



September 4, 2020

**BSE Limited**

Corporate Services Department  
Phiroze Jeejeeboy Towers  
Dalal Street, Mumbai-400 001

**Scrip Symbol: GMLM**

**Scrip Code: 539515**

**Subject: Annual Report for the Financial Year 2019-20 and the Notice of the 35<sup>th</sup> Annual General Meeting**

**Reference: Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015**

---

Dear Sir/ Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, notice is hereby given that a meeting of the Members of the Company will be held on Wednesday, September 30, 2020 at 5:00 p.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

The Company has provided to its Members the facility to cast their votes by electronic means (remote e-voting) as well as e-voting during the AGM on all the resolutions set forth in the Notice of the 35<sup>th</sup> Annual General Meeting. The detailed process to join the meeting through VC / OAVM and e-voting, are set out in the Notice.

The Notice of the Annual General Meeting and the Annual Report for the Financial year 2019-2020 have been sent to all the Members whose email addresses are registered with the Depository Participant and/or Skyline Financial Services Private Limited (RTA) on August 28, 2020.

Please find enclosed:

- Annual Report for the Financial Year 2019-20; and
- Notice of the 35<sup>th</sup> Annual General Meeting

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**  
**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818**  
**Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



Brief details of the 35<sup>th</sup> AGM of the Company are as below:

Date and Time of AGM	September 30, 2020 at 5:00 p.m.
Mode	Video Conferencing/ Other Audio Visual Means
Record Date (cut-off date) for voting	September 18, 2020
Commencement of e-voting	September 26, 2020
End of e-voting	September 29, 2020
Book closure date	September 24, 2020 to September 30, 2020

This intimation will also be hosted on the website of the Company i.e. [www.gmlmumbai.com](http://www.gmlmumbai.com).

We request you to take the above information on record.

Thanking You,

Yours Faithfully

For Gaurav Mercantiles Limited

Anukrati Agarwal  
Company Secretary



---

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



# **GAURAV MERCANTILES LIMITED**

**Annual Report  
Financial Year 2019-20**

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

## **CONTENTS**

**CORPORATE INFORMATION**

**BOARD'S REPORT**

**MANAGEMENT DISCUSSION AND ANALYSIS**

**SECRETARIAL AUDIT REPORT**

**AUDITED FINANCIAL STATEMENTS**

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

## **CORPORATE INFORMATION**

### **GAURAV MERCANTILES LIMITED**

**CIN:** L74110MH1985PLC176592

**ISIN:** INE641R01017

**BSE SCRIP CODE:**539515

### **REGISTERED OFFICE**

3rd Floor, Tower 2B, One Indiabulls Centre  
Senapati Bapat Marg, Lower Parel (W)  
Mumbai: 400013  
India

### **CORPORATE OFFICE**

Carnousties's Building, Plot No. 1,  
9th Floor, Sector 16A, Film City,  
Noida-201301

### **BOARD OF DIRECTORS**

Mr. Raghav Bahl: Chief Executive officer and Whole Time Director  
Ms. Ritu Kapur: Non-Executive Director  
Mr. Mohan Lal Jain: Non-Executive Director  
Mr. Parshotam Dass Agarwal: Chairman and Independent Director  
Mr. Sanjeev Krishana Sharma: Independent Director

### **CHIEF FINANCIAL OFFICER**

Mr. Pratosh Mittal (upto August 19, 2020)  
Mr. Vivek Agarwal (w.e.f. August 20, 2020)

### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

Ms. Anukrati Agarwal

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

## **STATUTORY AUDITOR**

### **M/s. ASDJ & Associates**

Chartered Accountants

301, 3rd Floor, Park View Plaza,

Plot No. 9, LSC-3, Sector-6, Dwarka

New Delhi: 110075

## **SECRETARIAL AUDITOR**

### **M/s. Rashi Sehgal & Associates**

Company Secretaries

207, Surya Kiran Building, KG Marg

New Delhi: 110001

## **BANKERS**

Oriental Bank of Commerce

Kotak Mahindra Bank

RBL Bank Limited

Barclays Bank PLC

## **REGISTRAR AND SHARE TRANSFER AGENT**

### **Skyline Financial Services Private Limited**

505, A Wing, Dattani Plaza

Andheri Kurla Road

Safeed Pool, Andheri East

Mumbai:400 072

## **LISTING OF EQUITY SHARES**

### **BSE Limited**

Phiroze Jeejeebhoy, Dalal Street

Mumbai: 400 001

India

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

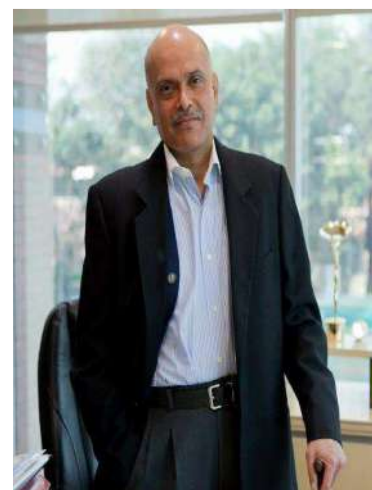
## BOARD OF DIRECTORS

### MR. RAGHAV BAHL

#### CHIEF EXECUTIVE OFFICER AND WHOLE TIME DIRECTOR

Raghav Bahl is a journalist, entrepreneur, media baron and one of the most respected business leaders of India. He built a highly diversified media company, Network18, with news operations at its core, layered over with a rich assortment of entertainment and film properties. Raghav exited from Network18 in 2014, and has since launched Quintillion Media, which owns The Quint and Bloomberg Quint, among other new-age, digital-first media operations.

Raghav began his media journey while still in college in the 1980s. As a student at St. Stephens College, his passion for news compelled him to create TV programmes and moderate debates for the state-owned network. Not seeing much opportunity for journalists in India then, he decided to pursue an MBA from the University of Delhi and work as a management consultant for AF Ferguson and American Express Bank.



In 1993, Raghav launched his own television production company, shortly after the Indian government privatised the industry as part of its push for economic growth. Today, Network18 is one of India's biggest media conglomerates, with nearly 35 TV channels, 13 websites, a portfolio of niche magazines, and a movie-production company. Its current market capitalisation is well over a billion dollars. Under Raghav's leadership, the company had formed successful joint ventures with CNBC, Forbes, A&E Networks, Viacom, and Time Warner, with whom it runs India's leading English news channel, CNN-News18. It operates the country's leading Hindi news channel, News18 India, and is growing in regional markets as well.

Raghav has been felicitated at various national and international forums. In 1994, the World Economic Forum called him a Global Leader of Tomorrow and he won India's Sanskriti Award for Journalism. Ernst & Young named Raghav the Entrepreneur of the Year for Business Transformation in 2007. And in 2011, he won the All India Management Association's Media Person of the Year award, as well as the Bombay Management Association's prize for Entrepreneur of the Year. He was also bestowed an honorary degree from Amity University in Uttar Pradesh.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------



**MS. RITU KAPUR**  
**NON-EXECUTIVE DIRECTOR**

Ritu Kapur is the co-founder and CEO of The Quint. She has driven digital innovation at Quintillion Media from starting the innovation lab, to launching a health vertical – FIT, to driving the fight against misinformation with a fact check initiative - WebQoof.

Ritu Kapur has also strived to provide multiple platforms for free speech. One such platform is Talking Stalking, where The Quint collaborated with senior advocate Kamini Jaiswal and Member of Parliament Dr Shashi Tharoor to submit a bill in Parliament to make stalking a non-bailable offence. Others include The Quint's multilingual campaign "BOL", and its citizen journalism initiative "My Report". Ritu feels very strongly about significant gender representation in mainstream journalism – and has been leading the “Me The Change” campaign on The Quint which focusses on the rights and aspirations

of young women in India.

She is on the advisory board of Oxford University’s Reuters Institute of Journalism, the World Editor's Forum at WAN IFRA and Future News Worldwide. Ritu Kapur has been recognized by Outlook Business as "Woman of Worth 2017 - The Newsmaker".

**MR. MOHAN LAL JAIN**  
**NON-EXECUTIVE DIRECTOR**

Mohan is a Chartered Accountant by profession and holds a Bachelor’s degree in Commerce (Honors) from University of Delhi.

Mohan has a wide range of experience in advisory and compliance for various clients in Media & Entertainment, Trading, Solar and Real Estate sectors over the last 30+ years.





Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------



**MR. PARSHOTAM DASS AGARWAL**

**INDEPENDENT DIRECTOR AND CHAIRMAN OF THE BOARD**

Parshotam holds Bachelor's degree in Commerce from Ravishankar University, Raipur, Bachelor's degree in Law (LL.B) from University of Delhi and Master's degree in Business Administration from the Faculty of Management Studies, University of Delhi. He is also a Certified Director from the Institute of Directors.

Parshotam has a wide professional experience of 41+ years with the corporates which includes holding positions in Textiles Industry for 22 years particularly as President in Birla Group, Chief Executive Officer in Surya Roshni Limited for 7 years, President in Shree Krishna Paper Mills Ltd. for 9 years and as Executive Director in OP Jindal Group.

**MR. SANJEEV KRISHNA SHARMA**

**INDEPENDENT DIRECTOR**

Sanjeev is a Chartered Accountant by profession. In addition to being a member of the Institute of Chartered Accountants of India, Sanjeev is also a member of the Institute of Insurance Surveyors and Adjustors under the IRDAI. Sanjeev is the controlling partner of a 60 year old Chartered Accountant firm in Delhi. He has vast experience in advising in Indian and global clients on matters related to India entry strategy, restructuring, audits, valuation, loss assessors & adjustors, liquidation etc.



Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

## BOARD'S REPORT

Dear Members,

The Board of Directors (the "Board") is pleased to present the 35<sup>th</sup> Annual Report and the Company's Audited Financial Statement for the financial year ended March 31, 2020.

### FINANCIAL HIGHLIGHTS

The Company's financial performance (standalone) for the year under review along with the previous year's figures is given hereunder:

(Rs. in 000')

Particulars	March 31, 2020	March 31, 2019
<b>INCOME</b>		
Revenue from operations	-	-
Other income	12,340.01	4,830.51
<b>Total Income</b>	<b>12,340.01</b>	<b>4,830.51</b>
<b>EXPENSES</b>		
Cost of trading goods sold	-	-
Employee benefit expenses	2,666.42	1,008.96
Finance cost	27.57	0.00
Depreciation and amortization expense	0.00	7.06
Other expenses	13,791.54	2,471.18
<b>Total Expenses</b>	<b>16,485.53</b>	<b>3,487.20</b>
<b>PROFIT BEFORE TAX</b>		
(a) Current tax	-	346.73
(b) Deferred tax	(1,077.83)	(157.61)
(c) Tax of earlier year	-	30.37
<b>Profit for the period</b>	<b>(3,067.68)</b>	<b>1,123.82</b>
<b>Other Comprehensive Income (OCI)</b>		
Items that will not be reclassified to profit or loss Items that will be reclassified to profit or loss	4.69	-
<b>Total other comprehensive income for the year, net of taxes</b>	<b>4.69</b>	<b>-</b>
<b>Total comprehensive income for the year, net of taxes</b>	<b>(3,072.36)</b>	<b>1,123.82</b>
<b>Basic and diluted earnings per share (in Rs.)</b>	<b>(1.54)</b>	<b>0.56</b>

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

#### **IMPACT OF COVID-19 ON COMPANY'S PERFORMANCE**

Towards the end of March 2020, many of the States/Union Territories across the country in view of the heightened concern over the spread of Corona Virus Disease ('COVID-19') issued directives inter-alia, to facilitate work from home for majority of its employees. In line with the lockdowns announced by the Central Government, all offices of the Company were closed from March 23, 2020 providing employees facility to "Work from Home" to ensure continuity of operations of the Company. This does not affect the going concern status of the Company.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the financial performance of the Company. While evaluating the impact, the Company has considered possible future uncertainties in the economic conditions because of the pandemic. However, given the limited operations of the Company, there has been no material impact on the financial position/ results/ profitability of the Company.

