	0	-12.49%
2	Homi Framroze Mehta	548	0.27%	0	548	0.27%	0	0
3	Jehangir Homi Mehta	545	0.27%	0	545	0.27%	0	0
4	Liane Homi Mehta	565	0.28%	0	565	0.28%	0	0
5	Hansa Holdings & Trading Co. Pvt. Ltd.	472	0.24%	0	472	0.24%	0	0
	Total	27103	13.55%		2130	1.06%		

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Share holding at the beginning of the Year	Cumulative Share holding during the year	
	No. of Shares	% of total shares of the company	% of total shares of the company
At the beginning of the year	27103	13.55%	13.55%
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)	-24973	-12.49%	-12.49%
At the end of the year	2130	1.07	1.07

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

Sl. No	Top Ten Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Net Changes During the Year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1	Mukesh Babu Financial Services Limited	75000	37.5	74500	37.25	500	0.25
2	Platinum Square Private Limited	39000	19.5	39000	19.5	0	0
3	Platinum Square Private Limited	36000	18	35595	17.79	405	0.20
4	Mr. Thiruppathi Pandian	24973	12.49	24973	12.49	0	0
5	Pestonji Sorabji Bamboat	3142	1.57	3142	1.57	0	0
6	Life Insurance Corporation of India	2517	1.26	2517	1.26	0	0
7	National Insurance Co. Ltd.	1875	0.93	1875	0.93	0	0
8	M. M. Shah Private. Limited	713	0.35	713	0.35	0	0
9	Industrial Investment Trust Limited	620	0.31	620	0.31	0	0
10	Zenith Securities & Investments Limited	500	0.25	500	0.25	905	0.45

(v) Shareholding of Directors & KMP

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
	For Each of the Directors & KMP	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Homi Framroze Mehta				
	At the beginning of the year	548	0.27%	548	0.27%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	548	0.27%	548	0.27%
2	Mr. Ratan Noshir Karanjia				
	At the beginning of the year	1	0.00%	1	0.00%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	1	0.00%	1	0.00%
3	Mr. Om Dutt Purohit				
	At the beginning of the year	8	0.00%	8	0.00%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0	0	0
	At the end of the year	8	0.00%	8	0.00%

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtness at the beginning of the financial year					
i) Principal Amount	350,000,000	-	-	350,000,000	
ii) Interest due but not paid	36,000,000	-	-	36,000,000	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	386,000,000	-	-	386,000,000	
Change in Indebtedness during the financial year					
Additions	-	47,024,182	-	47,024,182	
Reduction	-	-	-	-	
Net Change		47,024,182		47,024,182	
Indebtedness at the end of the financial year					
i) Principal Amount	350,000,000	47,024,182	-	397,024,182	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	-	-	-	-	
Total (i+ii+iii)	350,000,000	47,024,182	-	397,024,182	

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others (specify)	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act					

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration		Name of the Directors			Total Amount
1	Independent Directors					
	(a) Fee for attending board committee meetings		NIL	NIL	NIL	NIL
	(b) Commission		NIL	NIL	NIL	NIL
	(c) Others, please specify		NIL	NIL	NIL	NIL
	Total (1)		NIL	NIL	NIL	NIL
2	Other Non Executive Directors		NIL	NIL	NIL	NIL
	(a) Fee for attending board committee meetings		NIL	NIL	NIL	NIL
	(b) Commission		NIL	NIL	NIL	NIL
	(c) Others, please specify.		NIL	NIL	NIL	NIL
	Total (2)		NIL	NIL	NIL	NIL
	Total (B)=(1+2)		NIL	NIL	NIL	NIL
	Total Managerial Remuneration		NIL	NIL	NIL	NIL
	Overall Cieling as per the Act.		NIL	NIL	NIL	NIL

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

Sl. No.	Particulars of Remuneration		CEO	Company Secretary	CFO	Total
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	-	-	-	-	-

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/C ompounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

Partners:

M. D. Pandya

B. Com., F.C.A.

A. D. Pandya

B. Com., F.C.A.

Independent Auditor's Report

To the Members of THE GAEKWAR MILLS LIMITED.

