

# GALLOPS ENTERPRISE LIMITED

Regd. Office: 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite,  
Ahmedabad, Gujarat-380015

Website: [www.gallopsenterprise.com](http://www.gallopsenterprise.com) Contact Details: 0749-26861459/60

CIN NO.L65910GJ1994PLC023470

23<sup>rd</sup> August, 2019

To,  
Department of Corporate Services  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai -400 001

Security Code: 531902  
Security ID: GALLOPENT

Dear Sir,

**Sub : Submission of Annual Report for the-Financial Year 2018-19**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2018-19 alongwith the Notice of 25th Annual General Meeting to be held on Friday, September 20, 2019. The said Annual Report has also been uploaded on the website of the Company's at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

Thanking you,

Yours faithfully,  
For, Gallops Enterprise Limited

  
Hiral Soni  
Company Secretary



Encl.: As above

# **GALLOPS ENTERPRISE LIMITED**

**(CIN:L65910GJ1994PLC023470)**

## **Annual Report**

### **2018-19**

## CORPORATE INFORMATION

### Board of Directors

Mr. Narsinhbhai G. Patel - Managing Director  
Mr. Naginbhai G. Patel - Executive director  
Ms. Pooja N. Patel - Non-Executive Director  
Mr. Amrish J. Patel -Independent director  
Mr. Bhanubhai A. Patel – Independent director

### Key Managerial Personnel

Mr. Mukesh Patel - Chief Financial Officer  
Ms. Hiral Soni - Company Secretary

### Auditors

S. K. Jha & Company  
204, Iscon Plaza,  
Nr. ISRO,  
Satellite Road,  
Satellite,  
Ahmedabad – 380015

### Registered / Corporate Office

9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad – 380015  
Tel. No. : +91 79 26861459/60  
Email : [investors.gallops@gmail.com](mailto:investors.gallops@gmail.com)  
Website : [www.gallopsenterprise.com](http://www.gallopsenterprise.com)

### Registrars and Share Transfer Agent

Link Intime India Private Limited  
506-508, Amarnath Business Centre-1 (ABC-1),  
Besides Gala Business Centre,  
Near St. Xavier's College Corner, Off C G Road ,  
Ellisbridge, Ahmedabad – 380 006  
Tel No. : +91 79 26465179/86/87  
Email : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)  
Website : [www.linkintime.co.in](http://www.linkintime.co.in)

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# **GALLOPS ENTERPRISE LIMITED**

**CIN:** L65910GJ1994PLC023470

**Regd. Off:** 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015  
**T -** +917926861459/60 : : **Website:** www.gallopsenterprise.com : : **Email :** investors.gallops@gmail.com

## **NOTICE**

Notice is hereby given that the *Twenty fifth* Annual General Meeting ("**AGM**") of the Members of **GALLOPS ENTERPRISE LIMITED** will be held on Friday, September 20, 2019 at 11.30 a.m. at 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad – 380015 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Naginbhai Ganpatbhai Patel (DIN: 00361230), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

3. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and pursuant to the provisions of Sections 180(1)(c) and other applicable provisions, if any, or re-enactments thereof, for the time being in force read with the of the Companies Act, 2013 (including any statutory modification or the rules made thereunder, as may be amended from time to time, the Board of Directors of the Company (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) be and are hereby authorised to borrow any sum or sum of money, from time to time from any one or more persons, Bank/s, Firms, bodies corporate, foreign lender/s or Financial institutions from any other source in India or outside India whomsoever on such terms and conditions and with or without security as the Board of Directors may think fit notwithstanding that the monies already borrowed and the monies to be borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) may exceed the paid-up capital, free reserves and securities premium of the company, provided that the total principal amount upto which such monies may be raised or borrowed by the Board of Directors shall not exceed the aggregate of the paid up capital, free reserves and securities premium of the company by more than Rs. 500Crores (Rupees Five Hundred Crores only) at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorised to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution."

4. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and pursuant to the provisions of Sections 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company, to mortgage, hypothecate, pledge and or charge all or any of the movable and / or immovable properties of the Company (both present and future) and /or any other assets including tangible and intangible assets or properties of the Company and / or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of events of defaults, in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company or subsidiary(ies) of Company, by way of loans, debentures (comprising fully/partly Convertible Debentures and/or Secured/ Unsecured Non Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time, up to the Borrowing limits approved or as may be approved by the shareholders, from time to time, under Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other monies payable by the Company in respect of such borrowings.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements/ undertakings as may be required and to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/ charge/ pledge / hypothecation as mentioned aforesaid."

5. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meeting of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, approval of the members of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company to (a) grant/give loans, from time to time, on such terms and conditions as it may deem expedient, to any person or bodies corporate; (b) provide guarantee / security to secure any loan / obligations of any other person or bodies corporate; and (c) acquire by way of subscription, purchase or otherwise the securities of any other bodies corporate, in excess of limits prescribed under Section 186 of the Companies Act, 2013 by an aggregate sum of upto Rs. 500 Crores (Rupees Five Hundred Crores only), notwithstanding that the aggregate of loans and investments so far made and/or guarantees so far issued to entities other than wholly owned subsidiaries of the Company, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to take such steps as may be necessary for obtaining approvals, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

6. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013 read with rule 5 (2) of the Companies (Management and Administration) Rules, 2014, consent of the Members of the Company be and is hereby accorded to maintain and keep the Company's registers required to be maintained under Section 88 of the Companies Act, 2013 and copies of annual returns filed under Section 92 of the Companies Act, 2013 or any one or more of them, at the Office of Company's Registrar and Share Transfer Agent, viz. M/s. Link Intime India Pvt. Ltd. at 247 Park , C 101 1st Floor, LBS Marg , Vikhroli ( W ), Mumbai – 400 083 or at such other place in India, as permissible under the relevant provisions, as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company.

RESOLVED FURTHER THAT any one Directors of the company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.

7. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) a new set of Articles of Association, placed before the Meeting, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things in this connection as may be considered necessary, proper, desirable and expedient and to settle any question, difficulty or doubt that may arise in this regard and to authorise any Director or such other officials, to do such acts, as may be necessary to give effect to the above resolution.

Place: Ahmedabad  
Date: July 30, 2019

Registered Office:  
9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015  
CIN: L65910GJ1994PLC023470

By order of the Board of Directors  
**For, GALLOPS ENTERPRISE LIMITED**

**Hiral Soni**  
**Company Secretary**

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person for shareholder.
2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. Members are requested to bring their copy of the Annual Report to the meeting. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
4. Members intending to require information about Accounts in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
5. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. Unit: Gallops Enterprise Limited, 506-508, Amarnath Business Centre-1 (abc-1) Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad 380006 in case the shares are held by them in physical form.

SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Pvt. Ltd at the address mentioned above. SEBI has also mandated that for registration of transfer of securities, the transferee/s as well as transferor/s shall furnish a copy of their PAN card to the Company or Link Intime India Pvt. Ltd. for registration of transfer of securities.

6. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Link Intime India Pvt. Ltd. for assistance in this regards.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 14th September, 2019 to Friday, the 20th September, 2019 (both days inclusive).
8. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day upto and including the date of the Annual General Meeting of the Company.
9. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2019 are uploaded on the Company's website [www.gallopsenterprise.com](http://www.gallopsenterprise.com) and may be accessed by the members.
10. Details under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, form integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.

11. Electronic copy of the Annual Report for the year 2018-19 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report for the year 2018-19 is being sent in the permitted mode.
12. Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
13. To support the 'Green Initiative', members who have not registered their email addresses are requested to register the same with depository participant / Link Intime India Pvt. Ltd.
14. The route map showing direction to reach the venue of the 25th Annual General Meeting is annexed.
15. In compliance with the provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by National Securities Depository Limited ("NSDL") on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting and voting at the AGM is/are deemed to have been passed as if they have been passed at the AGM.
16. 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 of Friday, September 13, 2019.
17. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, September 13, 2019 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
18. The remote e-voting period commences on Tuesday, September 17, 2019 (9:00 am) and ends on Thursday, September 19, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 13, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
19. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
20. The facility for voting through polling paper shall be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
21. The Board of Directors has appointed Ms. Ankita Patel, Practicing Company Secretary (COP No: 16497) as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM and in a fair and transparent manner.
22. The Scrutinizer shall after the conclusion of voting at the general meeting, will 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 who are 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 or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The results of Remote E-voting and voting at the AGM shall be declared within 48 (Forty Eight) hours of conclusion of Annual General Meeting. The results declared along with the Scrutinizer's Report, beside be communicated to the BSE Limited, shall be placed on the Company's website at



www.gallopsenterprise.com and on the website of E-voting agency i.e. NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within 48 hours of conclusion of AGM of the Company.

24. The process and manner for remote e-voting are as under :

**Members are requested to follow the below instructions to cast their vote through e-voting:**

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 are mentioned below:**

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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL e-services 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. Your password details 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 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, your ‘initial password’ is communicated to you on your

postal address.