Hence, presently, the Company does not foresee any material/significant impact on the Company's operations.

On account of decrease in market value of listed securities (held as investments) since the onset of the pandemic, these has been some short-term adverse impact on the market value of the Company's investments.

#### **CHANGE IN OWNERSHIP AND CONTROL OF THE COMPANY**

Mr. Raghav Bahl and Ms. Ritu Kapur had entered into a Share Purchase Agreement ("SPA") on November 27, 2018 to acquire 66.42% ownership and control of the Company. Pursuant to the SPA, Pantomath Capital Advisors Private Limited, Registered Merchant Banker, made a Public Announcement dated November 27, 2018 under Regulation 14(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("SEBI SAST Regulations") in relation to the Open Offer being made pursuant to and in compliance with the Regulations 3(1) and 4 of the SEBI SAST Regulations.

Pursuant to the acquisition, Mr. Raghav Bahl made an open offer to acquire a maximum of 5,20,000 equity shares of the Company from the public shareholders of the Company. The Detailed Public Statement under Regulation 15(2) of the SEBI SAST Regulations was submitted to the Securities and Exchange Board of India ("SEBI") on December 4, 2018 and in accordance with Regulation 18(1) of the SEBI SAST Regulations, Mr. Raghav Bahl and Ms. Ritu Kapur had filed a Draft Letter of Offer with SEBI on December 11, 2018.

Pursuant to the applicable provisions of SEBI SAST Regulations, MR. Raghav Bahl and Ms. Ritu Kapur completed the acquisition of 66.42% voting shares and control of the Company on January 8, 2019. Further, MR. Raghav Bahl and Ms. Ritu Kapur had entered into an agreement on April 2, 2019 with Mr. Mohan Lal Jain, Non-Executive Director of the Company, with respect to classification of Mr. Mohan Lal Jain as a 'Person Acting in Concert' in accordance with Regulation 2 (1) (q) of the SEBI SAST Regulations.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

The final observation letter was received from SEBI on January 9, 2020 to conclude the Open Offer and provide the statutory exit opportunity to the public shareholders of the Company. The Open Offer Letter were dispatched to the shareholders and the process has been duly completed on February 14, 2020.

**MATERIAL CHANGES AND COMMITMENT, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT**

***INCREASE IN THE PAID-UP CAPITAL***

The Board of Directors on July, 17, 2020, allotted 20,00,000 (Twenty Lakhs) Equity Shares having face value of Rs.10 (Rupees Ten only) each pursuant to the conversion of 20,00,000 (Twenty Lakhs) Compulsorily Convertible Preference Shares ("CCPS") having face value of Rs.10 (Rupees Ten only) to the following 11(Eleven) allottees, in ratio of 1:1 as per terms & conditions agreed upon issuance:

<b>Allottees</b>	<b>Legal status</b>	<b>Number of Equity Shares (Pursuant to conversion of CCPS)</b>
Mr. Raghav Bahl	Individual – Promoter	11,81,405
Ms. Ritu Kapur	Individual – Promoter	2,18,595
Mr. Manohar Lal Agarwal	Individual – Public	80,000
Mr. Madhu Sudan Agarwal	Individual – Public	80,000
Mr. Pankaj Agarwal	Individual – Public	80,000
Mr. Anand Agarwal	Individual – Public	40,000
Mr. Ashish Agarwal	Individual – Public	40,000
Mr. Ankit Agarwal	Individual – Public	20,000
Mr. Nimit Agarwal	Individual – Public	20,000
Mr. Madhu Sudan Goyal	Individual – Public	40,000
Vespera Fund Limited, Mauritius	Foreign Portfolio Investor - Category II– Public	2,00,000
<b>Total</b>		<b>20,00,000</b>

Consequently, the Issued and Paid up Equity Share Capital of the Company increased from existing Rs. 2,00,00,000 divided into 20,00,000 (Twenty Lakhs) Equity Shares of Rs 10 (Rupees Ten only) to Rs 4,00,00,000 divided into 40,00,000 (Forty Lakhs) Equity Shares of Rs 10 (Rupees Ten only).

The Company has made the application with the BSE Limited seeking listing and trading approval in relation to the 20,00,000 (Twenty Lakhs) Equity Shares.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

### **ACQUISITION OF DIGITAL CONTENT BUSINESS**

The Company had altered its main objects specified under the Memorandum of Association to undertake Media and Entertainment business with the prior approval of the shareholders obtained through Postal Ballot on May 12, 2019.

Further, the Board of Directors vide their meeting held on July 17, 2019, had discussed the preliminary proposal to acquire the digital content business of Quintillion Media Private Limited, a company owned and controlled by Mr. Raghav Bahl and Ms. Ritu Kapur, which is being operated under brand name of "The Quint" ("**Digital Business**").

After obtaining the prior approval of Audit Committee on May 6, 2020, the Board of Directors of the Company approved the proposal of acquisition of the Digital Business in their meeting held on May 6, 2020 and entered into a Business Transfer Agreement with Quintillion Media Private Limited.

Quintillion Media Private Limited runs and operates three digital platforms under digital content business i.e. "www.thequint.com", "www.hindi.thequint.com" and "www.fit.thequint.com". These platforms offer news in various categories such as politics, businesses, opinions, entertainment matters, sports, technology aspects, life matters, health and fitness matters, women matters, blogs, hot wires, photos and videos, as well as India and international news ("**Digital Business**"). The Digital Business offers journalism and media in the form of 5 platforms-live, articles, videos, quint lab and audio podcasts.

Acquisition of the Digital Business operated under the name and brand name of 'The Quint' (www.thequint.com) of Quintillion Media Private Limited, a related party within the meaning of the Section 2(76) of the Act, comprising of all the assets, movable and immoveable properties, liabilities, obligations, employees, underlying licenses, consents, permissions, consents and approvals, on a slump sale basis for a lump sum cash consideration (equity value) of INR 12,62,26,644 (Twelve Crores Sixty Two Lakhs Twenty Six Thousand Six Hundred Forty Four Only), agreed on the basis of fair valuation report dated May 5, 2020 issued by an Independent Valuer, subject to adjustments for debt and working capital on the closing date.

The transaction was undertaken at arm length based on a fair valuation report of an independent valuer issued on May 5, 2020 wherein the Enterprise Value of the Digital Business has been recommend as INR 30,58,55,459 for the purposes of determination of said purchase consideration after adjustment of debt and working capital which shall be determined as on the Closing Date (i.e. July 1, 2020). The fair valuation report is supported by a fairness opinion obtained from a Category — 1 Merchant Banker registered with the Securities and Exchange Board of India.

Approval of the shareholders was also obtained through Postal Ballot dated June 14, 2020. In accordance with the aforesaid approvals, the Company had duly completed the acquisition of the Digital Business on July 1, 2020 in terms of the business transfer agreement and other related documents executed between the parties and commenced the relevant operations on a going-concern basis w.e.f. July 1, 2020.

### **SHIFTING OF REGISTERED OFFICE**

The Registered Office of the Company is located in the State of Maharashtra. However, given that the Digital Business acquired from Quintillion Media Private Limited is based out of the Delhi/ NCR region, so it was desirable to shift the Registered Office to the National Capital Territory of Delhi.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

To utilize the existing physical infrastructure, connectivity facility, human resources coupled with business opportunities for managing the operations and streamline the management of affairs, the Board of Directors of the Company in its meeting held on May 6, 2020 had recommended to shift the State of Maharashtra to the National Capital Territory (NCT) of Delhi.

Approval for the same was obtained from shareholders through Postal Ballot on June 14, 2020, this subject to the approval of the Regional Director. In this regard necessary forms are filed with the Registrar of Companies.

The shifting of Registered Office from the State of Maharashtra to National Capital Territory of Delhi is in the best interest of the Company, shareholders and all concerned parties and is not be detrimental to the interest of the shareholders, creditors or employees of the Company.

#### **CHANGE OF NAME OF THE COMPANY**

The Board of Directors of the Company at their meeting held on May 6, 2020 decided to change the name of the Company so that the proposed business activity relating to media business is reflected in the name of the Company.

Approval for the same was obtained from shareholders through Postal Ballot on June 14, 2020, subject to the approval of Regional Director and BSE Limited.

The Company applied for reservation of the desirable names and Registrar of Companies, Central Registration Centre vide its letter dated May 13, 2020 made available the name '**QUINT DIGITAL MEDIA LIMITED**'.

The Company has made the In-principle application with the BSE Limited seeking change of name of the Company to Quint digital Media Limited.

#### **DIVIDEND**

The Board has not recommended any dividend for the year under review.

#### **TRANSFER TO RESERVES**

The Board has not recommended any transfer to reserves for the year under review.

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

As provided under Section 92 of the Act and rules framed thereunder, the extract of annual return in Form MGT-9 is given in **Annexure 'A'** which forms part of this report.

In compliance with section 134(3)(a) of the Act, MGT-9 is uploaded on Companies website and can be accessed at [www.gmlmumbai.com](http://www.gmlmumbai.com).

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**") is presented in a separate **Annexure- 'B'**, forming part of this Report.

### **SUBSIDIARIES COMPANIES, JOINT VENTURES AND ASSOCIATES**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

### **DEPOSITS**

Your Company has neither accepted nor renewed any public deposits within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

### **SHARE CAPITAL**

The Authorized Share Capital of the Company as on March 31, 2020 is Rs. 22,50,00,000 (Rupees Twenty Two Crores and Fifty Lakhs only) divided into 2,00,00,000 (Two Crores only) Equity Shares of Rs. 10 (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs. 10 (Rupees Ten only) each.

The Board of Directors in its meeting held on April 2, 2019 has approved to increase the Authorized Share Capital of the Company from the existing Rs.10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore only) Equity Shares of Rs.10 (Rupees Ten only) each to Rs. 22,50,00,000 (Rupees Twenty Two Crores and Fifty Lakhs only) divided into 2,00,00,000 (Two Crores only) Equity Shares of Rs.10 (Rupees Ten only) each and 25,00,000 (Twenty Five Lakhs only) Preference Shares of Rs.10 (Rupees Ten only) each. Approval of the shareholders was also obtained through Postal Ballot dated May 12, 2019.