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **THE GAEKWAR MILLS LIMITED** which comprises of Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with

requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

M. D. PANDYA & ASSOCIATES
Chartered Accountants
107-B, Anand Nagar, Forjet Street, Mumbai 400 036.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No. 18 and 19 to the financial statements.
 - ii. Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses on account of such contracts.
 - iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M D PANDYA & ASSOCIATES**
Chartered Accountants
Reg. No. 107325 W

M. D. PANDYA
Partner
Membership No.:033184

Mumbai

Date:- 30th May, 2016

Partners:

M. D. Pandya

B. Com., F.C.A.

A. D. Pandya

B. Com., F.C.A.

Annexure A to the Independent Auditor's report of even date on the Standalone Financial Statements of The **Gaekwar Mills 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 **The Gaekwar Mills Limited** ("the Company") as of March 31, 2016 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 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

M. D. PANDYA & ASSOCIATES
Chartered Accountants
107-B, Anand Nagar, Forjet Street, Mumbai 400 036.

Annexure B to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the Members of the Company on the financial statements for the year ended 31 March 2016, and on such checks as we considered appropriate and according to the information and explanations given to us, we state that:

- i. The Company has only Fixed Asset in form of Land. The Company has maintained proper records to show full particulars including quantitative details and situation of the land. The Company has not disposed off any Fixed Asset during the year. Title deeds of the land are in the name of the Company.
- ii. The company did not carry any inventories during the year. In view of the above clauses 3 (ii) (a), and (b) of the Order are not applicable.
- iii. The Company has granted loans of Rs. 13,00,000 (previous year Rs. 4,60,00,000) to M/s Platinum Square Private Limited, a company covered in the register maintained under section 189 of the Companies Act, 2013. The terms of grant of such loans are not prejudicial to the Company's interests. The schedule of repayment has been stipulated, and there are no overdues.
- iv. The Company has been advised that the provisions of s. 185 and 186 of the Companies Act, 2013 are not applicable to it, as it is a company engaged in the business of providing infrastructural facilities.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. Accordingly the provisions of clause 3 (vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanation given to us and according to the records of the Company as examined by us, undisputed statutory dues including, income tax, custom duty, excise duty, service tax, cess and other statutory dues have been regularly deposited during the year with the appropriate authorities. No undisputed amounts payable were outstanding as at March 31, 2016 for a period of more than six months from the date on which they become payable.

(b) According to the information and explanation given to us and based on the records of the Company examined by us, there are no dues of income tax, VAT and other statutory dues outstanding as on March 31, 2016 which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, and based on the verification of records of the company examined by us, the company has neither taken any loan or borrowings from financial institutions, banks or Government. The Company has not defaulted in payment to debenture holders.
- ix. According to the information and explanations provided to us and as per the records of the company examined by us, company has not raised funds by way of public issue/ follow-on offer (including debt instruments) and term loans during the year under review.

M. D. PANDYA & ASSOCIATES
Chartered Accountants
107-B, Anand Nagar, Forjet Street, Mumbai 400 036.

-
- x. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year.
- xi. No managerial remuneration has been paid / provided and therefore clause no 3(xi) of the Order is not applicable to the Company.
- xii. In our opinion and according to information and explanations given to us, Company is not a Nidhi Company.
- xiii. All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details of the same have been disclosed in the Financial Statements as required by the accounting standards and Companies Act, 2013.
- xiv. During the year under review the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures.
- xv. During the year under review the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

For **M D PANDYA & ASSOCIATES**
Chartered Accountants
Reg. No. 107325 W

M. D. PANDYA
Partner
Membership no. 33184

MUMBAI
Date: 30th May, 2016

THE GAEKWAR MILLS LIMITED

Balance Sheet as at 31st March, 2016

Amounts in Rupees(₹)

