

**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**

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

**92<sup>ND</sup> ANNUAL REPORT 2020-21**

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**92<sup>ND</sup> ANNUAL REPORT 2020-21**

**BOARD OF DIRECTORS**

Mrs. Shweta Dhruv Shah	Wholetime Woman Director and CEO
Mr. Ratan N. Karanjia	Independent Director
Mr. Girishbhai Shah	Independent Director
Mr. Mipan Navinchandra Shah	Additional Director (Appointed w.e.f 05 <sup>th</sup> December, 2021)

**CHIEF FINANCIAL OFFICER**

Mr. Dhruv Nikunj Shah

**COMPANY SECRETARY**

Mrs. Nidhi Vinodkumar Darak

**AUDITORS**

M/s. Mayur Mahesh Shah & Co.  
Chartered Accountants

**REGISTERED OFFICE**

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

**SECRETARIAL AUDITORS**

M/s. Anish Gupta & Associates,  
Company Secretaries  
Mumbai

**SHARE TRANSFER AGENT**

Link Intime India Private Limited

C 101, 247 Park, L B S Marg,  
Vikhroli (West), Mumbai - 400083  
Email id: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)  
Contact No.: +91 22 49186000 Fax: +91 22 49186060  
**WEBSITE:** [www.gaekwarmills.in](http://www.gaekwarmills.in)

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## NOTICE

**Notice** is hereby given that the **92<sup>nd</sup> Annual General Meeting** of the members of **M/s. Gaekwar Mills Limited** (the company) will be held on **Wednesday, 29<sup>th</sup> day of December, 2021 at 04.30 P.M.** through video conferencing (“VA”) /other audio visual means (“OAVM”) for which purposes the registered office of the company at **2/2, Plot – 2, New Sion CHS, Swami Vallabhdas Marg, Road No. 24, Sindhi Colony, Sion, Mumbai – 400022** shall be deemed as the venue for the meeting and the proceedings of the annual general meeting shall be deemed to be made thereat, to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of Directors and the Auditor’s thereon.
2. To appoint a Director in place of Mrs. Shweta Dhruv Shah (DIN: 03287393), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS**

3. **APPOINTMENT OF MR. MIPAN NAVINCHANDRA SHAH (DIN: 02436963) AS NON-EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution.

“**RESOLVED** THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Mipan Navinchandra Shah (DIN: **02436963**) be and is hereby appointed as an Independent Director of the Company for a term of five years with effect from 1<sup>st</sup> December, 2021.”

4. **APPOINTMENT OF MRS. SHWETA DHRUV SHAH (DIN NO: 03287393) AS WHOLE TIME DIRECTOR DESIGNATED AS EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY**

“**RESOLVED** that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the Company be and is hereby accorded for the appointment and terms of remuneration of Mrs. Shweta Dhruv Shah (DIN: **03287393**) as the Whole Time Director designated as Executive Director & Chief Executive Officer of the Company for the period of 5 years commencing from 01<sup>st</sup> December, 2021 not liable to retire by rotation, upon the terms and conditions including remuneration set out in the

Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment), with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and the terms of remuneration in such manner as may be agreed to between the Board of Directors and Mrs. Shweta Dhruv Shah.

**RESOLVED FURTHER that** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**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**

**Place:** Mumbai

**Date:** 05<sup>th</sup> December 2021

**Sd/-  
Ratan Karanjia  
Director  
DIN: 00033108**

**Notes:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.gaekwarmills.in](http://www.gaekwarmills.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

8. Members joining the meeting through VC, who have not already cast their vote by means of remote voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
9. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company - [www.gaekwarmills.in](http://www.gaekwarmills.in) as soon as possible after the Meeting is over.
10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 92<sup>nd</sup> AGM has been uploaded on the website of the Company at [www.gaekwarmills.in](http://www.gaekwarmills.in). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
11. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
12. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints.

Link Intime India Private Limited  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai 400 083  
Email id: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)  
Contact No.: +91 22 49186000 Fax: +91 22 49186060

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of 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 the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company. Members may further note that SEBI has also made it mandatory for submission of PAN in the following cases, viz., (i) deletion of name of the deceased shareholder(s), (ii) transmission of shares to the legal heir(s) and (iii) transposition of shares.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA Link Intime India Private Limited, in case the shares are held in physical form.
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. Details of Director seeking Appointment/Re-appointment at the Annual General Meeting



Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the relevant details of Director seeking re-appointment are provided as below:

Name	MR. MIPAN NAVINCHNADRA SHAH	Ms. SHWETADHRUV SHAH
Date of Birth	24/03/1967	24/03/1990
Directors Identification Number (DIN)	02436963	03287393
Age	55	30
Qualification	B. Com	Bachelor's Degree in Business Administration, Kingston University, U.K.
Expertise in Specific Area	Real Estate	Marketing Management
Date of first Appointment on board of the Company	05/12/2021	31/03/2015
Shareholding in GAEKWAR MILLS LIMITED	0	1000
List of Directorship held in other listed companies	NIL	NIL
Membership/Chairmanships of Audit and Stakeholders Relationship committees	NIL	NIL

**17. Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 25<sup>th</sup> December, 2021 to Wednesday, 29<sup>th</sup> December, 2021 (both days inclusive) for the Annual General meeting whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date 22<sup>nd</sup> December, 2021.**

**18. Members of the Company holding shares either in physical form or in Dematerialised forms as on Benpose date i.e. Friday 22<sup>nd</sup> October, 2021 will receive Annual Report for the financial year 2020-21 through electronic mode only. Also, we have taken old Benpose date for non-payment of outstanding Balance.**

19. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.

20. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
21. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.
22. (a) Members are requested to notify immediately any change of address:
1. to their Depository Participants (“DPs”) in respect of the shares held in electronic form;
  2. to the Company; and
  3. Registrar and Transfer Agents viz Link Intime India Private Limited, in respect of the shares held in physical form together with a proof of address viz. electricity bill, telephone bill, aadhar card, voter ID card, passport, etc.
- (b) In case the mailing address mentioned on this Annual Report is without the PIN code, Members are requested to kindly inform their PIN code immediately.
23. SEBI vide amendment in the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated June 8, 2018, has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f. December 5, 2018. You are accordingly advised to dematerialize your physical shareholding at earliest. After December 5, 2018, no request for transfer of shares in physical form can be processed by the Company/RTA.
24. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio.
25. Members desirous of obtaining any information concerning Accounts and Operations of the Company or any agenda item proposed in the notice of AGM are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting at its email ID: gaekwarmills1928@gmail.com to enable the Company to collect the relevant information and redress the queries.
26. In the general interest of the Members, it is requested of them to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:
- For shares held in physical form: with the Registrar and Transfer Agent of the Company.
  - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.
27. Non-Resident Indian members are requested to inform RTA/respective DPs, immediately of:
- a) Change in their residential status on return to India for permanent settlement.

b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

28. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 92nd AGM. Members seeking to inspect such documents can send an email to gaekwarmills1928@gmail.com.

**28. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on Saturday, 25<sup>th</sup> December, 2021 at 09:00 A.M. and ends on Tuesday, 28<sup>th</sup> December, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> December, 2021.**

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*





**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDEAS</b> ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website

	<p>of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>  <b>App Store</b>       <b>Google Play</b></div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> </ol>

	<p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
    - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **anish@csanishgupta.com** with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [gaekwarmills1928@gmail.com](mailto:gaekwarmills1928@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([gaekwarmills1928@gmail.com](mailto:gaekwarmills1928@gmail.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to



vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**29. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**30. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

- (i) Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (gaekwarmills1928@gmail.com). The same will be replied by the company suitably.

31. The Board of Directors has appointed Mr. Anish Gupta, Practising Company Secretary (FCS 5733, CP 4092) as Scrutinizer to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner and to submit report thereon.

32. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Meeting or a person authorised by him / her in writing, who shall countersign the same and declare the results of the voting forthwith.

33. The results declared along with the Consolidated Scrutinizer's report shall be on the website of the Company and on the website of CDSL after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be communicated to the Stock Exchange viz. BSE Limited.

### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

#### **ITEM NO.3**

Mr. Mipan Navinchandra Shah (DIN:02436963) was appointed as an Independent Director of the Company with effect from December 01, 2021 for 5 Years. Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") an Independent Director shall hold office for a term of five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report.

The Board of Directors at its meeting held on 05<sup>th</sup> December, 2021 on the recommendation of the Nomination and Remuneration Committee approved the appointment of Mr. Mipan Navinchandra Shah as an Independent Director of the Company for a term of five years with effect from December 1, 2021 based on his skills, experience, knowledge. His appointment is subject to the approval of the Shareholders at this Annual General Meeting by way of a Special Resolution.

In the opinion of the Board, Mr. Mipan Navinchandra Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and LODR Regulations for his appointment as an Independent Director of the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Mipan Navinchandra Shah as an Independent Director.

Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Mipan Navinchandra Shah as an Independent Director, for the approval by the Shareholders of the Company.

Except Mr. Mipan Navinchandra Shah, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 3

#### **ITEM NO.4**

Appointment of Mrs. Shweta Dhruv Shah as Whole Time Director designated as Executive Director and Chief Executive Officer of the Company for 5 years.

Subject to the approval of the Shareholders of the Company, the Nomination and Remuneration Committee and the Board of Directors of the Company had, vide resolutions passed on 20th

October, 2021, approved appointment of Mrs. Shweta Dhruv Shah as Wholetime Directors of the Company, designated as Executive Director & Chief Executive Officer. It is proposed to appoint her remuneration as Whole-time Directors. A brief profile of Mrs. Shweta Dhruv Shah, in terms of the Regulation 36(3) of the listing Regulation and Secretarial Standard 2 is annexed to this Notice.

Currently, No Remuneration will be payable due to loss and inadequacy of profits, but in future, the company can pay remuneration if adequate profit earned.

Terms of Appointment :

1. Name of the appointee : Mrs. Shweta Dhruv Shah
2. Designation : Whole Time Director and Chief Executive Officer
4. Salary : No Remuneration
5. Term : Five years Starting from 01<sup>st</sup> December, 2021

Previously, Mrs. Shweta Dhruv Shah, was Non-Executive Director of the Company and now will be appointed as Whole Time Director designated as Executive Director and Chief Executive Officer of the Company. She is qualified as Bachelor's Degree in Business Administration, Kingston University, U.K. She Expertise in Marketing Management.

Accordingly, the Board of Directors recommends the above resolution for your consideration and approval as a Special Resolution on key terms and conditions.

The Board recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the members.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**Registered Office:**

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

**Place:** Mumbai

**Date:** 05<sup>th</sup> December, 2021

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

**Sd/-  
Ratan Karanjia  
Director  
DIN: 00033108**

## Directors' Report

To,  
The Members

Your directors are pleased to present the Ninety Second Annual Report on the business and operations of the Company and the audited accounts for the year ended on March 31, 2021.

### **FINANCIAL HIGHLIGHTS:**

Particulars	For the Year ended on 31.03.2021	For the Year ended on 31.03.2020
Total Income	21,93,274	22,13,197
Total Expenditure	22,017,462	4,11,71,857
Profit/(Loss) before taxation	(19,824,188)	(3,89,58,660)
Provision for Tax	-	-
Profit / (Loss) after tax ---- (A)	(19,824,188)	(3,89,58,660)
Other Comprehensive Income	-	-
Profit / (Loss) after Other Comprehensive Income ---- (B)	-	-
Profit / (Loss) for the period (A+B)	(19,824,188)	(3,89,58,660)

### **TRANSFER TO RESERVES:**

The Company has not transferred any amount in the General Reserves during the period under review.

### **YEAR IN REVIEW:**

The Company incurred loss of Rs. 19,824,188/- during the year. This is essentially on account of pro-rata write off of premium on redemption of Secured Debentures of Rs. 30.00 crores.

The company had to defend frivolous litigation at various levels all initiated by un-recognized association / trade union of workers which has delayed the implementation of the project.