### **ISSUE OF CONVERTIBLE SECURITIES AND WARRANTS**

The Board of Directors at its meeting held on April 2, 2019, approved the preferential allotment amounting to Rs. 70,12,50,000 to Mr. Raghav Bahl, Ms. Ritu Kapur, Mr. Mohan Lal Jain and other identified investors by way of issuance of Compulsory Convertible Preference Shares ("CCPS") and Warrants. The preferential allotment was approved by the shareholders vide Postal Ballot dated May 12, 2019. The Board of Directors at its meeting held on May 25, 2019 allotted 20,00,000 (Twenty Lakhs only) CCPS at a price of Rs. 42.50 (Rupees Forty Two and Paise Fifty only) and 1,45,00,000 (One Crore and Forty Five Lakhs only) Warrants at a price of Rs.42.50 (Rupees Forty Two and Paise Fifty only) as detailed hereunder:

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

Allottees	Legal status	Number of CCPS	Number of Warrants
Mr. Raghav Bahl	Individual – Promoter	11,81,405	76,59,596
Ms. Ritu Kapur	Individual – Promoter	2,18,595	14,17,254
Mr. Mohan Lal Jain	Individual - Person Acting in Concert with the Promoters	-	9,23,150
Mr. Manohar Lal Agarwal	Individual – Public	80,000	6,00,000
Mr. Madhu Sudan Agarwal	Individual – Public	80,000	6,00,000
Mr. Pankaj Agarwal	Individual – Public	80,000	6,00,000
Mr. Anand Agarwal	Individual – Public	40,000	3,00,000
Mr. Ashish Agarwal	Individual – Public	40,000	3,00,000
Mr. Ankit Agarwal	Individual – Public	20,000	1,50,000
Mr. Nimit Agarwal	Individual – Public	20,000	1,50,000
Mr. Madhu Sudan Goyal	Individual – Public	40,000	3,00,000
Vespera Fund Limited, Mauritius	Foreign Portfolio Investor - Category II– Public	2,00,000	15,00,000
<b>Total</b>		<b>20,00,000</b>	<b>1,45,00,000</b>
<b>Total Consideration (Rs)</b>		<b>8,50,00,000</b>	<b>61,62,50,000</b>

Consequently, the Issued and Paid up Share Capital of the Company increased from existing Rs. 2,00,00,000 (Rupees Two Crores ) divided into 20,00,000 (Twenty Lakhs) Equity Shares of Rs 10 (Rupees Ten only) to Rs 4,00,00,000 (Rupees Four Crores) divided into 20,00,000 (Twenty Lakhs) Equity Shares of Rs 10 (Rupees Ten only) and 20,00,000 (Twenty Lakhs) Preference Shares of Rs 10 (Rupees Ten only).

An amount equivalent to 25% of the issue price of the Warrants was paid at the time of subscription and allotment of each Warrant and the balance 75% shall be payable by the warrant holder(s) on or before the exercise of the entitlement attached to Warrant(s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted / set-off against the issue price for the resultant Equity Shares.

The warrant holders shall post expiry of three (3) months from date of allotment of the Warrants and subject to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR Regulations**”), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Regulations**”) and other applicable rules, regulations and laws, and consent of the Board of Directors, be entitled to exercise the Warrants within a period of eighteen (18) months from the date of the allotment of the warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. In the event, the warrant holders do not exercise the Warrants within a period of eighteen (18) months from the date of allotment, the Warrants shall lapse and the amount paid by the warrant holder(s) on such Warrants shall stand forfeited by the Company.



<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

The Company shall, issue and allot the corresponding number of Equity Shares of Rs.10 (Rupees Ten only) each to the warrant holders on payment of the balance consideration for the Warrants.

The Equity Shares to be so allotted shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.

#### **BOOKS OF ACCOUNTS**

The books of accounts of the Company and other relevant books, papers and financial statements for every financial year are maintained at Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201 301 effective from June 29, 2020. Prior to that the books of accounts of the Company and other relevant books, papers and financial statements for every financial year were maintained at 403 PrabhatKiran, 17, Rajendra Place, New Delhi- 110008.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **APPOINTMENT**

The shareholders of the Company at the 34<sup>th</sup> Annual General Meeting, held on September 27, 2019, approved the following appointments:

- a. Mr. Raghav Bahl as Whole Time Director, for a term of 5 (five) years, w.e.f. April 19, 2020.
- b. Ms. Ritu Kapur as Non-Executive Director w.e.f. January 8, 2019.
- c. Mr. Mohan Lal Jain as Non-Executive Director w.e.f. February 26, 2019.
- d. Mr. Parshotam Dass Agarwal as an Independent Director, for a term of 5 (five) consecutive years w.e.f. February 26, 2019.
- e. Mr. Sanjeev Krishana Sharma as an Independent Director, for a term of 5 (five) consecutive years w.e.f. February 26, 2019.

The Board of Directors at their Meeting held on August 19, 2020, approved the followings:

- a. Appointment of Ms. Ritu Kapur as a Whole Time Director and Chief Executive Officer, subject to the approval of the shareholders; and
- b. Re-designation of Mr. Raghav Bahl, Whole Time Director as Managing Director, subject to the approval of the shareholders.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

#### **RESIGNATION**

During the year under review, Mr. Mangesh Surendra Nadkarni ceased to be Whole Time Director of the Company w.e.f. April 2, 2019.

#### **RETIRE BY ROTATION**

The Independent Directors hold office for a fixed term not exceeding five years from the date of their appointment and are not liable to retire by rotation.

The Companies Act, 2013, mandates that at least one-third of the total number of Directors (excluding Independent Directors) shall be liable to retire by rotation. Accordingly, Mr. Raghav Bahl (DIN: 00015280) and Ms. Ritu Kapur (DIN: 00015423), being the longest in the office amongst the directors liable to retire by rotation, retire from the Board by rotation this year and, being eligible, have offered their candidature for re-appointment.

#### **KEY MANAGERIAL PERSONNEL**

The appointment of Key Managerial Personnel's of the Company is in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

During the year under review and thereafter, following changes took place with regards to Key Managerial Personnel:

#	Name	Appointment/Cessation/Change in Designation	Effective Date
1.	Mr. Mangesh Surendra Nadkarni	Resigned as Whole Time Director	April 2, 2019
2.	Mr. Raghav Bahl	Appointed as Chief Executive officer and as a Whole Time Director	April 19, 2019
3.	Mr. Raghav Bahl	Re-designated as Managing Director, subject to approval of the shareholders at the 35 <sup>th</sup> Annual General Meeting	w.e.f. the date of approval of shareholders at the 35 <sup>th</sup> Annual General Meeting
4.	Ms. Ritu Kapur	Appointed as Chief Executive officer and as a Whole Time Director, subject to approval of the shareholders at the 35 <sup>th</sup> Annual General Meeting	w.e.f. the date of approval of the shareholders at the 35 <sup>th</sup> Annual General Meeting
5.	Mr. Vivek Agarwal	Appointed as Chief Financial Officer (Designation- General Manager Finance)	August 20, 2020

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

#	Name	Appointment/Cessation/Change in Designation	Effective Date
6.	Mr. Pratosh Mittal	Cessation	w.e.f. closure of business hours of August 19, 2020

#### **DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT**

All Independent Directors of the Company have given the declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and also Regulation 25(8) of the Listing Regulations. Further, all the Independent Directors have complied with the code for Independent Director prescribed in Schedule IV to the Companies Act, 2013.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") Notification dated October 22, 2019, regarding the requirement relating to enrollment in the Data Bank created by MCA for Independent Directors, has been received from all the Independent Directors.

#### **STATEMENT OF BOARD OF DIRECTORS**

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company appointed during the year possesses integrity, relevant expertise and experience required to best serve the interest of the Company.

#### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The familiarization programme aims to provide Independent Directors with knowledge about the current industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Independent Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

#### **MEETINGS OF THE BOARD**

During the year 2019-20, 6 (six) meetings of the Board of Directors were convened. The said meetings were held on April 2, 2019, April 19, 2019, May 25, 2019, July 17, 2019, October 24, 2019 and February 2, 2020. The maximum gap between the two meetings was not more than one hundred and twenty days.

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

The name of members of the Board and their attendance at the board meetings are as under:

#	Name of Directors	Designation	No. of meetings attended
1	Mr. Raghav Bahl	Whole Time Director	5
2	Ms. Ritu Kapur	Director	2
3	Mr. Mohan Lal Jain	Director	6
4	Mr. Sanjeev Krishana Sharma	Independent Director	6
5	Mr. Parshotam Dass Agarwal	Independent Director	6

#### MEETING OF INDEPENDENT DIRECTORS

During the year under review, meeting of the Independent Directors was held on February 2, 2020, without the attendance of Non-Independent Directors and Members of the Management, *inter alia*, to evaluate:

- Performance of Non-Independent Directors and the Board as a whole;
- The quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### MEETING OF COMMITTEE OF INDEPENDENT DIRECTORS

During the year under review, meeting of the Committee of Independent Directors was held on January 21, 2020, to provide written reasoned recommendation in respect of open offer made by Mr. Raghav Bahl together with Ms. Ritu Kapur and Mr. Mohan Lal Jain as Persons Acting in Concert with the Acquirer, to the Equity Shareholders, under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**").

#### COMMITTEES

As on March 31, 2020, the Board has formed 3(three) committees i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee as per the provisions of the Companies Act, 2013 read with the rules made thereunder, with proper composition of its members.

The Board periodically evaluates the performance of all the Committees as a whole. All observations, recommendations and decisions of the Committees are placed before the Board for consideration and approval.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

#### **AUDIT COMMITTEE**

The role and terms to reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the Listing Regulations.

The Audit Committee acts as a link between the Statutory Auditors and Internal Auditors and the Board of Directors. As on March 31, 2020, the Audit Committee comprises of Mr. Parshotam Dass Agarwal, as Chairman and Mr. Mohan Lal Jain, Mr. Sanjeev Krishana Sharma as members of the Audit Committee.

During the year under review, 6 (six) meetings of the Audit Committee of the Company were held on April 2, 2019, April 19, 2019, May 25, 2019, July 17, 2019, October 24, 2019 and February 2, 2020. The maximum gap between any two Meetings of the Committee held during the year was not more than 120 days.

The Chairman of the Audit Committee is a Non-Executive Independent Director. All the members of the Audit Committee have good financial and accounting knowledge. The Company Secretary acts as the Secretary of the Audit Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The composition, powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Nomination and Remuneration Committee comprises of Mr. Sanjeev Krishana Sharma as Chairman and Mr. Parshotam Dass Agarwal and Mr. Mohan Lal Jain as the members of the Committee.

During the year, 1 (one) meetings of Nomination and Remuneration Committee was held i.e. on April 19, 2019.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

Stakeholders' Relationship Committee *inter alia* approves transfer and transmission of shares, issue of duplicate / re-materialised shares and consolidation and splitting of certificates, redressal of complaints from investors etc. Stakeholders Relationship Committee has been empowered to deal with and dispose of the instruments of transfer of shares in the Company including power to reject transfer of shares in terms of the provisions of the Companies Act, 2013, Securities Contract (Regulations) Act, 1956, Listing Regulations and the Company's Articles of Association and take necessary actions as may be required for the purpose and shall consider and resolve the grievances of shareholders of the Company including complaints related to non-receipt of Annual Report and non-receipt of declared dividends.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

Stakeholder Relationship Committee comprises of Mr. Mohan Lal Jain, as Chairman and Mr. Parshotam Dass Agarwal and MR. Raghav Bahl as the members of the Stakeholders Relationship Committee.

During the year under review, 1 (one) meeting of the Stakeholders Relationship Committee was held i.e. on December 18, 2019.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

In compliance with the requirements of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee had fixed the criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limit, qualification / experience, areas of expertise and independence of individual.

The Policy on Director's Appointment and Remuneration is posted on the Company's website and may be accessed at [http://gmlmumbai.com/wp-content/uploads/2020/09/Nomination-and-Remuneration-Policy\\_GML.pdf](http://gmlmumbai.com/wp-content/uploads/2020/09/Nomination-and-Remuneration-Policy_GML.pdf).

Further, pursuant to provisions of the Companies Act, 2013 Act, the Nomination and Remuneration Committee has formulated the Nomination and Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Management Personnel, Senior Management and other Employees of your Company. The Nomination and Remuneration Committee has also developed the criteria for determining the qualifications, positive attributes and independence of Directors and for making payments to Executive Directors of the Company.

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 read with the rules made thereunder and Listing Regulations, performance evaluation of Directors, Committees and Board as a whole was carried out.

The performance of every Director and the Board as a whole was evaluated on April 19, 2019 by the Nomination and Remuneration Committee and the Board, seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members.