Particulars	Note No.	As At 31ST MARCH, 2016	As At 31ST MARCH, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	20,000,000	20,000,000
(b) Reserves and Surplus	3	(405,979,506)	(374,848,758)
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	397,024,182	396,084,470
(b) Long term provisions	5	7,308,495	7,308,495
(3) Current Liabilities			
(a) Other current liabilities	6	37,535,698	4,387,146
Total		55,888,869	52,931,353
II. Assets			
(1) Non-current assets			
(a) <i>Fixed assets</i>			
(i) Tangible assets	7	26,307	26,307
(ii) Capital work-in-progress	8	2,864,427	2,864,427
(b) Non-current investments	9	12,453	12,453
(c) Long Term Loans & Advances	10	-	-
(2) Current assets			
(a) Cash and Bank Balances	11	53,718	3,173,373
(b) Short-term loans and advances	12	52,931,964	46,854,793
Total		55,888,869	52,931,353

As per our Report of even date attached
FOR M.D.PANDYA & ASSOCIATES
Chartered Accountants
(Registration No 107325 W)

FOR AND ON BEHALF OF THE BOARD

(M.D. PANDYA)
Partner

R.N. Karanjia
Director
DIN:00033108

Shweta Parekh
Director
DIN: 03287393

Vaishali Rathod
Company Secretary
M. No. 29205

MUMBAI

DATED: 30th May, 2016

THE GAEKWAR MILLS LIMITED

Profit and Loss statement for the year ended 31st March, 2016

Amounts in Rupees (₹)

Particulars	Note No.	For the Year ended 31st March 2016	For the Year ended 31st March 2015
I. Revenue from operations		-	-
II. Other Income	13	5,708,028	4,366,192
III. Total Revenue (I + II)		5,708,028	4,366,192
<u>IV. Expenses:</u>			
Financial costs	14	36,000,000	31,386,463
Other expenses	15	838,776	1,994,272
Total Expenses		36,838,776	33,380,735
V. Profit before exceptional and extraordinary items and tax	(III - IV)	(31,130,748)	(29,014,543)
VI. Exceptional Items		-	-
VII. Profit before tax	(V-VI)	(31,130,748)	(29,014,543)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
		-	-
IX. Profit(Loss) from the period from continuing operations	(VII-VIII)	(31,130,748)	(29,014,543)
X. Earning per equity share:			
(1) Basic		(155.65)	(145.07)
(2) Diluted			-

**As per our Report of even date attached
FOR M.D.PANDYA & ASSOCIATES
Chartered Accountants
(Registration No 107325 W)**

FOR AND ON BEHALF OF THE BOARD

(M.D. PANDYA)
Partner

R.N. Karanjia
Director
DIN:00033108

Shweta Parekh
Director
DIN:03287393

Vaishali Rathod
Company Secretary
M. No. 29205

MUMBAI
DATED: 30th May, 2016

THE GAEKWAR MILLS LIMITED

NOTES ON ACCOUNTS:

NOTE 1:

SIGNIFICANT ACCOUNTING POLICIES :

a. BASIS OF ACCOUNTING :

1.The financial statements are prepared under historical cost convention, on accrual basis, and are in accordance with requirements of the Companies Act, 2013 and comply with Accounting Standards referred to in sub-section(3c) of Section 211 of the said Act, except in case of certain items which have been accounted on cash basis as reported hereafter.

b. FIXED ASSETS

2.All fixed assets have been capitalized at cost inclusive of expenses relating to acquisition and installation.

c. REVENUE RECOGNITION :

Revenue in respect of Dividend Income & Interest on Debentures is accounted as an when received.

d. INVESTMENTS :

1) Long Term Investments are stated At Cost. No adjustments is made in respect of decline in value of temporary nature, if any, as they are considered long term by the management.
The company does not have any current investment.