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.nsdl.com](http://www.evoting.nsdl.com)
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.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.
  - 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.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of Gallops Enterprise Limited to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 [investors.gallops@gmail.com](mailto:investors.gallops@gmail.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.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**ANNEXURE TO THE NOTICE**  
**Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013**

**SPECIAL RESOLUTION**

**ITEM NO. 3**

As per Section 180(1)(c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up share capital of the Company and its free reserves and securities premium requires the approval from the shareholders of the Company.

However, keeping in view Company's requirements to fund its growing activities and operations, the Board of Directors of the Company at its meeting held on 30<sup>th</sup> July, 2019, proposed the borrowing limit Rs. 500 Crores (Rupees Five Hundred Crores), which is subject to the approval of the Shareholders of the Company.

The Board of Directors recommends the said resolution for your approval.

None of the other directors or Key Managerial Personnel of the Company or relatives of Directors is, in anyway, concerned or interested in the above resolution except to the extent of their shareholding in the Company, if any.

**ITEM NO. 4**

Under the provisions of Section 180(1)(a) of the Companies Act, 2013 powers to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures, to secure the repayment of monies borrowed by the Company can be exercised by the Board only with the consent of the shareholders obtained by way of a Special Resolution.

Accordingly, the Board of Directors at its meeting held on 30<sup>th</sup> July, 2019, proposed to obtain fresh approval of the shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/ hypothecation /pledge on the Company's assets including tangible and intangible, both present and future, in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company or subsidiary(ies) of Company, by way of loans, debentures (comprising fully/partly Convertible Debentures and/or Secured/ Unsecured Non Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian rupees, from time to time up to the limits approved or as may be approved by the shareholders from time to time under Section 180(1)(c) of the Companies Act, 2013.

The Board of Directors recommends the said resolution for your approval.

None of the other directors or Key Managerial Personnel of the Company or relatives of Directors is, in anyway, concerned or interested in the above resolution except to the extent of their shareholding in the Company, if any.

**ITEM NO. 5**

As per Section 186 of the Companies Act, 2013, a Company that proposes to give loan(s), and/or guarantee(s) or provide any security(ies) in connection with loan(s) made and / or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate in excess of 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company whichever is more, is required to obtain the approval of the shareholders.

Members may note that in order to support its business activities, the Board at its meeting held on 30<sup>th</sup> July, 2019, proposed seeking Members approval, for enhancement of limits u/s. 186 of the Companies Act, 2013 by upto Rs.500 crore (Rupees Five hundred Crore) by authorising the Board to make loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made and/or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate as they may in their absolute discretion deem beneficial and in the interest of the Company upto an amount of Rs. 500Crore over and above the limits available under Section 186 of the Companies Act, 2013 which inter alia provides for limits of higher of 60% of Paid-up Share Capital, Free Reserves and Securities Premium Account or 100% of Free Reserves and Securities Premium Account.

The Board of Directors recommends the said resolution for your approval.

None of the other directors or Key Managerial Personnel of the Company or relatives of Directors is, in anyway, concerned or interested in the above resolution except to the extent of their shareholding in the Company, if any.

#### **ITEM NO. 6**

As required under the provisions of Section 94 the Companies Act, 2013, certain documents such as the Register of Members, Index of Members and certain other registers, certificates, documents etc., are required to be kept at the Registered Office of the Company. However, these documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a General Meeting of the Company.

Accordingly, the approval of the Members is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and documents at the Office of the Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. at 247 Park, C 101 1st Floor, LBS Marg , Vikhroli ( W ), Mumbai – 400 083 or 5th Floor, 506 to 508, AmarnathBusinesCenter-1 (ABC-1), Besides Gala Business Center, Off C.G. Road, Ellisbridge, Ahmedabad – 380 006 or at such other place in India, as permissible under the relevant provisions, as the Board may from time to time decide instead of and/or in addition to the said registers or copy of returns being kept and maintained at the Registered Office of the Company. A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad, as required under the said Section 94 (1) of the Companies Act, 2013.

The Board of Directors recommends the said resolution for your approval.

None of the other directors or Key Managerial Personnel of the Company or relatives of Directors is, in anyway, concerned or interested in the above resolution.

#### **ITEM NO. 7**

Keeping in view of recent amendments in the companies act and listing regulations, it is proposed to adopt new set of Articles of Association of the Company to remove various restrictions in the existing Articles of Association of the Company.

Further As per Section 14 of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) any modifications to the Articles of Association of the Company require prior approval of the members of the Company, hence approval of the members is sought by way of a special resolution.

The Board of Directors recommends the said resolution for your approval.

None of the other directors or Key Managerial Personnel of the Company or relatives of Directors is, in anyway, concerned or interested in the above resolution.

Place: Ahmedabad

Date: July 30, 2019

Registered Office:

9th Floor, Astron Tech Park,

Near Satellite Police Station,

Satellite, Ahmedabad - 380015

CIN: L65910GJ1994PLC023470

By order of the Board of Directors  
**For, GALLOPS ENTERPRISE LIMITED**

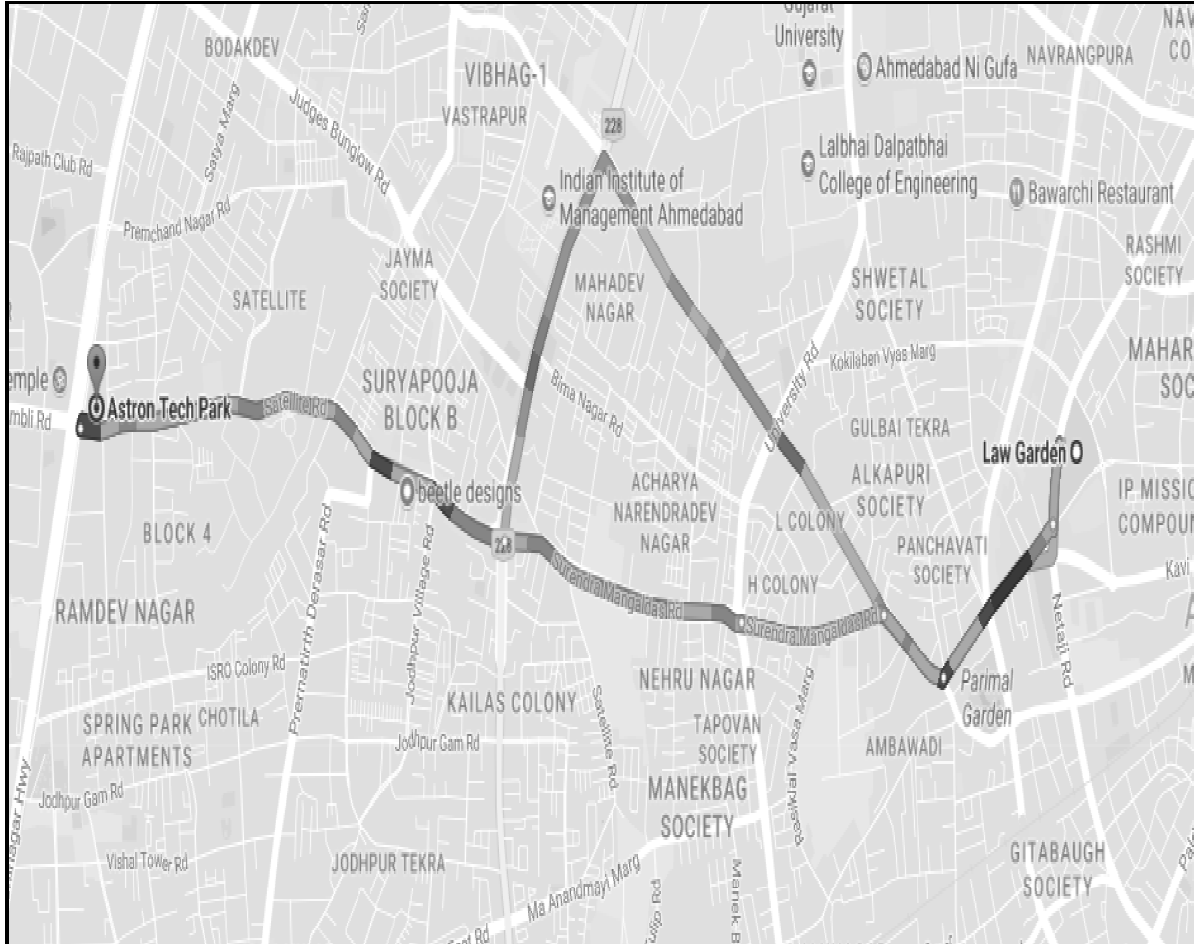
**Hiral Soni**  
**Company Secretary**

**ANNEXURE TO ITEM NO. 2 OF THE NOTICE**

**Details of Directors seeking appointment and reappointment at the forthcoming Annual General Meeting**  
(Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

Name	<b>Naginbhai Ganpatbhai Patel</b>
Director Identification No.	00361230
Date of Birth	22/05/1951
Nationality	Indian
Date of Appointment on the Board	28.04.2008
Qualifications	M.Sc.
Expertise in specific functional area	Expert in business of builders, organizer & real estate developer, computer software development
Number of shares held in the Company	90,700
List of Directorship held in another company (excluding foreign company, Private and Section 8 Companies)*	1. Gallops Infrastructure Limited 2. Karnavati Club Limited 3. Rajpath Club Limited
No. of Board Meeting attended during the year	4
Chairman/Member in the Committees of the Boards of companies in which he is a Director*	NIL
Relationships between the Directors inter-se	Mr. Naginbhai G. Patel is brother of Mr. Narsinh G. Patel.