### **FUTURE PROSPECTS:**

The Company is ready with its plans for developing an ultra-modern township on 60% of the land at Bilimora. The Company has awarded contracts for reconstruction and repair of compound wall as per new boundaries, which is being approved by Bilimora Nagarpalika. However the company is in process of taking all possible legal steps for removal of encroachments from the land of the company and fighting the cases filed against the company by various persons.

### **COVID-19 PANDEMIC:**

Due to outbreak of Covid-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19. There is slow down in the completion of the project of the Company at Bilimora due to covid-19 pandemic and lockdown which had impact on operations. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities and compliance with the debt covenants, applicable, if any.

### **CHANGE IN TERMS AND CONDITION OF DEBENTURES**

The Series B Unlisted Secured Non-Convertible Debentures of Rs. 5 crores were maturing on 22.04.2020 and Series A Unlisted Secured Non-convertible Debentures of Rs. 30 crores were maturing on 09.10.2020. However due to the Covid-19 pandemic and lock down, the further prospect of its project has seriously affected and due to which the company was unable to pay the debenture holders on the due dates. The Company has requested the Debenture-holders for extending the time limit for repayment of the same by one year and two years respectively i.e 22.04.2021 and 09.10.2022 to which the Debenture-holder has responded intimating that the same is under consideration, however no confirmation is received yet from the Debenture Holders.

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

The pending Litigation against the company are:

- a. Appeal No. 455 of 2015 before the Hon. Division bench of Bombay High Court which has been admitted without any interim / ad-interim orders.

Other than the above matters, no significant or material orders have been passed by any regulators or courts or tribunals against the Company during the year 20-21

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

No material changes and commitments have occurred subsequent to the close of FY 2020-21 till date of this report.

### **DIVIDEND:**

The Directors do not recommend any dividend for the financial year 2020-21, in view of the accumulated loss.

### **DIVIDEND DISTRIBUTION POLICY:**

Pursuant to Regulation 43A of LODR Regulation 2015, the regulations related to Dividend Distribution Policy are not applicable to the Company.

### **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:**

The Issued, Subscribed and Paid up Share Capital of the Company was Rs. 2,00,00,000 (Rupees Two Crores) divided into 20,00,000 (Two Lakh) Equity Shares of Rs. 10/- 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:**

Management Discussion and Analysis forms a part of this Annual Report and is annexed to this as "Annexure I"

### **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:**

During the year under review, no Company has become or ceased to be a Subsidiary/Joint Venture/ Associate Company of your Company.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given any loans and advances during the year under review. The details of outstanding Loans and advances are provided in the notes to accounts of the financial statements.

### **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 same is not applicable to the Company 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 information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration of Directors, Key Managerial Personnel and other related disclosures are as below

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Operating Officer, Company Secretary and ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year 2020-21:

Name of Director/KMP	Percentage increase in remuneration	Ratio of remuneration of each Director/KMP to Median remuneration of employees
Ratan Karanjia	N.A.	N.A.
Girish Shah	N.A.	N.A.
Shweta Dhruv Shah	N.A.	N.A.

2. The percentage increase in the median remuneration of employees in the financial year ended March 31, 2021: 0%
3. The number of permanent employees on the rolls of the Company:0
4. Average percentile increase 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:-**NIL**

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 was 0%, whereas the increase in the managerial remuneration for the same financial year was Nil%.

5. Affirmation that the remuneration is as per the remuneration policy of the Company:

During the period under review, the Company is not having any Executive Director and Key Managerial Personal. Further the Company has not paid remuneration to any of its directors.. Thus The Company has not formed the Remuneration Policy.

Information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 viz Details of Top Ten Employees of the Company in terms of remuneration drawn during 2020-21 is not applicable as none of the employee is drawing remuneration in excess of the limits specified in the said Rule 5(2).

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

The disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable to the Company.

The Company is committed to provide a safe & conducive work environment to its employees. Though the Company is not required to adopt the policy, however it ensures the safety of its women employees at workplace. During the year under review, no case of sexual harassment was reported.

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

During the year under review, no related party transactions were entered pursuant to section 188 (1) of the Companies Act, 2013. There were no materially significant related party transactions entered by the Company with Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

Since there were no related party transaction during the year under review except in the ordinary course of business and on arms' length basis, form AOC-2 as prescribed under section 134(3)(h) of the Companies Act, 2013 is not applicable to the Company.

### **RISK MANAGEMENT POLICY:**

The Company has formulated Risk Management Policy. The Board takes all necessary steps to identify and evaluate business risks and opportunities and take corrective steps.

### **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.

### **DETAILS OF DIRECTORS AND KMPs APPOINTMENT OR RESIGNATION DURING THE YEAR:**

#### **DIRECTORS:**

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

#### **KEY MANAGERIAL PERSONNEL (KMP) OF THE COMPANY:**



As on 31<sup>st</sup> March, 2021, the Board of Directors comprises of Non-Executive and Independent Directors only.

Further to comply with the provisions of the Companies Act and LODR Guidelines, the board has appointed

- (a) Mrs. Shweta Dhruv Shah as Whole time Director designated as Executive Director and Chief Executive Officer in Board Meeting held on 20<sup>th</sup> October, 2021.
- (b) Mr. Dhruv Nikunj Shah as Chief Financial Officer and Mr. Mipan Navinchandra Shah as Non-Executive, Independent Director in Board Meeting held on 05<sup>th</sup> December, 2021.

Further on the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, there appointment is proposed to be confirmed in the ensuing Annual General Meeting.

Ms. Nidhi Vinodkumar Darak was appointed as the Company Secretary and Compliance Officer w.e.f. 1<sup>st</sup> November, 2021.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Act and under Listing Regulations.

In the opinion of the Board, the Independent Directors of the Company fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

#### **MEETINGS:**

The Board meets at regular intervals to discuss and decide on Company/business policies and strategies apart from other Board businesses. The Board/Committee Meetings are prescheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

During the year under review, Board meetings were held. The dates of the meetings are 31<sup>st</sup> July 2020, 15<sup>th</sup> September 2020, 13<sup>th</sup> November 2020, 12<sup>th</sup> February 2021.

The maximum interval between any two consecutive Board Meetings did not exceed the period prescribed under the Companies Act, 2013 and as per circular issued by MCA in this regard.