The evaluation of all the directors and committee members were conducted and found to be satisfactory. The flow of information between the Company management and the Board is adequate, qualitative and timely.

#### **BOARD DIVERSITY**

As on March 31, 2020, the Board comprises of 5 directors, including 1 woman Director. The number of Independent Directors are 2.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

### **PARTICULARS OF REMUNERATION**

None of the employees of the Company are in receipt of remuneration in excess of the limits which are required to be disclosed by way of statement under Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure- 'C'**.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to requirement under sub-section 3 (c) and 5 of Section 134 of the Companies Act, 2013, your Directors, to the best of their knowledge, hereby state and confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable Accounting Standards read with the requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same;
- b. such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent to give a true and fair view of the Company's state of affairs as at March 31, 2020 and of the Company's profit for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual financial statements have been prepared on a 'going concern' basis;
- e. the internal financial controls were laid down to be followed that and such internal financial controls were adequate and were operating effectively; and
- f. proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

The Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company has received no complaint of sexual harassment.

#### **INTERNAL FINANCIAL CONTROL**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultant(s) and the reviews made by the Management and the relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operationally effective during FY 2019-20.

#### **AUDITORS AND AUDITORS' REPORT**

##### **STATUTORY AUDITOR**

At the 34<sup>th</sup> Annual General Meeting held on September 27, 2019, the shareholders had approved the appointed M/s ASDJ & Associates, Chartered Accountants (ICAI Firm Registration No. 033477N), as the Statutory Auditors for a period of 5(five) years commencing from the conclusion of 34<sup>th</sup> Annual General Meeting until the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the year 2024, in place of retiring auditors M/s G.P. Agrawal & Co., Chartered Accountants (ICAI Firm Registration No. 302082E).

Pursuant to the amendment to Section 139 of the Companies Act, 2013 effective May 7, 2018, the ratification by the shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly the notice of the 35<sup>th</sup> Annual General Meeting does not include the proposal for seeking shareholders' approval for ratification of Statutory Auditors' appointment.

The Statutory Auditors' Report for FY 2019-20 on the financial statement of the Company forms part of this Annual Report. The report does not contain any qualifications, reservations or adverse remarks or disclaimer.

##### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed M/s. Rashi Sehgal & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for FY 2019-20. The Secretarial Audit Report submitted by them is given as **Annexure-'D'** to this Report. The report does not contain any qualifications, reservations or adverse remarks or disclaimer.



<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013.

#### **RELATED PARTY TRANSACTIONS**

During the year under review, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013.

During the year, the Company has not entered into any arrangement /transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions read with the Listing Regulations and accordingly, the disclosure of related party transactions in Form AOC - 2 is not applicable.

All related party transactions are approved by the Audit Committee and are periodically reported to the Audit Committee.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is posted on the Company's website and may be accessed at [www.gmlmumbai.com](http://www.gmlmumbai.com).

The details of the transactions with related parties during FY 2019-20 are provided in the accompanying financial statements.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

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

The Company has not provided any Loan or given any guarantees or made any investments in any other Company as on March 31, 2020.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relevant disclosure are given below:

##### **A. Conservation of Energy: NA**

- (i) the steps taken or impact on conservation of energy; NA
- (ii) the steps taken by the company for utilising alternate sources of energy; NA
- (iii) the capital investment on energy conservation equipment's; NA

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

**B. Technology Absorption: NA**

- i. The efforts made towards technology absorption; NA
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; NA
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - a) the details of technology imported; NA
  - b) the year of import; NA
  - c) whether the technology been fully absorbed; NA
  - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; NA
- iv. the expenditure incurred on Research and Development. NA

**C. Foreign exchange earnings and Outgo**

During the year under review the Company earned 'Nil' of foreign exchange and used 'Nil' of foreign exchange, both on actual basis.

**CORPORATE GOVERNANCE**

In terms of Regulation 15(2) of the Listing Regulations, the Corporate Governance provisions are not applicable to a listed entity which has a paid-up equity share capital of less Rs. 10 Crores and net worth less than Rs. 25 Crores, as on the last day of the previous financial year i.e. March 31, 2019. Hence, the corporate governance provisions as envisaged under the Listing Regulations are not applicable to the Company and accordingly, a report on the Corporate Governance practices, the Auditors' Certificate on compliance of mandatory requirements thereof are not given as an annexure to this Report.

As per latest Financial Statement i.e. March 31, 2020 the net worth of the Company is increased to Rs. 29,31,12,258. The Corporate Governance provisions as mentioned in Regulation 15(2) of listing regulation will now be applicable to the Company. Regulation 15(2) of the Listing Regulations mandates that a listed company which subsequently satisfies the net worth and paid-up equity share capital criteria mentioned above, will comply inter-alia with the Corporate Governance provisions within a period of six months from the date on which the provisions became applicable to the listed entity.

**COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS**

Pursuant to the approval given on April 10, 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 1, 2015. The said standards were further amended w.e.f. October 1, 2017. The Company is in compliance with the same.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

### **VIGIL MECHANISM**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Vigil Mechanism/Whistle Blower policy which provides a robust framework for dealing with genuine concerns & grievances. The policy provides access to Directors/ Employees/Stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud of any Director and/or Employee of the Company or any violation of the code of conduct.

The policy safeguards whistleblowers from reprisals or victimization, in line with the Amendment Regulations and to make the policy much more robust necessary changes were carried to the Whistle Blower policy.

Further during the year under review, no case was reported under the Vigil Mechanism. In terms of the said policy, no personnel have been denied access to the Audit Committee of the Board.

Details of the same is available on the company's website: [www.gmlmumbai.com](http://www.gmlmumbai.com)

### **RISK MANAGEMENT**

Today's business environment remains challenging for the Corporate World and risk management retains its high position on every organization's agenda. The Company has several risk factors which could potentially impact its business objectives, if not perceived and mitigated in a timely manner. With an effective risk management framework in place, the Company looks at these risks as challenges and opportunities to create value for its stakeholders. With its established processes and guidelines in place, combined with a strong oversight and monitoring system at the Board and senior management levels, the Company has a robust risk management strategy in place.

A detailed note on Risk Management is given as part of "Management Discussion & Analysis".

### **POSTAL BALLOT**

During the year under review, approval of shareholders was sought for the below businesses, through Postal Ballot. All the resolutions were passed by requisite majority.

1. **Alteration of the Objects Clause of Memorandum of Association of the Company.**
2. **Alteration of the Liability Clause of Memorandum of Association of the Company.**
3. **Alteration of the Memorandum of Association of the Company for increase in Authorized Share Capital and Capital Clause.**
4. **To approve the preferential issue of Compulsorily Convertible Preference Shares on a Private Placement Basis.**
5. **To approve the preferential issue of Equity Warrants on a Private Placement Basis.**

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

6. To approve the preferential issue of Compulsorily Convertible Preference Shares on a private placement basis to Mr. Raghav Bahl and Ms. Ritu Kapur under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. To approve the preferential issue of Equity Warrants on a private placement basis to Mr. Raghav Bahl, Ms. Ritu Kapur and Mr. Mohan Lal Jain under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Sanjay Grover (Membership No.: 3850), Practicing Company Secretary, of M/s Sanjay Grover & Associates, Company Secretaries, was appointed as scrutinizer (the "Scrutinizer") for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

The Result of the Postal Ballot was announced on May 12, 2019 and details of voting results on the resolutions are as follows:

S.No	Description	Type of Resolution	Votes (No. of shares and %)	
			In favour	Against
1.	Alteration of the Object Clause of Memorandum of Association of the Company	Special Resolution	17,05,515 (100%)	Nil
2.	Alteration of the Liability Clause of the Memorandum of Association of the Company	Special Resolution	17,05,515 (100%)	Nil
3.	Alteration of the Memorandum of Association of the Company for increase in Authorized Share Capital and Capital Clause	Special Resolution	17,05,515 (100%)	Nil
4.	To approve the preferential issue of Compulsorily Convertible Preference Shares on a Private Placement Basis.	Special Resolution	17,05,515 (100%)	Nil
5.	To approve the preferential issue of Equity Warrants on a Private Placement Basis.	Special Resolution	17,05,515 (100%)	Nil
6.	To approve the preferential issue of Compulsorily Convertible Preference Shares	Ordinary Resolution	3,77,215 (100%)	Nil

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
	on a private placement basis to Mr. Raghav Bahl and Ms. Ritu Kapur under Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.			
7.	To approve the preferential issue of Equity Warrants on a private placement basis to Mr. Raghav Bahl and Ms. Ritu Kapur under Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.	Ordinary Resolution	3,77,215 (100%)	Nil

#### **PROCEDURE FOR POSTAL BALLOT**

The Company had sent the Postal Ballot Notice dated April 12, 2019 and Postal Ballot Form along with postage pre-paid business reply envelope to the shareholders /beneficial owners through email at their registered email IDs and through physical copy to the shareholders who have not registered their email IDs. The Company had also published notice in the newspapers for the information of the shareholders. Voting rights were reckoned in proportion to the paid-up equity shares held by the shareholders as on April 5, 2019 (cut-off date). The voting period for postal ballot and e-voting was from April 13, 2019 to May 12, 2019.

The postal ballot results were intimated to the BSE Limited pursuant to Regulation 44(3) of the Listing Regulations, as well as displayed on the Company's website <http://gmlmumbai.com/postal-ballot-2019/>. The Company has also complied with the procedure for Postal Ballot in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

#### **SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL WHICH IMPACTS THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

#### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the directors and designated employees of the Company. Details of the same is available on the company's website: [www.gmlmumbai.com](http://www.gmlmumbai.com).

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

#### **CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER CERTIFICATION**

The Company is exempted from obtaining the Compliance Certificate from the Chief Executive Officer and Chief Financial Officer obtained under Regulation 17(8) of the Listing Regulations.

#### **OTHER DISCLOSURES AND REPORTING**

During the year under review:

- a. The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- b. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- c. No fraud has been reported by Auditors (Statutory Auditor or Secretarial Auditor) to the Audit Committee or the Board.
- d. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.
- e. Pursuant to the provisions of Section 148(1) of the Companies Act, 2013 and Rules made thereunder, the Company is not required to make and maintain Cost Records, as specified by Central Government under the provisions of this Section. Accordingly, the Company has not made and maintained such accounts and records as specified by the Central Government.
- f. The Company has not issued of shares (including sweat equity shares) to employees of the Company under any scheme and Employee's Stock Option Scheme

#### **ACKNOWLEDGMENT**

The Board wish to place on record their appreciation for the faith reposed in the Company and continuous support extended by all the employees, members, customers, investors, government authorities, bankers and various stakeholders.