**Route map for the venue of the meeting 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad – 380015.**



**GALLOPS ENTERPRISE LIMITED  
DIRECTORS' REPORT**

To  
The Members,

Your Directors are pleased to present the Twenty fifth Annual Report together with the audited accounts of the company for the year ended on **31<sup>st</sup> March, 2019**. The summarized financial results for the year ended 31<sup>st</sup> March, 2019 are as under:

**Financial Results:**

<i>Particulars</i>	<i>Financial Year 2018-19 (Amount in Rs.)</i>	<i>Financial Year 2017-18 (Amount in Rs.)</i>
Revenue from Operations	13,434	6,531
Other Income	1,22,62,025	84,859
Total Income	1,22,75,459	91,390
Less:		
Total Expenditure	38,21,843	20,12,462
Profit/(Loss) Before Tax	84,53,616	(19,21,072)
Less:		
Total Tax Expenses	-	-
Profit After Tax (with prior period adj.)	84,53,616	(19,21,072)

**Operations:**

During the year under review, the company has earned Total Income of **Rs. 1,22,75,459/-** (Rupees One Crores Twenty Two Lakhs Seventy Five Thousand Four Hundred and Fifty Nine only) whereas Total Expenditure of **Rs. 38,21,843/-** (Rupees Thirty Eight Lakhs Twenty One Thousand Eight Hundred and Forty Three Only). The net profit for the year under review has been **Rs. 84,53,616/-** (Rupees Eighty Four Lakhs Fifty Three Thousand Six Hundred and Sixteen Only). Your Directors are continuously looking for avenues for future growth of the company.

**Change in the Nature of Business:**

There has been no change in the nature of the business during the financial year 2018-19.

**Dividend:**

Your Directors have not recommended any dividend for the year ended 31st March, 2019.

**Transfer to Reserves:**

The company has not transferred any amount to General Reserves during the financial year 2018-2019.

**Deposits:**

During the year under review, your Company has not accepted or renewed any Deposit within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement of furnishing details of deposits which are not in compliance with Chapter V of the Act, is not applicable.

**Change in Share Capital:**

During the financial year 2018-19, there has been no change in the share capital of the company.

**Disclosure regarding Issue of Equity Shares with Different Rights:**

The company has not issued any equity shares with differential voting rights during the Financial year and it is therefore not required to make disclosures specified in Rule 4 (4) of Companies (Share Capital and Debenture) Rules, 2014.

**Disclosure regarding issue of Sweat Equity Shares:**

The company has not issued any Sweat Equity Shares during the financial year and it is therefore not required to make disclosures specified in Rule 8 (13) of Companies (Share Capital and Debenture) Rules, 2014.



**Disclosure regarding issue of Employee Stock Option:**

The company has not issued any shares under Employee Stock Option Scheme during the financial year and it is therefore not required to make disclosures specified in Rule 12 (9) of Companies (Share Capital and Debenture) Rules, 2014.

**Extract of Annual Return:**

The Extract of Annual return in Form No. MGT – 9 pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 as on the financial year ended on March 31, 2019 is annexed herewith as **Annexure – I** to this report.

**Particulars of Loan, Guarantees and Investment:**

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the companies Act, 2013 are given in the notes to the financial statements.

**Contracts or arrangements with Related Parties under Section 188(1) of the Companies Act, 2013:**

With reference to Section 134(3)(h) of the Companies Act, 2013, contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business.

Your attention is drawn to the Related Party disclosures set out in the notes forming part of accounts.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

Considering the nature of activities undertaken by the company during the year under review, the provisions in respect of conservation of energy and technology absorption is not applicable to the company. Therefore, particulars relating to Conservation of Energy and Technology Absorption are not forming part of the Annual Report.

Further during the year under review, details of foreign exchange earnings and outgo are as given below:

<i>Particulars</i>	<i>Financial Year 2018-19 (In Rs.)</i>	<i>Financial Year 2017-18 (In Rs.)</i>
Earning in Foreign Currencies	NIL	NIL
Expenditure in foreign Currency	NIL	NIL

**Material changes and commitments affecting the financial position of the company:**

There are no material changes and commitments affecting financial position of the company which have occurred between the end of financial year and date of report.

**Subsidiaries, Joint Ventures and Associate Companies:**

During the year under review, none of the companies has become or ceased to be Company's subsidiaries, joint ventures or associate companies.

**Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies:**

During the year under review, none of the companies have become or ceased to be Company's subsidiaries, joint ventures or associate companies, therefore Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is not require to be given.

**Board of Directors and Key Managerial Personnel****Constitution of Board**

The Board of Directors of the Company consists of Five (5) Directors; One (1) of whom is Promoter Managing Director, one (1) is Promoter – Executive Director, one (1) is Promoter – Non-Executive Director and two (2) are Non-Executive Independent Directors.

**Composition of board as on March 31, 2019;**

Name of Director	Category Cum Designation	Date of Appointment at current designation	Total Directorship (including the company)	No. of Committee <sup>^</sup>	
				in which Director is Members	in which Director is Chairman
Mr. Narsinh. G. Patel	Managing Director (Promoter)	1 <sup>st</sup> April,2016	9	2	--
Mr. Naginbhai G. Patel	Executive Director (Promoter)	28 <sup>th</sup> April,2008	11	1	--
Ms. Pooja N. Patel	Non-Executive Director (Promoter)	1 <sup>st</sup> April,2016	4	--	--
Mr. Amrish Patel	Independent Director	11 <sup>th</sup> November, 2014	2	2	2
Mr. Bhanubhai Patel	Independent Director	1 <sup>st</sup> April,2016	1	1	--

<sup>^</sup> Committee includes Audit Committee and Stakeholders' Relationship Committee across all Public Companies and details as on 31<sup>st</sup> March, 2019.

The composition of Board complies with the requirements of the Companies Act, 2013. Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from requirement of having composition of Board as per Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

During the year, Mr. Naginbhai Ganpatbhai Patel (DIN: 00361230) directors of the company retires by rotation and being eligible, offers himself for reappointment.

Mr. Harsh Shah, company secretary has resigned on 23.04.2019.

In accordance with Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel at the end of the financial year and as on date of the Board Report.

1. Mr. Narsinh G. Patel – Managing Director
2. Mr. Mukesh Patel – Chief Financial Officer and Compliance Officer
3. Ms. Hiral Soni – Company Secretary

**Declaration by Independent Director:**

As per the requirements of the Companies Act, 2013, declaration by the Independent Directors pursuant to section 149 (6) Companies Act, 2013 has received by company.

**No. of Board Meetings:**

During the financial year 2018-19, 4 meetings of the Board of Directors of the company were held on 08.05.2018, 13.08.2018, 30.10.2018 and 13.02.2019.

**Performance 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.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, 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 the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive

contribution and inputs in meetings, etc. In addition, the performance of chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

**Directors' Responsibility Statement:**

In accordance with the provisions of Section 134 (3)(c) read with section 134 (5) of the Companies Act, 2013, the Board of Directors states:

- 1) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 2) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- 3) That 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;
- 4) That the Directors have prepared the annual accounts on a going concern basis;
- 5) That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- 6) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Particulars of Employees:**

The Company has not employed any employee except the Chief Financial Officer. Further, details of Remuneration paid to Chief Financial Officer is provided under the extract of Annual Return in Form MGT-9 along with the details of remuneration paid to Managing Director. Hence, the information required under Section 197(12) of the Companies Act, 2013 and rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given separately.

**Receipt of Commission/Remuneration:**

The Directors of the Company have not received any Remuneration/Commission from the company during the financial year 2018-19.

**Details Of Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future:**

The Company has not received any significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in Future.

**Internal Financial Control System:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has an Internal Audit Department with adequate experience and expertise in internal controls, operating system and procedures. The Internal Audit Department reviews the adequacy of internal control system in the Company, its compliance with operating systems and laid down policies and procedures. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

**Disclosures under Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013:**

During the year under review, no complaints were received on Sexual Harassment.

## **Risk Management:**

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same. The Company has framed a Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

## **Corporate Social Responsibility:**

Under Section 135 of the Companies Act, 2013 the provision of Corporate Social Responsibility is not applicable to the company for the financial year 2018-19.