Attendance of Directors at the Board Meeting is as under:

Sr. No.	Name of Director	Category	No. of Meetings during FY 2020-21	
			Held	Attended
1	Ratan Karanjia	Independent	4	4
2	Girish Shah	Independent	4	4
3	Shweta Dhruv Shah	Non-executive Director	4	4

#### **COMMITTEES OF BOARD**

## **AUDIT COMMITTEE**

The audit committee of the Company is constituted in accordance with Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The Audit Committee acts as a link among the Management, the Statutory Auditors, and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Composition of Audit Committee and attendance record of members for 2020-21.

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2020-21	
				Held	Attended
1	Ratan Karanjia	Chairman	Non-Executive, Independent	4	4
2	Girish Shah	Member	Non-Executive, Independent	4	4
3	Shweta Dhruv Shah	Member	Non-Executive	4	4

During the Financial Year 2020-21, 4 Meetings were held on 31<sup>st</sup> July 2020, 15<sup>th</sup> September 2020, 13<sup>th</sup> November 2020, 12<sup>th</sup> February 2021.

The necessary quorum was present for all the meetings.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

Composition of Nomination & Remuneration Committee and the attendance record of members for 2020-21 are as below:

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2020-21	
				Held	Attended
1	Ratan Karanjia	Chairman	Non-Executive, Independent	1	1
2	Girish Shah	Member	Non-executive, Independent	1	1
3	Shweta Dhruv Shah	Member	Non-executive Director	1	1

During the Financial Year 2020-21, 1 Meeting was held on 13<sup>th</sup> November, 2020

The necessary quorum was present for all the meetings.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013.

Composition of Stakeholders Relationship Committee and the attendance record of members for 2020-21 is below:

Sr. No.	Name of Directorship	Chairman/ Member	Category	No. of Meetings during FY 2020-21	
				Held	Attended
1	Ratan Karanjia	Chairman	Non-Executive, Independent	4	4
2	Girish Shah	Member	Non-executive, Independent	4	4
3	Shweta Dhruv Shah	Member	Non-Executive	4	4

During the Financial Year 2020-21, 4 Meetings were held on 31<sup>st</sup> July 2020, 15<sup>th</sup> September 2020, 13<sup>th</sup> November 2020, 12<sup>th</sup> February 2021.

The necessary quorum was present for all the meetings

### **BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act, SEBI Listing Regulations and the Guidance note on Board Evaluation issued by the Securities and Exchange Board of India.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board process, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committee's effectiveness of committee meeting, etc.

In a separate Meeting of Independent Directors, performance of non-independent directors, the chairman of the Company and the board as a whole as evaluated, taking into account the views of executive directors and non-executive Directors.

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

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of directors and recommends to the Board

policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

#### **VIGIL MECHANISM:**

The company has a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee.

#### **AUDITORS:**

Pursuant to the provisions of Section 139(2), and Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. Mayur Mahesh Shah & Co., **Chartered Accountants (Firm Registration No. 117604W)** was appointed as a Statutory Auditor of the Company in the Annual General Meeting held on 26<sup>th</sup> September, 2017 for a term of five (5) consecutive years to hold office from the conclusion of the Annual General Meeting held for the financial year 2016-2017 till the conclusion of the 93<sup>rd</sup> Annual General Meeting of the Company to be held for the financial year 2022. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed for the financial year 31.3.2021.

#### **STATUTORY AUDITORS' OBSERVATIONS:**

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Mayur Mahesh Shah & Co, Statutory Auditors, in their report.

#### **SECRETARIAL AUDITORS:**

A Secretarial Audit was conducted during the year by the Secretarial Auditor M/s. Anish Gupta & Associates, Practicing Company Secretaries. The Secretarial Auditors Report is attached as "**Annexure II**".

#### **SECRETARIAL AUDITORS' OBSERVATIONS & COMMENTS FROM BOARD:**

##### REMARKS OF THE SECRETARIAL AUDITOR

1. The company has not appointed Key Managerial Personnel as required under section 203 of Companies Act, 2013 and rules made thereunder during the year 2020-21 in respect of appointment of Managing Director or CEO or Manager or Whole Time Director and Chief Financial Officer and Company Secretary.
2. The company has not complied with the regulation 31(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 according to which 100% shareholding of promoters shall be in Dematerialized Form.
3. The Company is required to update its the website in respect of the information and documents as required to be updated under the various provisions of the Companies Act and Regulation 30(8) and 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

4. The Company has not filed form 22A - Active as required under Rule 25A of the Companies (Incorporation) Rules, 2014 and the status of the company on the MCA Portal is showing ACTIVE-not compliant.
5. The Company has not complied with SEBI Circular No: SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 regarding updation of shareholders information with Registrar and Share Transfer Agent (RTA) as mandated by SEBI.
6. The Company has defaulted on payment of interest/repayment of principal amount for unlisted debt securities i.e NCDs and NCRPs.

#### **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. The Company is in process to dematerialize the 100% shareholding of Promoters.
3. The Company regularly updates its website but due to some issue with the website developer current information and documents are not updated. The Directors have taken the note of the same and will do the compliance at the earliest.
4. As the Company has not commenced any activity and has very limited resources, it has not been possible to appoint Managing Director or other KMPs as required under section 203 of the Companies Act, 2013 and rules made thereunder. Due to which it could not file the Inc-22 Active Form. The Board has appointed the KMPs and will take necessary steps to comply with the provisions.
5. The due to the Covid-19 pandemic and lock down, the further prospect of its project has seriously affected and due to which the company was unable to pay the debenture holders on the due dates. The Company has requested the Debenture-holders for extending the time limit for repayment of the same by one year and two years respectively i.e 22.04.2021 and 09.10.2022 to which the Debenture-holder has responded intimating that the same is under consideration, however no confirmation is received yet from the Debenture Holders.

#### **EXTRACT OF ANNUAL RETURN:**

In terms of the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available at Company's website [www.gaekwarmills.in](http://www.gaekwarmills.in).

#### **MAINTENANCE OF COST RECORDS:**

The provision of maintenance of Cost records as per section 148 doesn't applicable on the Company.