**For and on behalf of Board of Directors**

**Parshotam Dass Agarwal**

**Chairman**

**DIN:00063017**

**Place:** Delhi

**Date:** August 19, 2020

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

Annexure 'A'

EXTRACT OF ANNUAL RETURN - 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]

I. REGISTRATION AND OTHER DETAILS:

Corporate Indemnification Number (CIN) of the Company	L74110MH1985PLC176592*
Registration Date	May 31, 1985
Name of the Company	Gaurav Mercantiles Limited
Category / sub-category of the Company	Company limited by shares Public non-government company
Address of the registered office and contact details	3rd Floor, Tower 2B, One Indiabulls Centre Senapati Bapat Marg, Lower Parel (W) Mumbai: 400 013 India  Tel: 020 45404000 Email: <a href="mailto:cs@gmlmumbai.com">cs@gmlmumbai.com</a> Website: <a href="http://www.gmlmumbai.com">www.gmlmumbai.com</a>
Listed Company (Yes/No)	Yes (BSE Limited)
Name, address and Contact details of the Registrar and transfer agent	<b>Skyline Financial Services Private Limited</b> 505, A Wing, Dattani Plaza Andheri Kurla Road Safeed Pool, Andheri East Mumbai: 400 072 India

\*Main Object of the Company as mentioned in the Memorandum of Association has been changed to Media and Entertainment, pursuant to the resolution passed by the shareholders of the Company on May 12, 2019. Accordingly, the CIN of the Company is changed from L74130MH1985PLC176592 to L74110MH1985PLC176592. The Registrar of the Companies, Ministry of Corporate Affairs had approved the necessary form on July 3, 2019.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

## 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:

#.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Operation of other websites that act as portals to the internet, such as	63122	Nil

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable

#.	Name and Address of the	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA



Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

#### IV. SHAREHOLDING PATTERN (Equity share capital breakup as percentage of total equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	13,28,300	-	13,28,300	66.42	13,28,300	-	13,28,300	66.42	-
B) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>13,28,300</b>	<b>-</b>	<b>13,28,300</b>	<b>66.42</b>	<b>13,28,300</b>	<b>-</b>	<b>13,28,300</b>	<b>66.42</b>	<b>-</b>
(2) Foreign									
Sub-total(A) (2)	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>13,28,300</b>	<b>-</b>	<b>13,28,300</b>	<b>66.42</b>	<b>13,28,300</b>	<b>-</b>	<b>13,28,300</b>	<b>66.42</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2. Non- Institutions									
a) Bodies Corp.	21,639	-	21,639	10.82	2,08,706	-	2,08,706	10.44	(0.38)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	36,721	1,52,840	1,89,561	9.48	71,420	1,52,440	2,23,860	11.19	1.71
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2,04,150	-	2,04,150	10.21	1,53,885	-	1,53,885	7.70	(2.51)
c) Others									
(i) Non Resident Individuals	-	-	-	-	-	-	-	-	-
(ii) Clearing Members	-	-	-	-	1,005	-	1,005	0.05	0.05
(iii) Trust	-	-	-	-	-	-	-	-	-
(iv) HUFs	61,640	-	61,640	3.08	84,244	-	84,244	4.21	1.13
<b>Sub-total (B)(2)</b>	<b>5,18,860</b>	<b>1,52,840</b>	<b>6,71,700</b>	<b>33.59</b>	<b>5,19,260</b>	<b>1,52,440</b>	<b>6,71,700</b>	<b>33.59</b>	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	5,18,860	1,52,840	6,71,700	33.59	5,19,260	1,52,440	6,71,700	33.59	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>18,47,160</b>	<b>1,52,840</b>	<b>20,00,000</b>	<b>100</b>	<b>18,47,560</b>	<b>1,52,440</b>	<b>20,00,000</b>	<b>100</b>	-

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

**ii) Shareholding of Promoters**

#	Shareholder's name	Shareholding at the beginning of the year (as on 01 April, 2019)			Shareholding at the end of the year (as on March 31, 2020)			% 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	Mr. Raghav Bahl	11,20,900	56.05%	-	11,20,900	56.05%	-	-
2	Ms. Ritu Kapur	2,07,400	10.37%	-	2,07,400	10.37%	-	-
<b>Total</b>		<b>13,28,300</b>	<b>66.42%</b>	-	<b>13,28,300</b>	<b>66.42%</b>	-	-

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

iii) **Change in Promoters' Shareholding**

#		Shareholding at the beginning of the year (as on April 1, 2019)		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. Raghav Bahl</b>				
	At the beginning of the year	11,20,900	56.05%	11,20,900	56.05%
	Increase in Shareholding during the year	-	-	-	-
	At the end of the year i.e. March 31, 2020			11,20,900	56.05%
2	<b>Ms. Ritu Kapur</b>				
	At the beginning of the year	2,07,400	10.37%	2,07,400	10.37%
	Increase in Shareholding during the year	-	-	-	-
	At the end of the year i.e. March 31, 2020			2,07,400	10.37%

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

#	Top Ten Shareholders	Shareholding at the beginning of the year (April 1, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Rita Finance and Leasing Limited	50,000	2.50	50,000	2.50
2.	Shree Worstex Limited	41,354	2.07	41,354	2.07
3.	Gokulesh Commercial Private Limited	1,05,825	5.29	-	-
4.	Link point Barter Private Limited	-	-	96,629	4.83
5.	Yashdeep Financial Services LLP	17,750	0.89	17,750	0.89
6.	Girdhari Lal Mangal HUF	61,230	3.06	61,230	3.06
7.	Naresh Kumari Aggarwal	-	-	13,442	0.67
8.	Girdhari Lal Mangal	14,800	0.74	9,800	0.49
9.	Shalini Mangal	53,000	2.65	53,000	2.65
10.	Muktesh Jain	14,400	0.72	14,400	0.72
11.	Himanshu R Bhosle	14,567	0.73	-	-
12.	Deepti Girdhari Mangal	52,683	2.63	44,143	2.21
13.	Yash Girdhari Lal Mangal	34,300	1.72	28,900	1.45

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

v) **Shareholding of Directors and Key Managerial Personnel:**

#	For each of the Directors and KMP	Shareholding at the beginning of the year (as on April 1, 2019)		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. Raghav Bahl</b>				
	At the beginning of the year	11,20,900	56.05%	11,20,900	56.05%
	Increase in Shareholding during the year	-	-	-	-
	At the end of the year i.e. March 31, 2020			11,20,900	56.05%
2.	<b>Ms. Ritu Kapur</b>				
	At the beginning of the year	2,07,400	10.37%	2,07,400	10.37%
	Increase in Shareholding during the year	-	-	-	-
	At the end of the year i.e. March 31, 2020			2,07,400	10.37%

**Notes:**

- (1) Mr. Mohan Lal Jain, Mr. Sanjeev Krishana Sharma and Mr. Parshotam Dass Agarwal, Directors of the Company and Mr. Pratosh Mittal, Chief Financial Officer and Ms. Anukrati Agarwal, Company Secretary and Compliance Officer were not holding any equity shares in the Company at the end of the year i.e. as on March 31, 2020 and hence there was no increase/decrease in their shareholding during the financial year 2019-20.
- (2) The Board of Directors in their meeting held on May 25, 2019 had allotted 14,00,000 CCPS to Mr. Raghav Bahl and Ms. Ritu Kapur and 1,00,00,000 Equity Warrants to Mr. Raghav Bahl, Ms. Ritu Kapur and Mr. Mohan Lal Jain.
- (3) The % of total shares of the Company in respect of shares bought and sold during the year is calculated on the total share capital of the Company as on March 31, 2020.

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount as on March 31, 2020	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due as on March 31, 2020	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

## VI. DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

#	Particulars of Remuneration	Mr. Mangesh Surendra Nadkarni (Whole Time Director) upto April 2, 2020	Mr. Raghav Bahl (Whole Time Director) w.e.f. April 19, 2020	Total
1.	Gross salary			
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	Nil	11,40,000	11,40,000
	(b)Value of perquisites u/s17(2) Income -tax Act,1961	Nil	Nil	Nil
	(c)Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Others, please specify	Nil	Nil	Nil
	<b>Total (A)</b>	<b>Nil</b>	<b>11,40,000</b>	<b>11,40,000</b>
	<b>B. Remuneration to other Directors:</b>			

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

#	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	<b>Mr. Parshotam Dass Agarwal</b>		<b>Mr. Sanjeev Krishana Sharma</b>	
	Fee for attending Board/ Committee Meetings	3,75,000		3,75,000	
	Commission/ Others	-		-	
	<b>Total (1)</b>	<b>3,75,000</b>		<b>3,75,000</b>	
2	Other Non-Executive /Executive Directors	<b>Mr. Mohan Lal Jain (Non-Executive Director)</b>	<b>Ms. Ritu Kapur (Non-Executive Director)</b>	<b>Mr. Raghav Bahl (Executive Director)</b>	
	• Fee for attending Board /Committee Meetings	3,25,000	50,000	1,50,000	5,25,000
	• Commission/ Others	-	-	-	-
	<b>Total (2)</b>	<b>3,25,000</b>	<b>50,000</b>	<b>1,50,000</b>	<b>5,25,000</b>
	<b>Total(B)= (1+2)</b>	-			<b>12,75,000</b>
	<b>Total Managerial Remuneration(A+B)</b>				<b>24,15,000</b>
	Overall Ceiling as per the Companies Act, 2013	being 11% of the net profits of the Company as per Section 198 of the Companies Act, 2013.			



Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

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

#	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Raghav Bahl Chief Executive Officer	Mr. Pratosh Mittal Chief Financial Officer	Ms. Anukrati Agarwal Company Secretary	Total
1	Gross salary	Nil	10,02,882	3,00,000	13,02,882
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
3	Stock Option	Nil	Nil	Nil	Nil
4	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>10,02,882</b>	<b>3,00,000</b>	<b>13,02,882</b>

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020.

**Place:** Delhi

**Date:** August 19, 2020

**For and on behalf of Board of Directors**

**Parshotam Dass Agarwal**

**Chairman**

**DIN:00063017**

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

**Annexure 'B'**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FORWARD LOOKING STATEMENTS**

*Statements in the Management Discussion and Analysis, which describe the Company's objectives, projections, estimates, expectations, may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in government regulations, tax laws and other factors such as litigation.*

### **COMPANY OVERVIEW**

The Company has altered its main objects specified under the Memorandum of Association to undertake media and entertainment business with the prior approval of shareholders obtained through postal ballot on May 12, 2019.

Further, the Board of Directors vide their meeting held on July 17, 2019, discussed the preliminary proposal to acquire the digital content business of Quintillion Media Private Limited, a company owned and controlled by MR. Raghav Bahl and Ms. Ritu Kapur, which is being operated under brand name of "The Quint" ("Digital Business").

After obtaining the prior approval of Audit Committee on May 6, 2020, the Board of Directors of the Company approved the proposal of acquisition of the Digital Business in their meeting held on May 6, 2020 and entered into a Business Transfer Agreement with Quintillion Media Private Limited.

Quintillion Media Private Limited runs and operates three digital platforms under digital content business i.e. "www.thequint.com", "www.hindi.thequint.com" and "www.fit.thequint.com". These platforms offer news in various categories such as politics, businesses, opinions, entertainment matters, sports, technology aspects, life matters, health and fitness matters, women matters, blogs, hot wires, photos and videos, as well as India and international news. The Digital Business offers journalism and media in the form of 5 platforms- live, articles, videos, quint lab and audio podcasts.

Approval of the shareholders was also obtained through Postal Ballot dated June 14, 2020. In accordance with the aforesaid approvals, the Company has duly completed the acquisition of the Digital Business on July 1, 2020, operated under the name and brand name of 'The Quint' (www.thequint.com), from Quintillion Media Private Limited, in terms of the business transfer agreement and other related documents executed between the parties and commenced the relevant operations on a going-concern basis.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The unprecedented outbreak of COVID-19 impacted the global economy and human life, making it a very challenging environment for all the businesses. The changes forced on people and businesses by the pandemic are likely to last for some time and established ways of doing business may undergo changes leading to new ways of working. Your Company was able to successfully manage immediate challenges of re-establishing normalcy in business operations and is in the process of assessing the long-term implications and opportunities that may emerge from this situation.

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

Your Company's assessments, strategies and prospects outlined in this report are to be read in the context of the evolving situation.