NOTE 2 - SHARE CAPITAL

Authorized :

Equity Shares of Rs.100/- each

Total

Issued , subscribed and paid-up:

Opening Balance

Closing Balance

Amounts in Rupees (₹)

2015-16		2014-15	
No. of Shares	Amount	No. of Shares	Amount
200,000	20,000,000	200,000	20,000,000
200,000	20,000,000	200,000	20,000,000
200,000	20,000,000	200,000	20,000,000
200,000	20,000,000	200,000	20,000,000

Details of shareholders of

Equity Shareholding more than 5%

Homi Mehta & Sons Pvt Ltd

Platinum Square Pvt Ltd

Mukesh Babu Financial Services Limited

Thiruppathi Pandian

Total

No. of shares	% Holding	No. of shares	% Holding
-	-	24,973	12.48
74,595	37.29	75,000	37.50
75,000	37.50	75,000	37.50
24,973	12.48	-	-
174,568	87.27	174,973	87.48

THE GAEKWAR MILLS LIMITED

	2015-16 Amount(₹)	2014-15 Amount(₹)
NOTE 3- RESERVES AND SURPLUS		
Surplus/(Deficit) in the Statement of Profit & Loss		
Opening Balance	(374,848,758)	(345,834,215)
Add: Current Period Profit	(31,130,748)	(29,014,543)
	(405,979,506)	(374,848,758)
Closing Balance	(405,979,506)	(374,848,758)
Total	(405,979,506)	(374,848,758)
NOTE 4-LONG-TERM BORROWINGS		
Secured		
Non-convertible Debentures (Series A)	300,000,000	300,000,000
Non-convertible Debentures (Series B)	50,000,000	50,000,000
Gratuity Payable to Workmen as per Order of High Court (see note no. 19)	47,024,182	46,084,470
	397,024,182	396,084,470
NOTE 5 -LONG-TERM PROVISIONS		
Provision for Gratuity	7,308,495	7,308,495
	7,308,495	7,308,495
NOTE 6-OTHER CURRENT LIABILITIES		
Interest Payable on Debentures	32,400,000	-
Sundry Creditors	1,535,518	1,250,492
Tax Deducted at Source Payable	3,600,180	3,136,654
	37,535,698	4,387,146
NOTE 7 -FIXED ASSETS		
TANGIBLE ASSET		
Land	26,307	26,307
	26,307	26,307
NOTE 8-CAPITAL WORK-IN-PROGRESS		
Opening balance	2,864,427	2,864,427
Add: Additions during the year	-	-
Closing balance	2,864,427	2,864,427
NOTE 9 : - NON-CURRENT INVESTMENT		
a. IN EQUITY SHARES(UNQUOTED)		
300 ordinary shares of Zenith Securities & Investments Ltd of Rs.100 each fully paid	12,453	12,453
Total	12,453	12,453
NOTE 10-LONG TERM LOANS AND ADVANCES		
Advance to Contractors (Unsecured & considered good)	-	-
	-	-

THE GAEKWAR MILLS LIMITED

	2015-16 Amount(₹)	2014-15 Amount(₹)
NOTE 11-CASH AND CASH EQUIVALENTS		
Cash on hand	49,375	24,375
Bank Balance with Scheduled Bank	4,343	3,148,998
	53,718	3,173,373
NOTE 12-SHORT-TERM LOANS AND ADVANCES		
(Unsecured & considered good)		
Inter-Corporate Deposits	47,300,000	46,000,000
Interest Receivable	5,061,412	-
Taxes Paid in Advance	562,379	854,793
Prepaid Expenses	8,173	-
	52,931,964	46,854,793
NOTE 13 - OTHER INCOME		
Interest Receivable	5,684,028	4,342,192
Dividend Income	24,000	24,000
	5,708,028	4,366,192
NOTE 14-FINANCE CHARGES		
Interest on Secured Debentures	36,000,000	31,364,384
Other Interest	-	22,079
	36,000,000	31,386,463
NOTE 15-OTHER EXPENSES		
Professional fees	338,474	1,480,979
Land Revenue	129,386	129,136
Listing fees of BSE	224,720	112,360
Water charges	-	-
Advertisement Charges	23,435	26,770
Travelling & Conveyance	-	72,500
<u>Payment to Auditors:</u>		
As Auditor	34,350	34,326
Other Expenses	88,411	138,201
	838,776	1,994,272

THE GAEKWAR MILLS LIMITED

NOTE 16:

The Company was wound up by an order dated 4th February 2008 passed by the Hon. Bombay High Court. Subsequently, on 10th September, 2009, the Hon. Bombay High Court accorded sanction to a scheme of Compromise/ Arrangement under section 391 to 393 of the Companies Act, 1956, for the revival of the Company.
The winding-up order was finally set aside on 30th June 2015 and the Company is now out of liquidation.