### **APPLICABILITY OF SECRETARIAL STANDARD:**

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India to the extent possible.

### **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 has adopted the Code of Conduct for prevention of Insider Trading.

### **ACKNOWLEDGEMENT:**

The Board of Directors wishes to express their deep sense of appreciation and gratitude to all Employees, Bankers and Clients for their assistance, support and co-operation extended by them. In the end, the Directors, wish to sincerely thank all shareholders for their continued support.

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

Place: Mumbai  
Date: 05<sup>th</sup> December, 2021

**Shweta Dhruv Shah  
Director  
(DIN: 03287393)**

**Ratan Karanjia  
Director  
(DIN: 00033108)**

## ANNEXURE I

### MANAGEMENT DISCUSSION AND ANALYSIS

(1) **Industry Structure and Development:** The Company has been engaged in the business of manufacturing Fabrics (Textile industry), however the said unit was declared sick and to set up fresh unit, clear all liabilities and pursuant to a Scheme u/s 391 of Companies Act, 1956 sanctioned by Bombay High Court. Company at present is into development of 60% of its own land at Bilimora.

(2) **Opportunities and Threats:**

Opportunities - The Company is expecting good opportunities by developing the land available at Bilimora, Gujarat, such a huge land is not available in Bilimora (West), hence these desiring sea view or cool breeze.

Threats for the Company is:

- a. That the workers are filing cases against the Company in High Court of Maharashtra and Gujarat. Due to this litigation Company is not able to start its new business and currently the Company is in loss.
- b. Company is not having expertise in construction activity.
- c. The population is much less to consume the constructed unit.

(3) **Segment-wise or product-wise performance:** Currently there is no Business in the Company.

(4) **Business Outlook:** The Company is in Infrastructure business. The company finds a good business outlook, in case the company can start is commercial development of its land situated in Bilimora.

(5) **Risks and Concerns:** The Workers of the Company have filed case against the Company in the High Court due to which Company is unable to start its new business. Unless and until the cases are resolved the Company cannot start their Business.

(6) **Internal Control System and their adequacy:** The internal control system and their adequacy is commensurate with the size and nature of the business of the Company.

(7) **Financial Performance with respect to Operation Performance:** Currently the company is going on in loss as the company has no business.

(8) **Material Developments in Human Resources / Industrial Relations front including number of people employed:** Currently there is no Business in the Company, hence there is no material developments in Human Resources / Industrial Relations front including number of people employed.

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

[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 (Previously known as the Company) (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 electronic data provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Insurance Regulatory and Development Authority of India and the Ministry of Corporate Affairs due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on March 31, 2021, 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:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit period)
5. 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, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

6. 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.

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:

- a) The company has not appointed Key Managerial Personnel as required under section 203 of Companies Act, 2013 and rules made thereunder during the year 2020-21 in respect of appointment of Managing Director or CEO or Manager or Whole Time Director and Chief Financial Officer or Company Secretary.
- b) The company has not complied with the regulation 31(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 according to which 100% shareholding of promoters shall be in Dematerialized Form.
- c) The Company is required to update its the website in respect of the information and documents as required to be updated under the various provisions of the Companies Act and Regulation 30(8) and 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- d) The Company has not filed form 22A - Active as required under Rule 25A of the Companies (Incorporation) Rules, 2014 and the status of the company on the MCA Portal is showing ACTIVE-not compliant.
- e) The Company has not complied with SEBI Circular No: SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 regarding updation of shareholders information with Registrar and Share Transfer Agent (RTA) as mandated by SEBI.
- f) The Company has defaulted on payment of interest/repayment of principal amount for unlisted debt securities i.e NCDs and NCRPs.

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 except that the Board of Directors of the Company does not have the optimum combination of Executive and Non – Executive Directors as required under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

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.

We further report that in the wake of COVID-19 the MCA and SEBI has provided relaxation and/or extension for the various applicable compliance under SEBI Regulations. Accordingly, the Company has done all compliance pertaining to year ended on March 31, 2021 under relaxation.

**Place: Mumbai**  
**Date: 20.10.2021**

**For Anish Gupta & Associates**  
**Company Secretaries**  
**FRN:I2001MH236100**  
**Sd/-**  
**Anish Gupta**  
**Proprietor**  
**FCS 5733 / CP No. 4092**  
**UDIN NO.:- F005733C001212609**

## 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.

- a. 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.
- b. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices I followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events etc.
- e. 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**  
**FRN:I2001MH236100**  
**Sd/-**  
**Anish Gupta**  
**Proprietor**  
**FCS 5733 / CP No. 4092**  
**UDIN NO.:- F005733C001212609**

**Place: Mumbai**  
**Date: 20.10.2021**

## **Independent Auditor's Report**

**To the Members of THE GAEKWAR MILLS LIMITED.**

### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **THE GAEKWAR MILLS LIMITED ('the company')** which comprises of Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind-AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2021, and its loss (including other comprehensive income), its cash flows and the changes in the equity for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independent requirement that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Information other than standalone financial statements and Auditors report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises of the information included in the management discussion and analysis, Boards report including Annexure to Boards Report, Corporate Governance and Shareholders information, but does not include the standalone financial statements and our auditors report thereon. Our opinion on standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statement, our responsibility is to read the other information and in doing so, consider whether the other information is materially

inconsistent with the standalone financial statement or other information obtained during the course of our audit or otherwise appear to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and those charged with governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance (Including Other Comprehensive Income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

### **Auditor's Responsibilities for the Audit of the standalone Financial Statements**

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

### **Report on Other Legal and Regulatory Requirements**

1. As required by 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is

disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, 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. The 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, to the extent applicable.

For **MAYUR MAHESH SHAH & CO**

Chartered Accountants

Reg. No. 117604W

**MAYUR M. SHAH**

**Proprietor**

**Membership No. : 103146**

Mumbai

Date: - 30<sup>th</sup> June 2021.

**UDIN : 21103146AAAABA8771**

## **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 31<sup>st</sup> March 2021 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MAYUR MAHESH SHAH & CO**

Chartered Accountants

Reg. No. 117604W

**MAYUR M. SHAH**

Proprietor

Membership No. : 103146

Mumbai

Date: - 30<sup>th</sup> June 2021.