### **INDIAN ECONOMY**

The Indian economy witnessed a cyclical slowdown in FY20. The coronavirus outbreak compelled the government to impose a nationwide lockdown in the last week of March which brought economic activities to a halt. The IMF estimates India to grow at 1.9% in FY21, before rebounding sharply by 7.4% in FY21. The central government announced a massive Rs. 20 Trillion stimulus in tranches to minimize the impact, including Rs. 1.7 Trillion package directed at daily wage earners and the bottom of the pyramid. The IMF lauded India's efforts in using digital technologies to directly deliver the benefits to its citizens. The Reserve Bank of India (RBI) also sprang into action, cutting policy rates and announcing measures to stabilize the system.

The Indian economy grew at 4.2 per cent in 2019-20, lower than the 6.1 per cent figure registered in 2018-19, as the Covid-19 pandemic adversely impacted economic activity in the last month of the fiscal year.

### **MEDIA AND ENTERTAINMENT INDUSTRY IN INDIA**

The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making significant strides. Proving its resilience to the world, Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenue. The industry has largely been driven by increasing digitisation and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate.

### **OPPORTUNITIES AND THREATS**

#### **OPPORTUNITIES**

The Media and Entertainment Industry in India consists of different segments such as television, prints and films. This sector is witnessing impressive growth.

#### **THREATS**

Various threats faced by Media and Entertainment Industry and in particular by the Company include piracy, violation of intellectual property rights, lack of quality content, etc. The Company is continuously monitoring the various threats which can hamper the growth of the Company and is taking appropriate and effective steps in this regard.

### **OUTLOOK FOR MEDIA AND ENTERTAINMENT INDUSTRY**

The world has recognised the fact that India offers a huge market which is extremely diverse and spans across virtually every type of media. Despite the current vibrancy and strong progress the growth story is far from peaking. Advertising spends as a percentage of GDP in India are still relatively low.

According to a PWC report, 'Global Entertainment & Media Outlook 2018-2022', the Media and Entertainment industry in India is expected to grow at a CAGR of 11.6% between 2018 and 2022 to reach Rs. 3.5 trillion. Some

<b>Corporate Information</b>	<b>Board's Report</b>	<b>Management Discussion and Analysis</b>	<b>Secretarial Audit Report</b>	<b>Audited Financial Statements</b>
------------------------------	-----------------------	---	---------------------------------	-------------------------------------

encouraging trends that supported the growth of this industry were the rise in device penetration, falling Internet prices, increasing demand for content and preferences for portability.

#### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making significant strides. Proving its resilience to the world, Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenue. The industry has largely been driven by increasing digitisation and higher internet usage over the last decade. Internet has almost become a mainstream media for entertainment for most of the people.

The Indian advertising industry is projected to be the second fastest growing advertising market in Asia after China. At present, advertising revenue accounts for around 0.38 per cent of India's gross domestic product. By 2021, Indian media and entertainment industry will reach Rs 2.35 trillion.

Indian M&E industry is on an impressive growth path. The industry is expected to grow at a much faster rate than the global average rate.

#### **RISKS AND CONCERNS**

The risks and the uncertainties described below are key factors that the management considers may have implications on the functioning of the Company and are not the only risks that the Company currently faces. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, result of operations, cash flow etc.

#### **EXTERNAL RISKS:**

- a. A decline in economic growth in India and global economy could adversely affect its business.
- b. Political instability or changes in the Government in India or in the Governments of the states could cause significant adverse effects on the Company's business and the trading price of its Equity Shares.
- c. Disruptions and other impairment of the information technologies and systems could adversely affect the business and results of operations of the Company.
- d. Changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.
- e. Natural disasters could have an adverse effect on the Indian economy, the Company's business and the trading price of its equity shares.
- f. If terrorist attacks or social unrest in India increase, the Company's business could be adversely affected and the trading price of its equity shares could decrease.

#### **INTERNAL RISKS:**

- a. The Company intends to undertake a new line of activity in the Media and Entertainment industry and more specifically in the digital media and content business. Hence, the business shall be subject to risks and uncertainties associated with entering into a new line of business including but limited to identification of opportunities, implementing of strategies etc.
- b. The Company has not paid dividends in the last five (5) years.

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

- c. The success of the Company will depend on its ability to attract and retain its key managerial personnel and any loss of key team members may adversely affect and disrupt the business operations.
- d. Disruptions and other impairment of the information technologies and systems could adversely affect the business and results of operations of the Company.
- e. The equity shares (ISIN: INE641R01017) of the Company are currently listed at BSE Limited, (Scrip Code: 539515) under "XT" group and are infrequently traded on BSE Limited. Hence, the trading price of the equity shares of the Company may be subject to volatility.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company has an effective internal control, including financial control and risk mitigation system, which is constantly assessed and strengthened with standard operating procedures and which ensures that all the assets of the Company are safeguarded & protected against any loss, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records, timely preparation of reliable financial information and that all transactions are properly authorized and recorded. The Company has laid down procedures to inform audit committee and board about the risk assessment and mitigation procedures, to ensure that the management controls risk through means of a properly defined framework. The Audit Committee evaluates the internal financial control system periodically and deals with accounting matters and financial reporting.

#### FINANCIAL PERFORMANCE

The Company's financial performance (standalone) for the year under review along with the previous year's figures is given hereunder:

(Rs. in 000')		
Particulars	March 31, 2020	March 31, 2019
<b>INCOME</b>		
Revenue from operations	-	-
Other income	12,340.01	4,830.51
<b>Total Income</b>	<b>12,340.01</b>	<b>4,830.51</b>
<b>EXPENSES</b>		
Cost of trading goods sold	-	-
Employee benefit expenses	2,666.42	1,008.96
Finance cost	27.57	0.00
Depreciation and amortization expense	0.00	7.06
Other expenses	13,791.54	2,471.18
<b>Total Expenses</b>	<b>16,485.53</b>	<b>3,487.20</b>
<b>PROFIT BEFORE TAX</b>		
(d) Current tax	-	346.73
(e) Deferred tax	(1,077.83)	(157.61)
(f) Tax of earlier year	-	30.37
<b>Profit for the period</b>	<b>(3,067.68)</b>	<b>1,123.82</b>

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

<b>Other Comprehensive Income (OCI)</b>		
Items that will not be reclassified to profit or loss	4.69	-
Items that will be reclassified to profit or loss		
<b>Total other comprehensive income for the year, net of taxes</b>	<b>4.69</b>	<b>-</b>
<b>Total comprehensive income for the year, net of taxes</b>	<b>(3,072.36)</b>	<b>1,123.82</b>
<b>Basic and diluted earnings per share (in Rs.)</b>	<b>(1.54)</b>	<b>0.56</b>

### HUMAN RESOURCE DEVELOPMENT

Our professionals are our most important assets. We are committed to hiring and retaining the best talent and being among the industry's leading employers. For this, we focus on promoting a collaborative, transparent and participative organization culture, and rewarding individual contribution and innovation. The focus of our human resources management is to enable our employees to navigate their next, not just for clients, but also for themselves.

### KEY FINANCIAL RATIOS

The details of changes in the key financial ratios as compared to previous year are stated below:

	Ref note	Unit	Financial Year 2018-19	Financial Year 2019-20	Change (%)
Inventory Turnover	1	Days	NA	NA	-
Debtors Turnover	2	Days	Nil	Nil	-
Current Ratio	3	Times	34.60	450.18	415.58
Interest Coverage Ratio	4	Times	Nil	-	-
Debt Equity	5	Times	Nil	Nil	-
EBITDA Margin	6	Percentage	27.96%	(33.37%)	(61.33%)
Operating Profit margin	7	Percentage	Nil	Nil	-
Net Profit Margin	8	Percentage	23.72%	(24.90%)	(48.62%)
Return on Net worth	9	Percentage	1.99%	(2.21%)	(4.19%)

#### Notes:

- (1) *Inventory Turnover: The Company does not maintain any inventory and accordingly, there is no inventory turnover ratio.*
- (2) *Debtors Turnover Ratio: Nil as there are no trade receivables in as at the beginning or end of either financial year.*
- (3) *Current ratio: The current ratio has substantially increased in the current year because of the preferential allotment of CCPS and warrants undertaken by the company which has resulted in higher cash and current assets being available with the company without any corresponding increase in the current liabilities.*
- (4) *Interest Coverage Ratio: The Interest coverage Ratio cannot be calculated during the current year as the company has a negative position for earnings before interest, taxation, depreciation and amortisation during the current year.*
- (5) *Debt Equity Ratio: The capital structure of the Company did not have any debt outstanding as of the end of either financial years, accordingly, Debt Equity Ratio is Nil*
- (6) *Earnings before Interest Tax Depreciation and Amortization (EBITDA) Margin: The EBDITA Margin has substantially decreased during the year, as the Company has minimal operations during the current financial year, it has not earned any revenue from operations.*
- (7) *Operating Profit Margin: The operating profit margin is 'Nil' during the year, as the Company has minimal operations during the current financial year, it has not earned any revenue from operations.*
- (8) *Net Profit Margin: The Net Profit Margin has substantially decreased during the year, as the Company has minimal operations during the current financial year, it has not earned any revenue from operations.*
- (9) *Return on net worth: Decrease is attributable to suspension of operating activities during the current financial year.*

Corporate Information	Board's Report	Management Discussion and Analysis	Secretarial Audit Report	Audited Financial Statements
-----------------------	----------------	------------------------------------	--------------------------	------------------------------

Annexure 'C'

**Particulars of Employees**

**(a) Information required under Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:**

- I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 are as under:

#	Name of Director/Key Managerial Personnel and Designation	Remuneration of Director/Key Managerial Personnel for financial year 2019-20	% increase in remuneration in the Financial Year 2019-20	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Raghav Bahl (Whole Time Director) <sup>1</sup>	12,90,000	Nil	NA
2.	Ms. Ritu Kapur (Non-Executive Director) <sup>2</sup>	50,000	Nil	NA
3.	Mr. Mohan Lal Jain (Non-Executive Director <sup>2</sup> )	3,25,000	Nil	NA
4.	Mr. Pratosh Mittal (Chief Financial officer)	10,02,882	7.5%	NA
5.	Ms. Anukrati Agarwal (Company Secretary and Compliance Officer)	3,00,000	Nil	NA
6.	Mr. Mangesh Surendra Nadkarni (ex-Whole Time Director)	Nil	Nil	NA

<sup>1</sup> include sitting fees of Rs. 1,50,000

<sup>2</sup>Sitting fees paid to the Directors

- II. The percentage increase in the median remuneration of employees in the financial year:6.51%
- III. There were 4 permanent employees "ONROLL "of the Company as on March 31, 2020;
- IV. Average percentage increase made in the salaries of employees other than the managerial personnel in last financial year: Nil
- V. The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees;
- VI. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees;

**(b) Information required under Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.**



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the financial year ended March 31, 2018**

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

**To**  
**The Members**  
**M/s Gaurav Mercantiles Ltd**  
**3rd Floor, Tower 2B, One Indiabulls Centre,**  
**Senapati Bapat Marg, Lower Parel (West),**  
**Mumbai – 400013, Maharashtra**

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s **Gaurav Mercantiles Ltd** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our online verification of M/s **Gaurav Mercantiles Ltd's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Gaurav Mercantiles Ltd** for the financial year ended on March 31, 2020, according to the provisions of (hereinafter to be referred as "Act" collectively:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 1992;



- c. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not Applicable**;
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable**;
- g. 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;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable**; and
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable**;

We have also examined compliance with the (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company with Bombay Stock Exchange Limited and also the Secretarial Standard I and Secretarial Standard II issued by the Institute of Company Secretaries of India (ICSI) were applicable to the Company for the period under review.