## **Committees of Board**

Your Company has constituted several Committees in compliance with the requirements of the relevant provisions of applicable laws and statutes, details of which are given hereunder.

### **1. Audit Committee**

Audit Committee meeting is generally held once in quarter for the purpose of recommending the quarterly/half yearly/ yearly financial results and the gap between two meetings did not exceed one hundred and twenty days. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. The Audit Committee met four times during the financial year 2018-19 viz: 08.05.2018, 13.08.2018, 30.10.2018 and 13.02.2019.

The composition of the Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the financial year 2018 -19	
		Held	Attended
1	Mr. Amrish Patel	4	4
2	Mr. Bhanubhai Patel	4	4
3	Mr. Narsinhbhai Patel	4	4

Further, the Audit committee Comprises of the following directors as on the date of the Board Report.

Sr. No.	Name of Director	Category	Designation
1	Mr. Amrish Patel	Independent Director	Chairman
2	Mr. Bhanubhai Patel	Independent Director	Member
3	Mr. Narsinhbhai Patel	Executive Director	Member

Mr. Amrish Patel, the Chairman of the Committee had attended last Annual General Meeting of the Company held on 26<sup>th</sup> September, 2018.

Recommendations of Audit Committee, wherever and whenever given, have been accepted by the Board.

### **Vigil Mechanism**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

### **2. Nomination and Remuneration Committee**

The Company has formed Nomination and Remuneration committee in line with the provisions Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the person who is qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, one meeting was held on

30<sup>th</sup> October, 2018 inter alia, to recommend the appointment of Director and KMP's and to review the performance of Directors of the Company.

The composition of the Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the financial year 2018 -19	
		Held	Attended
1	Mr. Amrish Patel	1	1
2	Mr. Bhanubhai Patel	1	1
3	Ms. Pooja Patel	1	1

Further, the Nomination and Remuneration committee Comprises of the following directors as on the date of the Board Report.

Sr. No.	Name of Director	Category	Designation
1	Mr. Amrish Patel	Independent Director	Chairman
2	Mr. Bhanubhai Patel	Independent Director	Member
3	Ms. Pooja Patel	Non-Executive Director	Member

### Nomination and Remuneration Policy

The Company has, in order to attract motivated and retained manpower in competitive market and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 devised a policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management. Key points of the Policy are:

#### A. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

#### B. Policy on remuneration of Director, key managerial personnel and senior management personnel

The Company's remuneration policy is driven by the success and performance of the Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them and provide adequate compensation with the Objective of the Company so that the compensation is used as a strategic tool that helps us to attract, retain and motivate highly talented individuals who are committed to the core value of the Company.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at [www.gallopsenterprise.com](http://www.gallopsenterprise.com).

### 3. Stakeholders Relationship Committee

The Company has constituted Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. During the year under review, Stakeholders Relationship Committee met Three times during the financial year 2018-19 on 08.05.2018, 13.08.2018, 30.10.2018 and 13.02.2019.

The composition of the Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the financial year 2018 -19	
		Held	Attended
1.	Mr. Amrish Patel	4	4
2.	Mr. Narsinhbhai Patel	4	4
3.	Mr. Naginbhai Patel	4	4

Further, the Stakeholder's Relationship Committee Comprises of the following directors as on the date of the Board Report.

Sr. No	Name of Director	Category	Designation
1	Mr. Amrish Patel	Independent Director	Chairman
2	Mr. Narsinhbhai Patel	Executive Director	Member
3	Mr. Naginbhai Patel	Executive Director	Member

### Corporate Governance and Management Discussion & Analysis

The Company has been pro-active in following the principles and practices of good Corporate Governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore provision relating to Corporate Governance and Management Discussion & Analysis are not applicable to the company, and therefore, Corporate Governance report and Management Discussion & Analysis are not forming part of the Annual Report. Although few of the information are provided in this report of Directors under relevant heading. The Company has complied with applicable provisions of Corporate Governance of the Companies Act, 2013.

### Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Ankita Patel, Practicing Company Secretary (COP No. : 16497), Ahmedabad, to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report is annexed herewith as **Annexure – II**.

### Statutory Auditors:

In terms of Section 139 of the Companies Act read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at its 23<sup>rd</sup> Annual General Meeting held on 27th September, 2017 approved the appointment of M/s S K Jha & Co., Chartered Accountants, (ICAI Firm Registration No. 126173W/100106), as the Statutory Auditors of the Company for the term of 5 years commencing from the 23<sup>rd</sup> Annual General Meeting of the Company till the conclusion of the 28<sup>th</sup> Annual General Meeting to be held in 2022.

### Auditors Report:

The report of M/s S K Jha & Co., Statutory Auditors, along with notes to Financial Statements is enclosed to this annual report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

### Cost Audit:

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 Cost Audit is not applicable to the company for the year under review.

### Acknowledgement:

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges for their co-operation and support and look forward to their continued support in future.

**Place: Ahmedabad**  
**Date: July 30, 2019**

**By order of the Board of Directors**  
**For, GALLOPS ENTERPRISE LIMITED**

**Narsinhbhai G. Patel**  
**Managing Director**  
**DIN: 00373146**

**Naginbhai G. Patel**  
**Director**  
**DIN: 00361230**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
as on financial year ended on 31.03.2019

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	L65910GJ1994PLC023470
ii	Registration Date	31st October, 1994
iii	Name of the Company	Gallops Enterprise Limited
iv	Category/ Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PRIVATE LIMITED (Ahmedabad Branch) 506-508, Amarnath Business Centre -1, (ABC-1), Beside Gala Business Centre, Near Saint Xavier's College corner, off C. G. Road, Ellisbridge, Ahmedabad – 380006. Tel No.: 079-26465179

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

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

Sr. No.	Name & Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Real Estate	70109[As per NIC Code , 2004]	0

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

Sr. No.	Name & Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Not Applicable					

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity) :

(i) Category-wise Shareholding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	2563290	143600	2706890	54.01	2706890	0	2706890	54.01	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Sub Total (A)(1)	2563290	143600	2706890	54.01	2563290	0	2706890	54.01	0.00
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	2563290	143600	2706890	54.01	2563290	143600	2706890	54.01	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00



(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Central Government/ State Government(s) / President of India	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	65319	185260	250579	5.00	65319	185260	250579	5.00	0.00
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1557773	246600	1804373	36.01	1557773	246600	1804373	36.01	0.00
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Hindu Undivided Family	8333	0	8333	0.17	8333	0	8333	0.17	0.00
	Non Resident Indians (Repat)	240000	0	240000	4.79	240000	0	240000	4.79	0.00

	Clearing Member	10	0	10	0.00	0	0	0	0.00	0.00
	Bodies Corporate	1215	0	1215	0.02	1225	0	1225	0.02	0.00
	Sub Total (B)(3)	1872650	431860	2304510	45.99	1872650	431860	2304510	45.99	0.00
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	1872650	431860	2304510	45.99	1872650	431860	2304510	45.99	0.00
	Total (A)+(B)	4435940	575460	5011400	100.00	4579540	431860	5011400	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	4435940	575460	5011400	100.00	4579540	431860	5011400	100.00	0.00

## (ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	NARSINHBHAI G PATEL	897600	17.91%	0%	897600	17.91%	0%	0.00%
2	PATEL NARSINHBHAI GANPATBHAI - HUF	435300	8.69%	0%	435300	8.69%	0%	0.00%
3	VARUN NAGINBHAI PATEL	300000	5.99%	0%	300000	5.99%	0%	0.00%
4	GANPATBHAI KEVALDAS PATEL	200000	3.99%	0%	200000	3.99%	0%	0.00%
5	KALABEN N PATEL	200000	3.99%	0%	200000	3.99%	0%	0.00%
6	MEENABEN NARSINHBHAI PATEL	200000	3.99%	0%	200000	3.99%	0%	0.00%
7	SHAILESH LALBHAI PATEL	0	0.00%	0%	0	0.00%	0%	0.00%
8	NAGINBHAI G PATEL	90700	1.81%	0%	90700	1.81%	0%	0.00%
9	SHARDABEN GANPATBHAI PATEL	55000	1.10%	0%	55000	1.10%	0%	0.00%
10	Pooja Narshibhai Patel	234590	4.68%	0%	234590	4.68%	0%	0.00%
11	Zarana N Patel	93700	1.87%	0%	93700	1.87%	0%	0.00%
	<b>Total</b>	<b>2706890</b>	<b>54.01%</b>	<b>0.00%</b>	<b>2706890</b>	<b>54.01%</b>	<b>0.00%</b>	<b>0.00%</b>