## **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 2021 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. 1,77,50,000 (previous year Rs.1,61,50,000) to 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 overdue.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013. The Company has been advised that the provisions of section 186 of the Companies Act, 2013 are not applicable to it, as it is 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 31<sup>st</sup> March 2021 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 31<sup>st</sup> March 2021 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.
- 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 **MAYUR MAHESH SHAH & CO**

Chartered Accountants

Reg. No. 117604W

**MAYUR M. SHAH**

Proprietor

Membership No. : 103146

Mumbai

Date: - 30<sup>th</sup> June 2021.

**UDIN : 21103146AAAABA8771**

**THE GAEKWAR MILLS LIMITED**

**Balance Sheet as at 31st March, 2021**

Particulars	Note No.	Amounts in Rupees(₹)	
		As At 31ST MARCH, 2021	As At 31ST MARCH, 2020
<b>I. Assets</b>			
<b>Non-current assets</b>			
(a) Property, Plant & Equipment	2	26,307	26,307
(b) Capital work-in-progress	3	69,57,927	69,57,927
(c) Intangible Assets		-	-
(d) Financial Assets			
(i) Investments	4	12,453	12,453
(e) Other Non Current Assets	7	-	2,08,37,115
<b>Current assets</b>			
(a) Financial Assets			
(i) Cash and Cash Equivalents	5	3,66,239	99,952
(ii) Loans and Advances	6	1,99,10,665	1,82,21,532
(iii) Others		-	-
<b>Total</b>		<b>2,72,73,591</b>	<b>4,61,55,286</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Share Capital	8	2,00,00,000	2,00,00,000
(b) Other Equity	9	(57,85,48,795)	(55,87,24,607)
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	10	57,70,24,182	57,70,24,182
(ii) Other Financial Liabilities			
(b) Provisions	11	76,25,922	76,25,922
<b>Current Liabilities</b>			
(a) Financial Liabilities			

(i) Trade Payables	12	10,06,675	2,29,789
(ii) Other Financial Liabilities	13	1,65,607	
	<b>Total</b>	<b>2,72,73,591</b>	<b>4,61,55,286</b>
Notes forming part of Financial Statements The accompanying notes are integral part of financial statements.	1 to 25		

As per our Report of even date attached

For Mayur Mahesh Shah & Co  
Chartered Accountants  
(Registration No 117604 W)

Mayur M. Shah  
(Proprietor)  
(Membership No 103146)

FOR AND ON BEHALF OF THE  
BOARD

R.N. Karanjia  
Direct  
or  
(DIN: 00033108)

S.D. Shah  
Director  
(DIN:  
03287393)

MUMBAI

DATED: 30th June 2021

**THE GAEKWAR MILLS LIMITED**

**Statement of Profit and Loss for the year ended 31st March, 2021**

Amounts in Rupees (₹)

Particulars	Note No.	For the Year ended 31st March 2021	For the Year ended 31st March 2020
I. Revenue from operations		-	-
II. Other Income	14	21,93,274	22,13,197
<b>III. Total Revenue (I+II)</b>		<b>21,93,274</b>	<b>22,13,197</b>
<u>IV. Expenses:</u>			
Financial costs	15	15,670	230
Other expenses	16	2,20,01,792	4,11,71,627
<b>Total Expenses</b>		<b>2,20,17,462</b>	<b>4,11,71,857</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	(1,98,24,188)	(3,89,58,660)
VI. Exceptional Items			-
VII. Profit before tax	(V-VI)	(1,98,24,188)	(3,89,58,660)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
		-	-
IX. Profit(Loss) for the year	(VII-VIII)	(1,98,24,188)	(3,89,58,660)
X Other Comprehensive Income / (loss)		-	-
XI Total Comprehensive Income for the year	(IX+X)	(1,98,24,188)	(3,89,58,660)
X. Earning per equity share:			
(1) Basic		(9.91)	(19.48)
(2) Diluted		(9.91)	(19.48)

Notes forming part of Financial Statements

The accompanying notes are integral part of financial statements.

FOR AND ON BEHALF OF THE BOARD

For Mayur Mahesh Shah & Co  
Chartered Accountants  
(Registration No 117604 W)

Mayur M. Shah  
(Proprietor)  
(Membership No 103146)

R.N. Karanjia  
Director  
(DIN: 00033108)

S.D. Shah  
Director  
(DIN: 03287393)

MUMBAI

DATED: 30th June 2021

<b>THE GAEKWARMILLS LIMITED</b>				
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021</b>				
	<b>31.3.2021</b>		<b>31.3.2020</b>	
	<b>Amount( Rs)</b>	<b>Amount(R s)</b>	<b>Amount( Rs)</b>	<b>Amount(R s)</b>
<b><u>A. CASH FLOW FROM OPERATING ACTIVITIES:</u></b>				
Net Profit/(Loss) before tax and extraordinary items		(1,98,24,188)		(3,89,58,660)
Add: Current Year Share of Premium on Redemption of Debentures		2,08,37,115		3,98,78,934
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>		<b>10,12,927</b>		<b>9,20,274</b>
Adjustments for:				
Increase/(Decrease) in Loans & Advances		-		-
Increase/(Decrease) in Current Liabilities	9,42,493		(42,37,302)	
(Increase)/Decrease in Current Assets	(16,89,133)		32,88,071	
		(7,46,640)		(9,49,231)
Net Cash from Operating activities		2,66,287		(28,957)
<b><u>B. CASH FLOW FROM INVESTMENT ACTIVITIES</u></b>				
Sale of Investments		-		-
Net Cash from Investing Activities		-		-
<b><u>C. CASH FLOW FROM FINANCING ACTIVITIES:</u></b>				
Increase/(Decrease) in Loans & Advances		-		-