NOTE 17:

Non-Convertible Debentures (Series A)

means 8 years (redeemable on or before the expiry of 8 years) Secured Non-Convertible Debentures, each of the face value of Rs. 1,00,000/- at par carrying 0% interest for the first three years (upto 09/10/2012), thereafter carrying interest in the 4th and 5th years at 9% p.a. and thereafter until maturity at 12% p.a and secured by way of floating charge upon all the present and future assets of the Company. Interest on these Debentures for the year 2015/16 has been provided accordingly.

Non-Convertible Debentures (Series B)

means 7 years (redeemable on or before the expiry of 7 years) Zero Percent Secured Non-Convertible Debentures, each of the face value of Rs. 1,00,000/- at par and secured by way of charge on all fixed assets of the Company, ranking pari-passu with the chargeholder of Series A Debentures and floating charge on all other assets of the Company, both present and future. The pari passu charge to be restricted upto Rs. 5 crores only.

NOTE 18:

The Scheme of Compromise/Arrangement sanctioned by Hon. Bombay High Court in 2009 had made provision for payment of Rs. 9.71 crores towards Gratuity liability of the workmen. The amount was deposited with the Mamlatdar, Gandevi.

In spite of repeated publicity through press and television media, it was found that over 1,200 workmen had not collected their dues even after a period of four years from 2009 to 2013.

An application was made to the High Court in 2013 that the undisbursed funds should be returned to the Company on its undertaking to pay the claim of the workers, if made thereafter.

The application was considered favourably by Hon. Justice Patel who passed an order to this effect on 15th January 2014.

Consequent to this order, the Mamlatdar, Gandevi returned to the Company, via the office of the Official Liquidator attached to the Bombay High Court, Rs. 4,60,84,470 in September 2014 and further amount of Rs. 9,39,712 in July 2015.

No workmen have come forth to make a claim till 31st March 2016.

NOTE 19:

(i) As per the Scheme of Compromise sanctioned by the Bombay High Court in 2009, amounts aggregating to Rs. 9.71 crores were payable to erstwhile workmen, based on Recovery Certificates in respect of 2,185 workmen issued in the year 2003 by Asst. Labour Commissioner, Navsari. The Company thereupon deposited with the Mamlatdar, Gandevi Rs. 3.03 crores and issued cheques in favour of individual workmen aggregating to Rs. 6.63 crores, thus satisfying the claims entirely.

(ii) Subsequent to the sanction of the Scheme, further Recovery Certificates were issued by the Asst. Labour Commissioner, Navsari, in respect of 386 workmen aggregating to Rs. 1,89,83,135. The Official Liquidator wrote to the Controlling Authority under the Payment of Gratuity Act that these fresh claims are not payable as the relevant orders had been passed after date of winding up of the Company, and without mandatory sanction from the Bombay High Court, where liquidation proceedings are still pending. Taking cognizance of this information, the Controlling Authority passed an order dated 02/08/2011 withdrawing the Recovery Certificates. Withdrawal of the said orders was challenged by a group of workmen before the Gujarat High Court, wherein the Hon Gujarat High Court has upheld the order of the Controlling Authority. The said order of the Gujarat High Court was further challenged by the group of workmen before the Hon. Supreme Court of India, who directed the Bombay High Court to hear the appeal of the workmen on merit. The appeal has been admitted by the Division Bench of the Bombay High Court, but no interim or ad interim order has been passed to date. The Company has been advised that no provision be made in the accounts for the additional amount of Rs. 1,89,83,135. However the Company has provision of Rs. 73,08,495 for Gratuity and other related claims carried over from an earlier year.