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

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

We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review, as explained and represented by the management:

1. The Company has appointed Mr. Parshotam Dass Agarwal (DIN 00063017) and Mr. Sanjeev Krishna Sharma (DIN 00057601), who was appointed as an Additional Director of the Company under Section 161(1) of the Act with effect from February 26, 2019 and holds office up to the date of Annual General Meeting of the Company held on September 27, 2019, as independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from February 26, 2019 and the appointment of independent Directors was duly made as per the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and the rules made thereunder;



# RASHI SEHGAL & ASSOCIATES

Company Secretaries

2. Mr. Raghav Bahl (DIN: 00015280) was appointed as Whole Time Director (“WTD”) under Section 196 and 197 read with Schedule V of the Companies Act, 2013 and Chief Executive Officer (“CEO”) as Key Managerial personnel (“KMP”) under Section 203 of the Companies Act, 2013 and the appointment of Mr. Raghav Bahl as WTD and CEO was ratified in the Annual general Meeting held on September 27, 2019 and the Company has complied with the relevant provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
3. The Company has taken the approval of shareholders through Postal Ballot for amendment of object clause, Liability Clause and Capital Clause of the Memorandum of Association of the Company and duly complied with the provisions of Section 110 of the Companies Act, 2013 and rules made thereunder;
4. The Company has issued 20,00,000 Compulsorily Convertible Preference Shares (“CCPS”) of Rs. 10 each at a value of Rs. 42.50 each and 1,45,00,000 Equity Warrants at an issue price of Rs. 42.50 each and complied with the provisions of Companies Act, 2013 and Rules made thereunder and SEBI (Prohibition of Insider Trading) Regulations, 1992, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Foreign Exchange Management Act, 1999; and
5. The Company in its meeting held on July 17, 2020 has proposed to acquire the digital media business of Quintillion Media Private Limited and has made the necessary filings and disclosures with respect to the same.

**For Rashi Sehgal & Associates  
Company Secretaries**



**Rashi Sehgal  
Practicing Company Secretary  
M. No. F8944; C.P. No. 9477**

**Place: Delhi  
Dated: 13.08.2020**

**UDIN: F008944B000577171**



# ASDJ & ASSOCIATES

Chartered Accountants

301, 3rd Floor, Park View Plaza, Plot No. 9, LSC-3, Sector-6, Dwarka, New Delhi - 110075  
Tel: 011-47008956, E-mail: asdjassociates@gmail.com

## Independent Auditor's Report

To The Members of Gaurav Mercantiles Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Gaurav Mercantiles Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the **Companies (Indian Accounting Standards) Rules, 2015**, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for opinion

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

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.



### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but



is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



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

### **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 Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

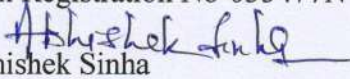
As required by Section 143(3) of the Act, based on our audit we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant Rules issued thereunder.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 litigations which would impact its financial position
- ii. The Company did 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 ASDJ & Associates  
Chartered Accountants  
Firm Registration No-033477N

  
Abhishek Sinha

(Partner)

M. No. 504550

UDIN: 20504550AAAABY4775



Date: 29 June 2020

Place: New Delhi



**GAURAV MERCANTILES LIMITED****Balance sheet as at 31 March 2020**

(All amount in ₹, unless stated otherwise)

Particulars	Note No.	As on 31st March 2020	As on 31st March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	-	-
Deferred tax assets	4	10,78,035	202
Income tax assets	5	5,05,851	4,54,296
Total non-current assets		15,83,886	4,54,498
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	6	28,99,33,484	5,74,82,194
Other financial assets	7	-	6,97,618
Other current assets	8	22,69,369	1,88,895
Total current assets		29,22,02,853	5,83,68,707
<b>Total assets</b>		<b>29,37,86,739</b>	<b>5,88,23,205</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9A	2,00,00,000	2,00,00,000
Instruments entirely equity in nature	9B	2,00,00,000	-
Other equity	10	25,31,12,582	3,71,22,444
Total equity		29,31,12,582	5,71,22,444
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Provision	11	25,079	777
Total non-current liabilities		25,079	777
<b>Current liabilities</b>			
Financial liabilities			
Other financial liabilities	12	5,26,160	14,89,909
Other current liabilities	13	1,22,918	2,10,075
Total current liabilities		6,49,078	16,99,984
Total liabilities		6,74,157	17,00,761
<b>Total Equity and Liabilities</b>		<b>29,37,86,739</b>	<b>5,88,23,205</b>

**Significant Accounting Policies**

2

See accompanying notes to the Financial Statements

As per our report of even date

For **ASDJ & Associates**

Chartered Accountants

Firm Registration No.: 033477N

For and on behalf of the Board of Directors

**Gaurav Mercantiles Limited****Abhishek Sinha**

Partner

Membership No. 504550

**P D Agarwal**

Chairman

DIN 00063017

**Raghav Bahl**

Whole Time Director and Chief Executive Officer

DIN 00015280

**Pratosh Mittal**

Chief Financial Officer

**Anukrati Agarwal**

Company Secretary

Place: Noida

Date June 29, 2020

**GAURAV MERCANTILES LIMITED****Statement of profit and loss for the year ended 31 March 2020**

(All amount in ₹, unless stated otherwise)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Income</b>			
Revenue from operations	14	-	-
Other income	15	1,23,40,018	48,30,508
Total income		<u>1,23,40,018</u>	<u>48,30,508</u>
<b>Expenses</b>			
Employee benefit expenses	16	26,66,419	10,08,955
Finance cost	17	27,568	-
Depreciation and amortization expense	3	-	7,061
Other expenses	18	1,37,91,542	24,71,182
Total expenses		<u>1,64,85,529</u>	<u>34,87,198</u>
<b>Profit before tax</b>		<b>(41,45,511)</b>	<b>13,43,310</b>
<b>Tax expenses</b>			
(a) Current tax	19	-	3,46,728
(b) Deferred tax		(10,77,833)	(1,57,614)
(c) Tax on Earlier Years		-	30,373
<b>Profit for the period</b>		<b>(30,67,678)</b>	<b>11,23,823</b>
<b>Other comprehensive income (OCI)</b>			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/asset, net		4,685	-
(b) Items that will be reclassified to profit or loss			
		-	-
Total other comprehensive income for the year		<u>4,685</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b>(30,72,363)</b>	<b>11,23,823</b>
Basic and diluted earning per share	20	(1.54)	0.56
Significant Accounting Policies	2		

See accompanying notes to the Financial Statements

As per our report of even date

For **ASDJ & Associates**

Chartered Accountants

Firm Registration No.: 033477N

For and on behalf of the Board of Directors

**Gaurav Mercantiles Limited****Abhishek Sinha**

Partner

Membership No. 504550

**P D Agarwal**

Chairman

DIN 00063017

**Raghav Bahl**

Whole Time Director and Chief Executive Officer

DIN 00015280

**Pratosh Mittal**

Chief Financial Officer

**Anukrati Agarwal**

Company Secretary

Place: Noida

Date : June 29, 2020

**GAURAV MERCANTILES LIMITED**

**Statement of changes in equity for the year ended 31 March 2020**

(All amount in ₹, unless stated otherwise)

**A Equity share capital**

Particulars	Opening balance as at 1 April 2018	Changes in equity share capital during the year	Balance as at 31 March 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity share capital	2,00,00,000	-	2,00,00,000	-	2,00,00,000

**B Instruments entirely equity in nature**

Particulars	Opening balance as at 1 April 2018	Changes in equity share capital during the year	Balance as at 31 March 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Compulsorily convertible preference shares	-	-	-	2,00,00,000	2,00,00,000

**C Other equity**

Particulars	Reserve and surplus				Total
	Securities premium account	General Reserve	Retained earnings	Share Warrant	
<b>Balance as at 1 April 2018</b>	-	2,00,00,000	1,59,98,621	-	3,59,98,621
Profit for the year	-	-	11,23,823	-	11,23,823
Other comprehensive income	-	-	-	-	-
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	-
Employee share based payment expense	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	-	2,00,00,000	1,71,22,444	-	3,71,22,444
Profit for the year	-	-	(30,67,678)	-	(30,67,678)
Current year transfer	6,50,00,000	-	-	15,40,62,500	21,90,62,500
Other comprehensive income	-	-	-	-	-
Re-measurement gains on defined benefit plans (net of tax)	-	-	(4,685)	-	(4,685)
Retained Earnings adjustments	-	-	-	-	-
Adjustment on account of amalgamation	-	-	-	-	-
Employee share based payment expense	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	6,50,00,000	2,00,00,000	1,40,50,082	15,40,62,500	25,31,12,582

See accompanying notes to the Financial Statements

As per our report of even date  
For **ASDJ & Associates**  
Chartered Accountants  
Firm Registration No.: 033477N

For and on behalf of the Board of Directors  
**Gaurav Mercantiles Limited**

**Abhishek Sinha**  
Partner  
Membership No. 504550

**P D Agarwal**  
Chairman  
DIN 00063017

**Raghav Bahl**  
Whole Time Director and Chief Executive Officer  
DIN 00015280

**Pratosh Mittal**  
Chief Financial Officer

**Anukrati Agarwal**  
Company Secretary

Place: Noida  
Date : June 29, 2020

## GAURAV MERCANTILES LIMITED

## Cash flow statement for the year ended 31 March 2020

(All amount in ₹, unless stated otherwise)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>A. Cash flows from operating activities</b>		
Net profit before taxation	(41,45,511)	13,43,310
Adjustments for non cash expenses and Item shown separately:		
Depreciation	-	7,061
Interest income	(6,47,706)	(48,30,508)
Dividend income	(1,16,69,384)	-
Loss on sale of mutual fund	18,46,230	-
Retirement benefit (Gratuity)	19,617	(1,26,416)
Loss on sale of shares	-	2,647
Loss on disposal of fixed assets	-	1,41,369
Loss on sale of fixed assets	-	86,471
<b>Operating profit before working capital changes</b>	<b>(1,45,96,754)</b>	<b>(33,76,067)</b>
(Increase) / Decrease in short term loans & advances	6,97,618	2,22,61,704
(Increase) / Decrease in other non current assets	-	11,88,125
(Increase) / Decrease in other current assets	(20,80,474)	(8,14,410)
Increase / (Decrease) in trade payables & other liabilities	(10,50,906)	16,22,968
Increase / (Decrease) in short term provisions	-	(1,27,524)
<b>Cash generated from operations</b>	<b>(1,70,30,516)</b>	<b>2,07,54,797</b>
Income tax paid	51,555	3,77,101
<b>Net cash flows from operating activities</b>	<b>(A) (1,70,82,071)</b>	<b>2,03,77,696</b>
<b>B. Cash flows from investing activities</b>		
Sale of fixed assets	-	78,500
Purchase of investments	(29,36,00,000)	-
Sale of investments	30,34,23,154	92,838
Interest received	6,47,706	48,30,508
<b>Net cash flows from investing activities</b>	<b>(B) 1,04,70,860</b>	<b>50,01,846</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from share warrants	15,40,62,500	-
Proceeds from Compulsory convertible preference share	8,50,00,000	-
<b>Net cash flows from financing activities</b>	<b>(C) 23,90,62,500</b>	<b>-</b>
Net Increase/(decrease) in cash & cash equivalents (A+B+C)	23,24,51,289	2,53,79,542
<b>Cash &amp; cash equivalents at beginning of the period</b>	<b>5,74,82,194</b>	<b>3,21,02,652</b>
<b>Cash &amp; cash equivalents at end of the period</b>	<b>28,99,33,484</b>	<b>5,74,82,194</b>
(Refer Note No.6)		
Comprises:		
(a) Cash in hand	10,350	16,820
(b) Balances with banks		
(i) In current accounts	28,99,23,134	4,65,374
(ii) In deposit accounts	-	5,70,00,000
	<b>28,99,33,484</b>	<b>5,74,82,194</b>

## Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **ASDJ & Associates**  
Chartered Accountants  
Firm Registration No.: 033477N

**Abhishek Sinha**  
Partner  
Membership No. 504550

**P D Agarwal**  
Chairman  
DIN 00063017

**Pratosh Mittal**  
Chief Financial Officer

For and on behalf of Board of Directors  
**Gaurav Mercantiles Limited**

**Raghav Bahl**  
Whole Time Director and Chief  
Executive Officer  
DIN 00015280

**Anukrati Agarwal**  
Company Secretary

Place: Noida

Date : June 29, 2020

## 1 Reporting entity

Gaurav Mercantiles Limited is a company domiciled in India, with its registered office situated at 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai Mumbai City-400013. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange.