## (iii) Change in Promoters' Shareholding (Specify if there is no Change)

Sr. No.	Shareholders Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	NARSINHBHAI G PATEL	897600	17.91%	--	--
	AT THE END OF THE YEAR	--	--	897600	17.91%
2	PATEL NARSINHBHAI GANPATBHAI	435300	8.69%	--	--
	AT THE END OF THE YEAR	--	--	435300	8.69%
3	VARUN NAGINBHAI PATEL	300000	5.99%	--	--
	AT THE END OF THE YEAR	--	--	300000	5.99%
4	GANPATBHAI KEVALDAS PATEL	200000	3.99%	--	--
	AT THE END OF THE YEAR	--	--	200000	3.99%
5	KALABEN N PATEL	200000	3.99%	--	--
	AT THE END OF THE YEAR	--	--	200000	3.99%
6	MEENABEN NARSINHBHAI PATEL	200000	3.99%	--	--
	AT THE END OF THE YEAR	--	--	200000	3.99%
7	SHAILESH LALBHAI PATEL	0	0.00%	--	--
	AT THE END OF THE YEAR	--	--	0	0.00%
8	NAGINBHAI G PATEL	90700	1.81%	--	--
	AT THE END OF THE YEAR	--	--	90700	1.81%
9	SHARDABEN GANPATBHAI PATEL	55000	1.10%	--	--
	AT THE END OF THE YEAR	--	--	55000	1.10%
10	POOJA NARSINHBHAI PATEL	234590	4.68%	--	--
	AT THE END OF THE YEAR	--	--	234590	4.68%
11	ZARANA N PATEL	93700	1.87%	--	--
	AT THE END OF THE YEAR	--	--	93700	1.87%

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

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	BHARTI J PATEL	240000	4.79%	--	--
	AT THE END OF THE YEAR	--	--	240000	4.79%
2	BHUPENDRA SHANTILAL SHAH	184700	3.69%	--	--
	AT THE END OF THE YEAR	--	--	184700	3.69%
3	MANORAMA JITENDRAKUMAR SHAH	175000	3.49%	--	--
	AT THE END OF THE YEAR	--	--	175000	3.49%
4	PAYAL SUJAY MEHTA	175000	3.49%	--	--
	AT THE END OF THE YEAR	--	--	175000	3.49%
5	TRIVEDI ASHVIN SHANTILAL	161900	3.23%	--	--
	AT THE END OF THE YEAR	--	--	161900	3.23%
6	BHAVIK GIRISHBHAI PATEL	118700	2.37%	--	--
	AT THE END OF THE YEAR	--	--	118700	2.37%
7	PRAKASH BHAVSAR	104600	2.09%	--	--
	AT THE END OF THE YEAR	--	--	104600	2.09%
8	SANJAY JAGANNATH RAVAL	103600	2.07%	--	--
	AT THE END OF THE YEAR	--	--	103600	2.07%
9	INDO MAURITIAN WELFARE FUND L	100000	1.99%	--	--
	AT THE END OF THE YEAR	--	--	100000	1.99%
10	HEMANT N PATEL	97800	1.95%	--	--
	AT THE END OF THE YEAR	--	--	97800	1.95%

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors & KMPs	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Mr. Narsinh G. Patel</b>				
	At the beginning of the year	897600	17.91%	--	--
	At the end of the year	--	--	897600	17.91%
2	<b>Mr. Nagin G. Patel</b>				
	At the beginning of the year	90700	1.81%		
	At the end of the year	--	--	90700	1.81%
3	<b>Ms. Pooja N. Patel - Non Executive Director</b>				
	At the beginning of the year	94590	1.89%	--	--
	Transfer 30.03.2018	--	--	140000	2.79%
	At the end of the year	--	--	234590	4.68%
4	<b>Mr. Bhanubhai Patel - Independent Director</b>				
	At the beginning of the year	1700	0.03%	--	--
	Date wise increase/ decrease in Shareholding during the year	--	--	--	--
	At the end of the year	--	--	1700	0.03%

Note: The following Directors and KMPs did not hold any shares of the Company during the year.

- 1 Mr. Amrish Patel - Independent Director
- 2 Mr. Mukesh Patel - Chief Financial Officer
- 3 Mr. Harsh Shah - Company Secretary (appointed on 01.05.2018)

**V. INDEBTEDNESS:**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, Wholetime Directors and/ or Manager**

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

**B. Remuneration to other Directors**

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

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Mukesh Patel CFO	Mr. Harsh Shah - CS	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	225075	110000	335075
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit			0
	others, specify			0
5	Others, please specify	0	0	0
	NPS, PF, Gartuity and Super Annuation			0
	<b>Total</b>	225075	110000	335075

**VII. PENALTIES/ PUNISHMENT/ COMPPOUNDING OF OFFENCES:**

<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/ Punishment/ Compounding fees imposed</b>	<b>Authority (RD/ NCLT/ Court)</b>	<b>Appeal made if any (give details)</b>
<b>A. COMPANY</b>					
Penalty					
Punishment			<b>None</b>		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			<b>None</b>		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			<b>None</b>		
Compounding					

**ANNEXURE – II to the Directors’ Report**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of

The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**GALLOPS ENTERPRISE LIMITED**  
(CIN: L65910GJ1994PLC023470)  
Regd. Off: 9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GALLOPS ENTERPRISE LIMITED** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (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, 2018;



However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (c) to (h) of para (v) mentioned hereinabove during the period under review.

(vi) Other sector specific laws as applicable specifically to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I have been informed that trading in securities of the company had been suspended w.e.f. 19th December, 2011 vide letter no. DCS/COMP/HK/SUS/531902/328/2011-12 dated 17th November, 2011 of the BSE Ltd., due to non-submission of certain documents for compliance with the clauses of listing agreement as mentioned therein. However the company has submitted application for revocation of suspension of trading in securities and got revocation of suspension permission w.e.f. 30<sup>th</sup> April, 2019. I have been given to understand that the company has complied with the Listing Regulations and made necessary disclosures as and when required.

During the period under review the Company has endeavored to establish the compliance management system to adhere to the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove.

I have relied on the representations made by the Company and its representatives for systems and mechanisms formed by the Company for compliances under other sector specific laws and regulations applicable to the Company. I have relied on the report of statutory auditors of the

Company for compliance system relating to direct tax, indirect tax and other tax laws. I have done verification of documents and records on test check basis.

**I further report that,**

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

The company has a system of sending adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda at least seven days in advance, and a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**I further report that** the company has endeavored to establish 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.

**I further report that** during the audit period of the Company there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**Place: Ahmedabad**  
**Date: 29<sup>th</sup> July, 2019**

**Ankita Patel**  
**Practising Company Secretary**  
**ACS/FCS No. : F8536**  
**COP No: 16497**

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

**ANNEXURE - A**

To,  
The Members  
GALLOPS ENTERPRISE LIMITED  
(CIN: L65910GJ1994PLC023470)  
Regd. Off : 9th Floor, Astron Tech Park,  
Near Satellite Police Station,  
Satellite, Ahmedabad - 380015

Dear Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2019

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

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

**Place: Ahmedabad**  
**Date: 29<sup>th</sup> July, 2019**

**Ankita Patel**  
**Practising Company Secretary**  
**ACS/FCS No. : F8536**  
**COP No: 16497**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Gallops Enterprise Limited

### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements Gallops Enterprise Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a

true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigation which would impact its financial position.
    - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN. 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178

Date: 13.05.2019  
Place: Ahmedabad

**Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.  
  
(b) All the assets have been physically verified by the management during the year and no discrepancy was noticed on such verification.  
  
(c) The Company carry immovable property at residual value as on balance sheet date.
- ii. The company has the inventory of shares of listed/unlisted companies.
- iii. In our Opinion and According to information and explanation given to us by the management, The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has not granted loans or made investments or given guarantees and security. Accordingly, the provisions of clause 3 (iv) of the Order are not applicable to the Company and hence not commented upon.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.  
  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the current year.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or

employees has been noticed or reported during the year.

- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has not been paid or provided. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN. 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178

Date: 13.05.2019  
Place: Ahmedabad

**ANNEXURE 2 REFERRED TO IN PARAGRAPH 2 (f) OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**

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

**To the Members of Gallops Enterprise Limited**

We have audited the internal financial controls over financial reporting of Gallops Enterprise Limited (“the Company”) as of March 31, 2019 which is based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO 2013 criteria) in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established under the COSO 2013 criteria,

which considers 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 the 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.