THE GAEKWAR MILLS LIMITED

NOTE 20: RELATED PARTY DISCLOSURE:

A. Relationship:

I Key Management Personnel:

1. Mr. Homi Framroze Mehta - Chairman

II Other related parties where controls/ significant influence exist:

Platinum Square Private Limited - Strategic Investor

B. Details of transactions with related parties referred in (A) above during 2014-15 and balance outstanding as on 31st March 2016

	2015-16	2014-15
Transactions during the period		
with Platinum Square Pvt Ltd		
Amount Placed as Inter-Corporate Deposit	1,300,000	46,000,000
Interest earned on Inter Corporate Deposit	5,623,791	2,256,164
Amount received on current account	290,000	695,000
Amount repaid on Current Account	-	1,000,000
Outstanding as at end of period		
Inter Corporate Deposit	47,300,000	46,000,000
Current Account	312,605	22,605

NOTE 21:

Previous year's figures have been regrouped, recast or reclassified wherever necessary.

NOTE 22:

Earnings per share has been computed with reference to losses of Rs. 31,130,568(previous year 29014,543) and 200,000 equity shares.

There is no diluted earnings per share as there are no dilutive potential equity shares.

NOTE 23:

In the opinion of the directors and to the best of their knowledge and belief, the value on realization of Current Assets, Loans and Advances, in the ordinary course of Business, would not be less than the amount at which they are stated in the Balance Sheet and provision for all known liabilities is adequate.

NOTE 24:

Contingent Liability provided for Rs. NIL(NIL)

A] Expenses in Foreign Currency

NIL NIL

B] Earning in Foreign Exchange

NIL NIL

**As per our Report of even date attached
FOR M.D.PANDYA & ASSOCIATES
Chartered Accountants
(Registration No 107325 W)**

FOR AND ON BEHALF OF THE BOARD

**(M.D. PANDYA)
Partner**

**R.N. Karanjia
Director
DIN:00033108**

**Shweta Parekh
Director
DIN: 03287393**

**Vaishali Rathod
Company Secretary
M. No. 29205**

MUMBAI

DATED: 30th May, 2016

THE GAEKWAR MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	31.3.2016 Amount(₹)	31.3.2015 Amount(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before tax and extra-ordinary items	(31,130,748)	(29,014,543)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(31,130,748)	(29,014,543)
Adjustments for :		
Increase/(Decrease) in Loans & Advances		
Increase/(Decrease) in Current Liabilities	33,148,372	276,727
(Increase)/Decrease in Current Assets	(6,077,171)	-
	27,071,201	276,727
Net Cash from Operating activities	(4,059,547)	(28,737,816)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of Investments	--	--
Net Cash from Investing Activities	--	--
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase/(Decrease) in Loans & Advances		7,800,000
Increase /(Decrease) in Long term borrowings	939,712	46,084,470
(Increase)/Decrease in Fixed Assets	-	-
Increase/(Decrease) in Share Capital	-	-
(Increase)/Decrease in Inter-Corporate Loans		(24,709,588)
Net Cash from Financing Activities	939,712	29,174,882
Net cash increase in Cash and Cash equivalents	(3,119,655)	437,066
Cash and Cash Equivalents (opening)	3,173,373	2,736,302
Cash and Cash Equivalents (Closing)	53,718	3,173,373

Notes :

1. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 notified by the Companies Act, 1956.
2. Cash and Cash equivalent represent cash and bank balances.
3. Previous Year's figures regrouped/recast wherever necessary.