Increase /(Decrease) in Long term borrowings		-		-
(Increase)/Decrease in Capital Work in Progress		-		-
Increase/(Decrease) in Share Capital		-		-
(Increase)/Decrease in Inter-Corporate Loans				-
Net Cash from Financing Activities		-		-
Net cash increase in Cash and Cash equivalents		2,66,287		(28,957)
Cash and Cash Equivalents (opening )		99,952		1,28,909
Cash and Cash Equivalents (Closing )		3,66,239		99,952
The above statements of cash flow should be read in conjunction with the accompanying notes				
As per our Report of even date attached	FOR AND ON BEHALF OF THE BOARD			
For Mayur Mahesh Shah & Co Chartered Accountants (Registration No 117604 W)				
Mayur M. Shah	R.N. Karanjia		S.D. Shah	
(Proprietor)	Director		Director	
(Membership No 103146)	(DIN: 00033108)		(DIN: 03287393)	
MUMBAI				
DATED: 30th June 2021				

<b>THE GAEKWAR MILLS LIMITED</b>				
<b>Statement of changes in equity for the year ended 31st March 2021</b>				
<b>(A) Equity Share Capital (Equity Shares of Rs. 10 each issued, subscribed and fully paid)</b>				
<b>Particulars</b>			<b>Not e</b>	<b>Amount</b>
As at 1st April 2020			8	2,00,00,000
Changes in equity share capital				-
As at 31st March 2021			8	2,00,00,000
<b>(B) Other Equity</b>				
<b>Particulars</b>		<b>Retained earnings</b>		<b>Total other equity</b>
Balance as at 1st April 2020		(55,87,24,607)		(51,97,65,947)
Total comprehensive income for the year		(1,98,24,188)		(3,89,58,660)
Balance as at 31 March 2021		(57,85,48,795)		(55,87,24,607)
Notes forming part of Financial Statements	1 to 24			
The accompanying notes are integral part of financial statements.				
As per our Report of even date attached		<b>FOR AND ON BEHALF OF THE BOARD</b>		
For Mayur Mahesh Shah & Co Chartered Accountants (Registration No 117604 W)				
Mayur M. Shah (Proprietor) (Membership No 103146)		R.N. Karanjia Director (DIN: 00033108)		S.D. Shah  (DIN: 03287393)
MUMBAI				
DATED: 30th June 2021				

<b>THE GAEKWAR MILLS LIMITED</b>					
<b>NOTES ON ACCOUNTS:</b>					
<b>NOTE 1:</b>					
<b>SIGNIFICANT ACCOUNTING POLICIES :</b>					
<b>Corporate Information</b>					
The Gaekwar Mills Limited (referred to as 'the Company') was incorporated on 16/06/1928 & its Corporate Identification Number (CIN) is L17120MH1949PLC007731					
<b>a. STATEMENT OF COMPLIANCE :</b>					
The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards)(Amendment) Rules, 2016 as amended.					
<b>b. BASIS OF PREPARATION :</b>					
The financial statements are prepared under historical cost convention, on accrual basis.					
<b>c. REVENUE RECOGNITION :</b>					
Revenue in respect of Dividend Income is accounted as and when received & Interest income is accounted on accrual basis.					
<b>d. Property, Plant and equipment</b>					
Land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.					
<b>e. INVESTMENTS:</b>					
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.					

<b>THE GAEKWAR MILLS LIMITED</b>			
		<b>2020-21</b>	<b>2019-20</b>
		<b>Amount(R s)</b>	<b>Amount(R s)</b>
<b>NOTE 2 -PROPERTY, PLANT &amp; EQUIPMENT</b>			
Land		26,307	26,307
		26,307	26,307
<b>NOTE 3-CAPITAL WORK-IN-PROGRESS</b>			
Opening balance		69,57,927	69,57,927
Add: Additions during the year		-	-
Closing balance		69,57,927	69,57,927
<b>NOTE 4 : - INVESTMENT</b>			
<b>a. IN EQUITY SHARES(UNQUOTED)</b>			
300 ordinary shares of Zenith Securities & Investments Ltd of Rs.100 each fully paid		12,453	12,453
		12,453	12,453
<b>NOTE 5 -CASH AND CASH EQUIVALENTS</b>			
Cash on hand		89,130	89,130
Bank Balance with Scheduled Bank		2,77,109	10,822
		3,66,239	99,952
<b>NOTE 6-LOANS AND ADVANCES</b>			
(Unsecured & considered good)			
Inter-Corporate Deposits		1,77,50,000	1,61,50,000



<b>beginning and at the end of the reporting period</b>					
At the beginning of the year (Face Value of Rs.10/-each)		20,00,000	2,00,00,000	20,00,000	2,00,00,000
Shares outstanding at the end of the year (Face Value of Rs. 10/-each)		20,00,000	2,00,00,000	20,00,000	2,00,00,000
<b>Details of shareholders of Equity Shareholding more than 5%</b>		<b>No. of shares of Rs 10/- each</b>	<b>% Holding</b>	<b>No. of shares of Rs 100/- each</b>	<b>% Holding</b>
Platinum Square Pvt Ltd		7,45,900	37.30	7,45,900	37.30
Istaa Fashions Pvt Ltd		3,90,000	19.50	3,90,000	19.50
Mukesh Babu Financial Services Limited		3,55,000	17.75	3,55,000	17.75
Thiruppathi Pandian		2,49,730	12.49	2,49,730	12.49
<b>Total</b>		<b>17,40,630</b>	<b>87.04</b>	<b>17,40,630</b>	<b>87.04</b>
		<b>2020-21</b>	<b>2019-20</b>		
		<b>Amount(Rs)</b>	<b>Amount(Rs)</b>		
<b>NOTE 9- OTHER EQUITY</b>					
<b>Retained Earnings</b>					
Opening Balance		(55,87,24,607)	(51,97,65,947)		
Add: Current Period Profit/(Loss)		(1,98,24,188)	(3,89,58,660)		
<b>Total</b>		<b>(57,85,48,795)</b>	<b>(55,87,24,607)</b>		
<b>NOTE 10-BORROWINGS</b>					
<b>Non Current Borrowings</b>					
<b>Secured</b>					