### **Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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, 2019, based on the internal control over financial reporting in COSO 2013 criteria, 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, S K Jha & Co.**  
**Chartered Accountants**  
FRN. 126173W

**Nikhil Makhija**  
**Partner**  
M.No. 176178

Date: 13.05.2019  
Place: Ahmedabad



**Gallops Enterprise Limited**  
**Balance Sheet as at 31st March, 2019**

Particulars	Note No.	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	4,703	4,703
(b) Financial Assets			
(i) Loans	4	10,251,023	17,200
(c) Other non-current assets			
<b>Current assets</b>			
(a) Inventories	5	3,320,370	3,812,581
(b) Financial Assets			
(i) Cash and cash equivalents	6	690,178	3,189,561
(ii) Loans			
(c) Other current assets	7	34,687	84,858
<b>Total Assets</b>		<b>14,300,961</b>	<b>7,108,903</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	8	50,114,000	50,114,000
(b) Other Equity		(36,198,784)	(44,652,400)
<b>Liabilities</b>			
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	9	9,000	81,000
(b) Other current liabilities	10	284,855	70,108
(c) Provisions	11	91,890	1,496,195
<b>Total Equity and Liabilities</b>		<b>14,300,961</b>	<b>7,108,903</b>

See accompanying notes forming parts of the financial statements

In terms of our report attached of the even date

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN: 126173W

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
**Partner**  
M.No. 176178

**Narsinh Patel**  
**Managing Director**  
DIN: 00373146

**Nagin Patel**  
**Director**  
DIN: 00361230

**Mukesh Patel**  
**CFO**  
PAN:AQPP1709M

Date: 13.05.2019  
Place: Ahmedabad

Date: 13.05.2019  
Place: Ahmedabad

<b>Gallops Enterprise Limited</b>				
<b>Statement of Profit and Loss for the Year ended 31st March, 2019</b>				
	<b>Particulars</b>	<b>Note No.</b>	<b>For the Year Ended 31st March, 2019 (Amt in Rs.)</b>	<b>For the Year Ended 31st March, 2018 (Amt in Rs.)</b>
I	Revenue From Operations	12	13,434	6,531
II	Other Income	13	12,262,025	84,859
<b>III</b>	<b>Total Income (I+II)</b>		<b>12,275,459</b>	<b>91,390</b>
IV	<b>EXPENSES</b>			
	Changes in Inventories	14	492,211	-240,291
	Employee benefits expense	15	335,075	206,221
	Finance costs		-	-
	Depreciation and amortization expense		-	-
	Other expenses	16	2,994,557	2,046,532
	<b>Total expenses (IV)</b>		<b>3,821,843</b>	<b>2,012,462</b>
V	Profit/(loss) before exceptional items and tax (I-IV)		8,453,616	-1,921,072
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		8,453,616	-1,921,072
VIII	Tax expense: (1) Current tax (2) Deferred tax		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		8,453,616	-1,921,072
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		8,453,616	-1,921,072
XIV	Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		8,453,616	-1,921,072
XVI	Earnings per equity share (for continuing operation): (1) Basic (2) Diluted	17	1.69	-0.38
XVII	Earnings per equity share (for discontinuing operation): (1) Basic (2) Diluted		-	-
XVIII	Earnings per equity share (for continuing & discontinuing operation): (1) Basic (2) Diluted		1.69	-0.38
<b>See accompanying notes to the financial statements</b>				
In terms of our report attached of the even date				
<b>For, S K Jha &amp; Co.</b> Chartered Accountants FRN: 126173W		<b>For and on Behalf of Board of Directors</b> <b>Gallops Enterprise Limited</b>		
<b>Nikhil Makhija</b> Partner M.No. 176178	<b>Narsinh Patel</b> Managing Director DIN: 00373146	<b>Nagin Patel</b> Director DIN: 00361230	<b>Mukesh Patel</b> CFO PAN:AOQPP1709M	
Date: 13.05.2019 Place: Ahmedabad	Date: 13.05.2019 Place: Ahmedabad			

**Gallops Enterprise Limited**  
**Cash Flow Statement for the Financial Year Ended 31 March, 2019**

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
		(Amt in Rs.)	(Amt in Rs.)
<b>(A)</b>	<b>Cash flow from Operating Activities</b>		
	Profit/ (Loss) before extraordinary items and tax	8,453,616	(1,921,072)
	<u>Adjustments for:-</u>		
	Finance Cost	-	-
	Provision for Doubtful Debts Reversed	(12,000,000)	-
	Depreciation and Amortisation	-	-
	<b>Operating Profit/(Loss) before changes in Working Capital</b>	<b>(3,546,384)</b>	<b>(1,921,072)</b>
	<u>Changes In Working Capital:-</u>		
	Increase /(Decrease) in Trade Payables	(72,000)	77,000
	Increase /(Decrease) in Other Current Liabilities	214,747	(6,439)
	Increase /(Decrease) in Short Term Provision	(1,404,305)	1,466,055
	(Increase) /Decrease in Inventories	492,211	(240,291)
	(Increase) /Decrease in Trade Receivables	-	-
	(Increase) /Decrease in Other Current Assets	1,816,348	(79,474)
	<b>Operating Profit/(Loss) after changes in Working Capital</b>	<b>1,047,001</b>	<b>1,216,851</b>
	Less:- Taxes Paid	-	-
	<b>Net Cash Flow from Oprating Activities (A)</b>	<b>(2,499,383)</b>	<b>(704,221)</b>
<b>(B)</b>	<b>Cash flow from Investing Activities</b>		
	Purchase of Fixed Assets	-	-
	Proceeds from Advances	-	-
	<b>Net Cash Flow from Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>(C)</b>	<b>Cash flow from Financing Activities</b>		
	Proceeds from Borrowings(net of repayment)	-	-
	Finance Cost	-	-
	Other Non Current Assets Changes	-	-
	<b>Net Cash Flow from Financing Activities (C)</b>	<b>-</b>	<b>-</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalent(A+B+C)</b>	<b>(2,499,383)</b>	<b>(704,221)</b>
	Cash and Cash Equivalent at the Beginning of the Period	3,189,561	3,893,782
	<b>Cash and Cash Equivalent at the Ending of the Period</b>	<b>690,178</b>	<b>3,189,561</b>

As per our Report of Even Date Attached

**For, S K Jha & Co.**  
Chartered Accountants  
FRN: 126173W

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
Partner  
M.No. 176178

**Narsinh Patel**  
Managing Director  
DIN: 00373146

**Nagin Patel**  
Director  
DIN: 00361230

**Mukesh Patel**  
CFO  
PAN:AOQPP1709M

Date: 13.05.2019  
Place: Ahmedabad

Date: 13.05.2019  
Place: Ahmedabad

**Gallops Enterprise Limited**  
**Statement of Changes in Equity for the Year Ended 31st March, 2019**

**A. Equity Share Capital**

Particulars	Number of Shares	Amount in Rs.
<b>Equity Shares of Rs. 10 each issued, subscribed &amp; fully paid</b>		
<b>As at 31st March, 2018</b>	5,011,400	50,114,000
<b>As at 31st March, 2019</b>	<b>5,011,400</b>	<b>50,114,000</b>

**B. Other Equity**

(Amt in Rs.)

Particulars	Other Equity		Other items of Other Comprehensive Income (specify nature)	Total
	Other Reserves (specify nature)	Retained Earnings		
<b>As at 1st April, 2017</b>	-	(42,731,328)	-	(42,731,328)
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	(42,731,328)	-	(42,731,328)
Profit/Loss during the current period	-	(1,921,072)	-	(1,921,072)
Total Comprehensive Income for the year	-	-	-	-
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
<b>As at 31st March, 2018</b>	-	(44,652,400)	-	(44,652,400)
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	(44,652,400)	-	(44,652,400)
Profit/Loss during the current period	-	8,453,616	-	8,453,616
Total Comprehensive Income for the year	-	-	-	-
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
<b>As at 31st March, 2019</b>	-	(36,198,784)	-	(36,198,784)

See accompanying notes forming parts of the financial statements  
In terms of our report attached of the even date

**For, S K Jha & Co.**  
**Chartered Accountants**  
FRN: 126173W

**For and on Behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
**Partner**  
M.No. 176178

**Narsinh Patel**  
**Managing Director**  
DIN: 00373146

**Nagin Patel**  
**Director**  
DIN: 00361230

**Mukesh Patel**  
**CFO**  
PAN:AOQPP1709M

Date: 13.05.2019  
Place: Ahmedabad

Date: 13.05.2019  
Place: Ahmedabad

## **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

### **a) Basis of preparation and compliance with Ind AS**

- i. These financial statements as and for the year ended March 31, 2019 (the “Ind AS Financial Statements”) are prepared in accordance with Ind AS.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company had adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, “Ind ASs”) with effect from April 1, 2017.

- ii. The Company has followed the provisions of Ind AS 101-“First Time adoption of Indian Accounting Standards” (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016.
- iii. These financial statements were approved for issue by the Board of Directors on May 13, 2019.

### **b) Basis of measurement**

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including equity Shares financial instruments which have been measured at fair value as described below.

#### **Fair value measurement**

The Company measures financial instruments, such as, Equity Shares at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For other fair value related disclosures refer note no 20.

**c) Functional and Presentation Currency**

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

**a) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Dividend Income is recognized when the right to receive payment is established.

Interest Income is recognized on time basis using the effective interest method.

**b) Property, Plant and Equipment**

**i. Property, Plant and Equipment**

The Company has applied Ind AS 16 with prospective effect for all of its property, plant and equipment as at the transition date, viz., April 1, 2016.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is Derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## **ii. Depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

However, the value of fixed assets as on the balance sheet date is insignificant and fixed assets are carried at its residual value and no depreciation is provided during the year.