**As per our Report of even date attached
FOR M.D.PANDYA & ASSOCIATES
Chartered Accountants
(Registration No 107325 W)**

FOR AND ON BEHALF OF THE BOARD

(M.D. PANDYA)
Partner

R.N. Karanjia
Director
DIN:00033108

Homi Framroze Mehta
Director
DIN:00105524

Vaishali Rathod
Company Secretary
M. No. 29205

MUMBAI
DATED: 30th May 2016

CIN No. L17120MH1949PLC007731

**Regd Office: 2/2, Plot-2, New Sion CHS, Swami Vallabhdas Marg, Road N. 24, Sindhi Colony,
Sion, Mumbai- 400022.**

BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name and Registered Address of the sole / First named Member	:	
Name (s) of the Joint Holder (s) (if any)	:	
Registered Folio No.	:	
Number of share(s) held	:	
EVSN (e-voting EVSN Number)	:	
User ID & Password	:	If you are registered with CDSL on e-voting system, please use your existing used ID and password. If you are a first time user follow the steps given in Note No. 20 to the AGM Notice.

- I / We hereby exercise my / our vote(s) in respect of the Resolutions set out in the Notice of the 87th Annual General Meeting (AGM) of the Company to be held on Saturday, 17th September, 2016 at 11.00 a.m. and at any adjournment thereof by sending my / our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Resolution	Type of Resolution	No. of Shares	For	Against
1.	To consider and adopt the audited financial statements of the Company for the year ended March 31, 2016 together with the Reports of Directors and Auditor's thereon.	Ordinary			
2.	Reappointment of Ms. Shweta Parekh (DIN: 03287393) as a Director of the Company.	Ordinary			
3.	To Ratify the appointment Auditors of the Company.	Ordinary			
4.	Appointment of Mr. Rajen Doshi as a Director of the Company.	Ordinary			

Place:

Date:

(Signature of Member)

Note: Please read the instructions carefully before exercising your vote

PROXY FORM NO. MGT-11

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

GAEKWAR MILLS LIMITED
CIN No. L17120MH1949PLC007731

Regd Office: 2/2, Plot-2, New Sion CHS, Swami Vallabhdas Marg, Road N. 24, Sindhi Colony, Sion, Mumbai- 400022.

Phone: 24018811 / 24018822

Name of the Member:

Name of the Member(s)	
Registered Address:	
Email-Id:	
Folio No.	

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

1. Name:.....Address:.....
Email Id:.....,or failing him

2.Name:.....Address:.....
Email Id:.....,or failing him

3.Name:.....Address:.....
Email Id:.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 87th Annual General Meeting of the company to be held on Saturday, 17th September, 2016 at 11.00 a.m. at Matunga Gujarathi Club Ltd, Nathalal Parekh Marg, Near King Circle, Matunga, Mumbai- 400019 or at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolutions	For	Against
1	To consider and adopt the audited financial statements of the Company for the year ended March 31, 2016 together with the Reports of Directors and Auditors thereon.		
2	Reappointment of Ms. Shweta Parekh(DIN: 03287393) as a Director of the Company		
3	To Ratify the appointment of Auditors of the Company.		
4	Appointment of Mr. Rajen Doshi as a Director of the Company		

Signed this.day of2016.

Signature of Shareholder:.....

Signature of the Proxy Holder(s)
(1)(2).....(3).....

Rs. 1/-
Revenue
Stamp

Note: The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time of the holding the meeting. The proxy need not be a member of the Company.

ATTENDANCE SLIP

GAEKWAR MILLS LIMITED

CIN No. L17120MH1949PLC007731

**Regd Office: 2/2, Plot-2, New Sion CHS, Swami Vallabhdas Marg, Road No. 24, Sindhi
Colony, Sion, Mumbai- 400022**

Phone: 24018811/22

DP ID*	Client ID*	Folio No.	No. of Share(s) held

* Applicable for members who are holding shares in dematerialized form

I hereby record my presence at the 87th Annual General Meeting of the Company on 17th September, 2016 at 11.00 a.m. at Matunga Gujarati Club, Nathalal Parekh Marg, Near King Circle, Matunga, Mumbai- 400019.

Name of the Member(s)	
Signature of the Member	
Name of the Proxy	
Signature of the Proxy	

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.
Members are requested to bring their copies of the Annual Report to the AGM.*

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