Non-convertible Debentures (Series A)		30,00,00,00 0	30,00,00,00 00		
Premium on Redemption of Debentures		18,00,00,00 0	18,00,00,00 00		
Non-convertible Debentures (Series B)		5,00,00,000	5,00,00,00 0		
<b>(Refer Note No 17)</b>					
Gratuity Payable to Workmen as per Order of High Court		4,70,24,182	4,70,24,18 2		
<b>(Refer Note no 18)</b>					
		57,70,24,18 2	57,70,24,1 82		
<b>NOTE 11 -PROVISIONS</b>					
Provision for Gratuity <b>(Refer Note No.19)</b>		73,08,495	73,08,495		
Provision for Water Charges		3,17,427	3,17,427		
		76,25,922	76,25,922		
<b>NOTE 12-TRADE PAYABLES</b>					
Outstanding dues of Creditors other than					
Small & Medium Enterprises		10,06,675	2,26,963		
			2,826		
		10,06,675	2,29,789		
<b>NOTE 13-OTHER FINANCIAL LIABILITIES</b>					
Advance by Director, R N Karanjia		1,65,607	-		
		1,65,607	-		
<b>NOTE 14 - OTHER INCOME</b>					

Interest		21,60,120	20,69,760		
Interest Received on Income Tax Refund		33,154	83,437		
Dividend Income		-	60,000		
		21,93,274	22,13,197		
<b>NOTE 15-FINANCE CHARGES</b>					
Other Interest		15,670	230		
		15,670	230		
<b>NOTE 16-OTHER EXPENSES</b>					
Staff Salaries		-	1,87,333		
Professional fees		1,98,740	2,09,040		
Land Revenue Charges		1,29,161	1,29,161		
Listing fees of BSE		3,54,000	3,54,000		
Advertisement Charges		23,134	95,256		
Premium on Redemption of Debentures		2,08,37,115	3,98,78,934		
Payment to Auditors		30,000	30,000		
Penalties Levied by BSE		1,93,340	-		
Other Expenses		2,36,302	2,87,903		
		2,20,01,792	4,11,71,627		



<b>THE GAEKWAR MILLS LIMITED</b>			
<b>NOTE 17:</b>			
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.			
<b>NOTE 18:</b>			
In earlier years the Company had issued the following two series of debentures:			
<b>Secured Non-Convertible Debentures (Series A) each of the face value of Rs. 1,00,000/- at par.</b>			
Issued on 9th October 2009 and redeemable on or before the expiry of 8 years			
(i.e. maturing on 9th October 2017)			
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 charge on fixed assets of the Company and floating charge			
upon all the present and future assets of the Company.			
All the debentures of Series A have been held by M/s Mukesh Babu Financial Services Ltd. since last several years.			
The Board of Directors of our Company and the Board of Directors of Mukesh Babu Financial Services Ltd ,			
at separate meetings held on 30th May 2017 approved the following changes in terms of interest payment and			
redemption of the above debentures:			
(i) Series A Debentures would bear Zero Percent interest effective 1st April 2016			
(ii) the maturity date of Series A debentures will be extended to 09/10/2020			
(iii) Series A Debentures of face value Rs 30 crores to be redeemed at a premium of 60% (Rs 18 crores).			
The premium of Rs 18 crores payable on redemption of Series A Debentures			
has been shown in the Accounts under the head "Miscellaneous Expenditure"			
and is being written off proportionately over the remaining life of the debentures.			
Accordingly amount of premium debited to Profit & Loss Account of current year Rs. 2,08,37,115			
(previous year Rs. 3,98,78,934/-)			
The debentures became due for redemption on 09/10/2020. In view of the ongoing Covid-19 Pandemic, the			

Company has requested the debentureholder to extend the Debenture Period by two years upto 09/10/2022.			
Confirmation from the Debentureholder is awaited			
<b>Zero Percent Secured Non-Convertible Debentures (Series B) each of the face value of Rs. 1,00,000/-</b>			
at par issued on 22nd April 2013 and redeemable on or before the expiry of 7 years			
(i.e. maturing on 22nd April 2020)			
and secured by way of charge on all fixed assets of the Company, ranking pari-passu with the charge holder			
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.			
In view of the Covid-19 Pandemic the Company has requested the Debentureholder to extend the			
Debenture Period upto such time as the liquidity situation improves. Confirmation from Debentureholder is awaited.			
The Company has duly intimated BSE Limited of the defaults in respect of the debentures			
<b>NOTE 19:</b>			
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			
office of 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 2020 under this scheme.			
<b>NOTE 20:</b>			
(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.			
<b>NOTE 21: RELATED PARTY DISCLOSURE:</b>			
A. Relationship:			
I Key Management Personnel:			
1. Mr. Homi Framroze Mehta - Promoter			
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 2018-19 and balance outstanding as on 31st March 2019			
	2020-21	2019-20	
<b>Transactions during the period with Platinum Square Pvt Ltd</b>			
Amount Placed as Inter-Corporate Deposit	16,00,000	-	
Amount Withdrawn from Inter-Corporate Deposit	-	(47,00,000)	
Interest earned on Inter Corporate Deposit	21,60,120	20,89,780	
Amount received on current account	2,38,000	4,90,000	
Amount repaid on Current Account	-	47,00,000	

<b><u>Outstanding as at end of period</u></b>			
Inter Corporate Deposit	1,77,50,000	1,61,50,000	
Current Account	3,63,000	1,25,000	
<b>NOTE 22:</b>			
Previous year's figures have been regrouped, recast or reclassified wherever necessary.			
<b>NOTE 23:</b>			
Earnings per share has been computed with reference to losses of Rs.1,98,24,188/-			
and 20,00,000 equity shares of Rs 10/- each			
previous year loss Rs. 3,89,58,660/- and 20,00,000 equity shares of Rs 10/- each			
There is no diluted earnings per share as there are no dilutive potential equity shares.			
<b>NOTE 24:</b>			
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.			
<b>NOTE 25:</b>			
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 AND ON BEHALF OF THE BOARD		
For Mayur Mahesh Shah & Co			
Chartered Accountants			
(Registration No 117604 W)			
Mayur M. Shah	R.N.		S.D. Shah
(Proprietor)	Karanjia		Director
(Membership No 103146)	Director		Director
	(DIN: 00033108)		(DIN: 03287393)