**c) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

Subsequent measurement of financial assets is described below –

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

However, reporting entity does not have such financial assets to be measured at amortized cost using EIR method.

**Financial Assets – Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability.



The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained

#### **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### **Financial liabilities – Recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through statement of profit and loss  
Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

- Loans and Borrowings  
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Financial liabilities – Derecognition**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

For more information on financial instruments Refer note no 20

**d) Cash and Cash Equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**e) Inventories**

As per Ind AS 109, the Inventories of Securities is a Financial Instrument in case of reporting entity thus, same is valued at Fair Value and difference in valuation is recognised in Profit and Loss Account. In absence of Market rate for non traded shares, its value is taken at Rs. 1 as per past practice.

**f) Taxation**

**Current income tax**

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

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **g) Employee Benefit Schemes**

#### **i. Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

#### **ii. Post-employment benefits**

##### **Defined benefit plans – Provident fund**

Provisions of EPF are not applicable to the company as it does not fall under the implication requirements of the act i.e. number of employees does not exceed the ceiling limit. Thus, there is no contribution by the company towards post employment benefits.

**h) Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**i) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

Company is operating in a single segment.

**j) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**k) Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are elaborated in note no. 21.

**GALLOPS ENTERPRISE LIMITED****Notes to the Ind AS financial statements for the year ended 31st March 2019**

(All amounts are in INR Actual, unless otherwise stated)

**3 Property, Plant & Equipments****(Amount in Rs.)**

Particulars	Gross Block			Accumulated Depreciation					Net Block	
	As at 1st April, 2018	Additions/ adjustments	Deductions/ adjustments	As at 31st March, 2019	As at 1st April, 2018	Additions/ adjustments	Deductions/ adjustments	As at 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Office Equipment	250,900	-	-	250,900	246,197	-	-	246,197	4,703	4,703
<b>Total</b>	<b>250,900</b>	<b>-</b>	<b>-</b>	<b>250,900</b>	<b>246,197</b>	<b>-</b>	<b>-</b>	<b>246,197</b>	<b>4,703</b>	<b>4,703</b>
<b>Total-Previous Year</b>	<b>250,900</b>	<b>-</b>	<b>-</b>	<b>250,900</b>	<b>246,197</b>	<b>-</b>	<b>-</b>	<b>246,197</b>	<b>4,703</b>	<b>4,703</b>

**4 Financial Asset- Non Current: Loans**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
(a) Staff Loans- Unsecured, Considered Doubtful	40,725	42,725
Less: Provision for doubtful Staff Loan	25,525	25,525
(A)	15,200	17,200
(b) Loans to Others-Unsecured, Considered Doubtful	2,404,297	2,404,297
Less: Provision for doubtful Loan	2,404,297	2,404,297
(B)	-	-
(c) Advances to Companies- Unsecured Considered Good	-	3,084
Less: Written Off	-	3,084
(C)	-	-
(d) Advances to Companies, Considered doubtful	12,944,145	9,208,322
Less: Provison for Advance to Companies	2,708,322	9,208,322
(D)	10,235,823	-
(e) Advances to others- Unsecured, Considered doubtful	326,836	5,826,836
Less: Provison for Doubtful Advance to others	326,836	5,826,836
(E)	-	-
<b>Total (A+B+C+D+E)</b>	<b>10,251,023</b>	<b>17,200</b>

**5 Inventories**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
<b>Stock in Trade</b>		
Quoted Shares	1,914,170	2,406,381
Unquoted Shares	1,406,200	1,406,200
<b>Total</b>	<b>3,320,370</b>	<b>3,812,581</b>

**6 Cash and Cash Equivalents**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
Cash on Hand	55,076	56,143
Balance with Banks	635,102	3,133,418
<b>Total</b>	<b>690,178</b>	<b>3,189,561</b>

**7 Other Current Assets**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018
Advance recivable in cash of kind	-	76,373
TDS on Interest Income	34,687	8,485
<b>Total</b>	<b>34,687</b>	<b>84,858</b>

**8 Equity Share Capital****(i) Authorised, Issued, Subscribed and Paid-up:**

Particulars	31.03.2019		31.03.2018	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	5,500,000	55,000,000	5,500,000	55,000,000
<b>Issued, Subscribed &amp; paid up Capital</b>				
Equity Shares of Rs 10/-	5,011,400	50,114,000	5,011,400	50,114,000

**(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

Particulars	31.03.2019		31.03.2018	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,011,400	50,114,000	5,011,400	50,114,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,011,400	50,114,000	5,011,400	50,114,000

**(iii) Details of shares in the company held by each shareholder holding more than 5% shares specifying the number of shares of shares held :**

Name of Shareholder	31.03.2019		31.03.2018	
	No. of shares held	% of Holding	No. of shares held	% of Holding
(a) Narsinhbhai G Patel	897,600	17.91	897,600	17.91
(b) Patel Narsinhbhai Ganpatbhai as karta of HUF	435,300	8.69	435,300	8.69
(c) Varun N Patel	300,000	5.99	300,000	5.99

**9 Financial Liabilities-Current: Trade Payables**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
Other Trade Payable- Unsecured, Considered Good	9000	81,000
<b>Total</b>	<b>9000</b>	<b>81,000</b>

**10 Other Current Liabilities**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
Other Payables	284,855	70,108
<b>Total</b>	<b>284,855</b>	<b>70,108</b>

**11 Provisions**

Particulars	As at 31st March, 2019 (Amt in Rs.)	As at 31st March, 2018 (Amt in Rs.)
Other Provison:		
Provison for other expense	91,890	41,300
Provision for Revocation Fees	-	1,454,895
<b>Total</b>	<b>91,890</b>	<b>1,496,195</b>



**12 Revenue from Operations**

Particular	For the Year Ended	
	31st March, 2019	31st March, 2018
Sale/Redemption of Shares	914	914
<b>Other Operating Revenues</b>		
Dividend Income	6,514	5,617
Interest from Shares	6,006	-
<b>Total</b>	<b>13,434</b>	<b>6,531</b>

**13 Other Income**

Particular	For the Year Ended	
	31st March, 2019	31st March, 2018
Interest Income	262,025	84,859
Provision of Doubtfull Debt Reversed (Refer Note 22)	12,000,000	-
<b>Total</b>	<b>12,262,025</b>	<b>84,859</b>

**14 Changes in Inventories**

Particular	For the Year Ended	
	31st March, 2019	31st March, 2018
Closing Stock in Trade	3,320,370	3,812,581
Opening Stock in Trade	3,812,581	3,572,290
<b>Difference</b>	<b>492,211</b>	<b>-240,291</b>

**15 Employee Benefit Expenses**

Particular	For the Year Ended	
	31st March, 2019	31st March, 2018
Salaries & Bonus	335,075	206,221
<b>Total</b>	<b>335,075</b>	<b>206,221</b>

**16 Other Expense**

Particular	For the Year Ended	
	31st March, 2019	31st March, 2018
Advertisement Exps	35,621	32,984
Audit Fees	25,000	25,000
Custodial Fees Expense	47,055	90,023
Professional Charges	432,500	284,580
Revocation Fees	2,360,000	1,454,895
ROC Filing Expense	6,000	100,800
Regstry & Security Transfer Fees Exps	62,645	39,921
Balance Written Off	-	3,084
Miscellaneous Expenses	25,736	15,245
<b>Total</b>	<b>2,994,557</b>	<b>2,046,532</b>

**GALLOPS ENTERPRISE LIMITED**

Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019

(All amounts are in INR Actual, unless otherwise stated)

**17. Earnings Per Share**

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Net Profit/(Loss) after tax for the year	8,453,616	(19,21,072)
Weighted number of ordinary shares for basic EPS	50,11,400	50,11,400
Nominal Value of Ordinary Share	10	10
Basic and Diluted Earning for Ordinary Shares	1.69	(0.38)

**18. Related Party Transactions**

**a) Key Managerial Personnel & their Relatives**

i.	Narsinhbhai G Patel	Managing Director
ii.	Naginbhai G. Patel	Director
iii.	Amrish J. Patel	Director
iv.	Pooja Narsinhbhai Patel	Director
v.	Bhanubhai Ambalal Patel	Director
vi.	Mukesh Bansilal Patel	CFO
vii.	Varun N Patel	Relative of Director

**b) Enterprises Controlled By Key Management Personnel or Their Relatives**

i.	Gallops Infrastructure Limited
ii.	N G Reality Private Limited
iii.	N G Patel Finlease Private Limited
iv.	N G Infotech Private Limited
v.	Astron Technologies Private Limited
vi.	Gallops Realty Private Limited
vii.	Gallops Infra Con Private Limited
viii.	Ashwa Infra Con Private limited
ix.	Rajpath Club Limited
x.	Karnavati Club Limited

**Transaction taken place during the year with related parties**

Particulars	As at 31.03.2019	As at 31.03.2018
Gallops Infrastructure Limited		
-Loan Given	-	35,34,350
-Repayment Received	-	35,34,350
N G Patel Finlease Private Limited		
- Expense paid on Company's Behalf	-	7800
- Reimbursement of Expense	-	7800
Mukesh Patel		
-Salary	2,25,075	2,06,221

**GALLOPS ENTERPRISE LIMITED**

**Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019**

(All amounts are in INR Actual, unless otherwise stated)

**Details of amount due to or due from as at 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Financial Assets- Non Current: Loans</b>		
Advance to Companies-Considered Doubtful	-	-
Parshva Tex Chem (I) Private Limited		
- Gross Outstanding	26,00,000	26,00,000
- Provision for Doubtful	(26,00,000)	(26,00,000)
- Net Outstanding	-	-
<b>Other Current Liabilities</b>		
Varun Naginbhai Patel	62,000	62,000

**19. Financial Instruments**

**Financial risk management objective and policies**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial assets and financial liabilities are disclosed in Note 2 (c).

**I. Financial assets and liabilities as at**

(Amount in Rs.)

Particulars	31 <sup>st</sup> March, 2019				
	FVTPL	FVTOIC	Amortized Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents	-	-	690,178	690,178	690,178
Inventories	3,320,370	-	-	3,320,370	3,320,370
Loans-Non Current	-	-	10,251,023	10,251,023	10,251,023
Other Current Assets	-	-	34,687	34,687	34,687
	3,320,370	-	10,975,888	14,296,258	14,296,258
<b>Financial Liabilities</b>					
Trade Payables	-	-	9,000	9,000	9,000
Other Current Liabilities	-	-	284,855	284,855	284,855
	-	-	293,855	293,855	293,855

**GALLOPS ENTERPRISE LIMITED**

**Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019**

(All amounts are in INR Actual, unless otherwise stated)

**(Amount in Rs.)**

Particulars	31 <sup>st</sup> March, 2018				
	FVTPL	FVTOIC	Amortized Cost	Carrying Value	Fair Value
<b>Financial Assets</b>					
Cash & Cash Equivalents	-	-	31,89,561	31,89,561	31,89,561
Inventories	38,12,581	-	-	38,12,581	38,12,581
Loans-Non Current	-	-	17,200	17,200	17,200
Loans-Current	-	-	-	-	-
Other Current Assets	-	-	84,858	84,858	84,858
	38,12,581	-	32,91,619	71,04,200	71,04,200
<b>Financial Liabilities</b>					
Trade Payables	-	-	81,000	81,000	81,000
Other Current Liabilities	-	-	70,108	70,108	70,108
	-	-	1,51,108	1,51,108	1,51,108

**Fair Value Hierarchy**

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**(Amount in Rs.)**

Financial Instruments	Level 1	Level 2	Level 3
<b>As at 31<sup>st</sup> March, 2019</b>			
<b>Financial Assets</b>	19,11,428		14,06,200
Inventories at fair value through profit and Loss			
<b>As at 31<sup>st</sup> March, 2018</b>		-	
<b>Financial Assets</b>	24,06,381		14,06,200
Inventories at fair value through profit and Loss			

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

## GALLOPS ENTERPRISE LIMITED

### Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019

(All amounts are in INR Actual, unless otherwise stated)

- **Cash and Cash Equivalents, Other Current Assets and Trade Payables:-** Approximate their carrying amounts largely due to the short-term maturities of these instruments.
- **Loans Current & Non-Current and Other Current Liabilities:** All the amounts given/taken as loans do not carry any interest obligation and it is not practicable to estimate the timing of repayment of this loan. Thus, it is considered as repayable/receivable on demand and the face value (i.e. amount payable on demand) of such asset is considered its fair value.

There has been no transfer between Level 1 and Level 3 during the above periods.

#### 20. Critical Estimates and Judgements in applying Accounting Policies:

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

##### i) **Property, plant and equipment and useful life of property, plant and equipment and intangible assets**

The carrying value of property, plant and equipment is arrived at by depreciating the assets over the useful life of assets. The estimate of useful life is reviewed at the end of each financial year and changes are accounted for prospectively.

##### ii) **Provisions and Contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected Future cash flows.

#### 21. Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximize the shareholders value . The company's overall strategy remains unchanged from previous year. The following table summarizes the capital of the company.

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Share Capital	5,01,14,000	5,01,14,000
Free Reserves	(3,61,98,784)	(4,46,52,400)
<b>Equity (A)</b>	<b>1,39,15,216</b>	<b>54,61,600</b>
Cash & Cash Equivalents	690,178	31,89,561
Short Term Advances	1,02,51,023	-
<b>Total Cash (B)</b>	<b>1,09,41,201</b>	<b>31,89,561</b>

**GALLOPS ENTERPRISE LIMITED****Notes to the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019**

(All amounts are in INR Actual, unless otherwise stated)

Borrowings	-	-
<b>Total Debt (C)</b>	-	-
<b>Net Debt (D)= C-B</b>	-	-
<b>Net Debt to Equity Ratio (E)= D/A</b>		-

**22. Change in Accounting Estimate as per IND AS 8**

During the current financial year the company has credited the Income of Rs. 1,20,00,000 on account of reversal of provision of doubtful debts as the amount is recovered from the parties during the financial year.

The effect of change on Statement of Profit & Loss Account is disclosed as below:

Particulars	Considering Change in Estimate	Before Change in Estimate	Increase/Decrease on Income Statement
Total Income	1,22,75,459	2,75,459	1,20,00,000
Total Expenses	38,21,843	38,21,843	-
<b>Profit/(Loss)</b>	<b>84,53,616</b>	<b>(35,46,384)</b>	<b>1,20,00,000</b>
EPS	0.17	(0.71)	2.39

**For, S K Jha & Co.**  
**Chartered Accountants**  
 FRN: 126173W

**For and on behalf of Board of Directors**  
**Gallops Enterprise Limited**

**Nikhil Makhija**  
**Partner**  
 M.No.: 176178

**Narsinh Patel**  
**Managing Director**  
 DIN: 00373146

**Nagin Patel**  
**Director**  
 DIN:00361230

**Mukesh Patel**  
**CFO**  
 PAN: AOQPP1709M

Date: 13.05.2019  
 Place: Ahmedabad

Date: 13.05.2019  
 Place: Ahmedabad

**GALLOPS ENTERPRISE LIMITED**

**CIN:** L65910GJ1994PLC023470

**Regd. Off:** 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015

**T -** +917926861459/60 : : **Website:** www.gallopsenterprise.com : : **Email :** investors.gallops@gmail.com

**ATTENDANCE SLIP**

Regd. Folio No./DP Id No.*/Client Id No.*  (*Applicable for investor holding shares in electronic form.)	
No. of Shares held	
Name and Address of the First Shareholder  (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the 25<sup>th</sup> Annual General Meeting of Gallops Enterprise Limited held on Friday, September 20, 2019 at 11:30 a.m. at 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015.

\_\_\_\_\_  
**Member's/Proxy's Name in Block Letters**

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

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

## GALLOPS ENTERPRISE LIMITED

CIN: L65910GJ1994PLC023470

**Regd. Off:** 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad - 380015  
**T - +917926861459/60 :: Website:** www.gallopsenterprise.com :: **Email :** investors.gallops@gmail.com

### PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 Rules made thereunder)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	

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

1. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
  
2. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
  
3. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting and/or any adjournment thereof of **Gallops Enterprise Limited** to be held on Friday, September 20, 2019 at 11:30 a.m. at 9th Floor, Astron Tech Park, Near Satellite Police Station, Satellite, Ahmedabad – 380015 and/or any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*	
		For	Against
<b>Ordinary businesses</b>			
1.	Ordinary Resolution for the Adoption of the financial statements for the Financial Year ended on 31 <sup>st</sup> March, 2019 and the Directors and the reports of the Directors and Auditors thereon.		
2.	Ordinary Resolution for re-appointment of Mr. Naginbhai Ganpatbhai Patel (DIN: 00361230), Director of the Company, liable to retire by rotation.		
<b>Special Businesses</b>			
3.	Special Resolution for power under section 180(1)(c) of the companies act, 2013.		
4.	Special Resolution for power under section 180(1)(a) of the companies act, 2013.		



5.	Special Resolution for Inter-corporate loan and borrowings as per section 186 of the companies act, 2013.		
6.	Special Resolution for keeping register of members & others at place other than the registered office of the company.		
7.	Special Resolution for adoption of new set of article of association.		

Signed this.....day of.....2019

\_\_\_\_\_

**Signature of shareholder**

\_\_\_\_\_

**Signature of Proxy holder(s)**

Affix Revenue Stamp of not less than Rs. 1
--------------------------------------------------------

**Note:**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the corporate office of the Company, not less than 48 hours before the Annual General Meeting on or before September 20, 2019 at 11:30 a.m.)
2. \*It is optional to indicate your preference. If you leave the 'for', or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.