## 2 Significant accounting policies

### Basis of preparation

The Company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. All shareholders are equally entitled to dividends. The Company will declare and pay dividend in Indian Rupees, if any. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend, if any, proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing annual general meeting.

The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP

### a Revenue recognition

The Company recognises revenue on the sale of products, net of discounts, when the products are delivered, risks and rewards of ownership pass to the dealer / customer.

Revenues are recognised when collectability of the resulting receivables is reasonably assured.

#### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### b Property, plant and equipments

#### Fixed assets - tangibles

##### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

##### Subsequent measurement (depreciation and useful lives)

Depreciation is provided on Straight Line Method in accordance with the useful life of assets estimated by the management, which is the rate prescribed under schedule II to the Companies Act, 2013. The estimate of useful lives of fixed assets followed by the Company in preparing the financial statements is as follows:

#### De-recognition

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

#### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2017 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

### c Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Significant accounting policies (Cont'd.)

d **Financial Instruments**

**Recognition, classification and presentation**

The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair value through profit or loss, b) those to be measured subsequently at fair value through other comprehensive income and c) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows

The Company has classified all the non-derivative financial liabilities measured at amortised cost.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously

**Measurement – non-derivative financial instruments**

Initial measurement At initial recognition, the Company measures the non-derivative financial instruments (except financial guarantee) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss.

Subsequent measurement - financial assets The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

Financial assets measured at amortised cost Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

Financial assets at fair value through profit or loss ('FVTPL') All financial assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest (basis EIR method) income from financial assets at fair value through profit or loss is recognised in the statement of profit and loss within finance income/ finance costs separately from the other gains/ losses arising from changes in the fair value

**Impairment**

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Subsequent measurement - financial liabilities**

The financial guarantees are amortised over the life of the guarantee and are measured at each reporting date at the higher of (i) the remaining unamortised balance of the amount at initial recognition and (ii) the best estimate of expenditure required to settle the obligation at the end of the reporting period. Other financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant).

**Derecognition**

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are derecognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the statement of profit and loss.

Significant accounting policies (Cont'd.)

e **Retirement benefits:**

**Post-employment, long term and short term employee benefits**

**Defined contribution plans**

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Since Provident Fund is not applicable, no provision for provident fund liability is required.

**Defined benefit plans**

Gratuity is a post-employment benefit defined under The Payment of Gratuity Act, 1972 and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

**Other long-term employee benefits**

The company is not required to make provision for leave encashment / salary to the employees as the company is making the leave salary payment during the year itself.

**Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

f **Taxes**

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly

**Current tax**

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet as current income tax assets / liabilities. Any interest, related to accrued liabilities for potential tax assessments are not included in Income tax charge or (credit), but are rather recognised within finance costs.

**Deferred tax**

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis

g **Cash and bank balances**

Cash and bank balances comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of investment of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

h **Earning per share (EPS)**

i. Basic EPS

The earnings considered in ascertaining the Company's basic Earnings per Share (EPS) comprises the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of equity shares outstanding during the year.

ii. Diluted EPS

The diluted EPS is calculated on the same basis as the basic EPS, after adjusting for the effects of potential dilutive equity shares.

**GAURAV MERCANTILES LIMITED**

Notes to the financial statements for the year ended March 31, 2020

(All amount in ₹, unless stated otherwise)

**3. Property, plant and equipment**

Particulars	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Electronic Equipment	Air Conditioners
<b>Cost or Deemed cost (gross carrying value)</b>							
Balance as at 1st April, 2018	1,46,615	35,723	14,766	88,808	9,359	39,455	4,155
Additions	-	-	-	-	-	-	-
Disposals	1,46,615	35,723	14,766	88,808	9,359	39,455	4,155
<b>Balance as at 31st March, 2019</b>	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2020</b>	-	-	-	-	-	-	-
<b>Accumulated depreciation</b>							
Balance as at 1st April, 2018	-	-	-	-	-	-	-
Depreciation for the year	2,092	1,422	-	-	-	3,487	60
Disposals	2,092	1,422	-	-	-	3,487	60
<b>Balance as at 31st March, 2019</b>	-	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2020</b>	-	-	-	-	-	-	-
<b>Carrying amounts net</b>							
<b>As at 31st March, 2019</b>	-	-	-	-	-	-	-
<b>As at 31st March, 2020</b>	-	-	-	-	-	-	-



**GAURAV MERCANTILES LIMITED**
**Notes on Financial Statements for the year ended 31st March, 2020**

(All amount in ₹, unless stated otherwise)

	As at 31st March, 2020	As at 31st March, 2019
<b>Note 4 Deferred tax assets (net)</b>		
Deferred tax assets	10,78,035	202
	<b>10,78,035</b>	<b>202</b>

**Component of deferred tax assets/(liabilities)**

Particulars	As at 31st March,2019 (a)	Recognised in statement of profit and loss (b)	Recognised in other comprehensive income (c)	As at 31st March,2020 (a+b+c)
<b>Deferred tax assets/(liabilities) in relation to:</b>				
Employee benefits	202	5,101	1,218	6,521
Business loss	-	10,71,514	-	10,71,514
	<b>202</b>	<b>10,76,615</b>	<b>1,218</b>	<b>10,78,035</b>

**Note 5 Income tax assets (net)**

TDS receivable (net of provision for tax)	5,05,851	4,54,296
	<b>5,05,851</b>	<b>4,54,296</b>

**Movement in income tax assets (net)**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Opening balance	4,54,296	24,01,323
Add: Taxes paid(net of refund)	51,555	(15,69,926)
Less: Current tax payable for the year	-	3,77,101
<b>Closing Balance</b>	<b>5,05,851</b>	<b>4,54,296</b>

**Note 6 Cash and cash equivalents**

Cash in hand	10,350	16,820
Balances with banks		
in current accounts	28,99,23,134	4,65,374
Bank deposits with original maturity less than three months	-	5,70,00,000
	<b>28,99,33,484</b>	<b>5,74,82,194</b>

**Note 7 Other financial assets**

<b>Other financial asset-Current</b>		
Interest accrued but not due	-	6,97,618
	<b>-</b>	<b>6,97,618</b>

**Note 8 Other current assets**

<b>Other current assets</b>		
Balance with statutory authorities	22,69,369	1,88,895
	<b>22,69,369</b>	<b>1,88,895</b>

**Note 9A Equity share capital**

	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of Rs.10 each	2,00,00,000	20,00,00,000	1,00,00,000	10,00,00,000
Preference Shares of Rs. 10 each	25,00,000	2,50,00,000	-	-
<b>Issued, subscribed &amp; paid up</b>				
Equity Shares of Rs.10 each, fully paid up	20,00,000	2,00,00,000	20,00,000	2,00,00,000
<b>Total</b>	<b>20,00,000</b>	<b>2,00,00,000</b>	<b>20,00,000</b>	<b>2,00,00,000</b>

**Reconciliation of number of equity shares outstanding at the beginning and at the end of the year**

<b>Equity shares</b>				
Balance at the beginning of the year	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Changes in equity share capital during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>20,00,000</b>	<b>2,00,00,000</b>	<b>20,00,000</b>	<b>2,00,00,000</b>

**Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. All shareholders are equally entitled to dividends. The Company will declare and pay dividend in Indian Rupees, if any. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend, if any, proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing annual general meeting.

**Share holders holding more than 5 % of total share capital**

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Raghav Bahl	11,20,900	56.05%	11,20,900	56.05%
Ms. Ritu Kapur	2,07,400	10.37%	2,07,400	10.37%
M/S Gokulesh Commercial Private Limited	1,05,825	5.29%	1,05,825	5.29%

**GAURAV MERCANTILES LIMITED**

**Notes on Financial Statements for the year ended 31st March, 2020**

(All amount in ₹, unless stated otherwise)

**Note 9B Instruments entirely equity in nature**

	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount	Number	Amount
<b>Issued, subscribed and fully paid up</b>				
Compulsorily convertible preference shares for face value of Rs. 10 each	20,00,000	2,00,00,000	-	-

**Rights, preferences and restrictions attached to compulsorily convertible preference shares**

Compulsorily Convertible Preference Shares ("CCPS"), up to 20,00,000 (Twenty Lakhs Only), having face value of Rs. 10 (Rupees Ten Only) each at a price of Rs. 42.50 (Rupees Forty Two and Paise Fifty Only) each aggregating up to Rs. 8,50,00,000 (Rupees Eight Crores and Fifty Lakhs Only) for cash consideration on a private placement basis are created, issued, offered and allotted.

The CCPS shall be converted in one or more tranches, any-time after the expiry of three (3) months of its allotment, within a period of eighteen months from the date of allotment of the CCPS as per the decision of board of directors. One CCPS of face value of Rs. 10 (Rupees Ten only) each shall be convertible into one Equity Share of the Company of face value Rs. 10 (Rupees Ten only).

The CCPS shall be entitled to a preference dividend of 0.01% per annum, payable, up to the date of conversion into Equity Shares of the Company. The payment of dividend shall be on a non-cumulative basis.

The CCPS by themselves until converted into Equity Shares do not give any voting rights to the CCPS holders.

**Reconciliation of number of CCPS outstanding at the beginning and at the end of the year**

Balance at the beginning of the year	-	-	-	-
Changes in CCPS during the year	20,00,000	2,00,00,000	-	-
<b>Balance at the end of the year</b>	<b>20,00,000</b>	<b>2,00,00,000</b>	-	-

**Details of shareholder holding more than 5% of CCPS**

**Name of the shareholder**

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Raghav Bahl	11,81,405	59.07%	-	0.00%
Ms. Ritu Kapur	2,18,595	10.93%	-	0.00%
Vespera Fund Limited, Mauritius	2,00,000	10.00%	-	0.00%

**Note 10 Other Equity**

	As at 31st March, 2020	As at 31st March, 2019
Money received against share warrant (refer note*)	15,40,62,500	-

**General reserves**

Opening balance	2,00,00,000	2,00,00,000
(+) Current year transfer	-	-
(-) Written back in current year	-	-
<b>Closing balance</b>	<b>2,00,00,000</b>	<b>2,00,00,000</b>

**Security premium**

Opening balance	-	-
(+) Current year transfer	6,50,00,000	-
(-) Written back in current year	-	-
<b>Closing balance</b>	<b>6,50,00,000</b>	-

**Retained earnings**

Opening balance	1,71,22,444	1,59,98,621
(+) Net profit/(Net loss) for the current year	(30,72,363)	11,23,823
(-) Depreciation adjusted as per Schedule II	-	-
<b>Closing balance</b>	<b>1,40,50,082</b>	<b>1,71,22,444</b>

**Total**

<b>25,31,12,582</b>	<b>3,71,22,444</b>
---------------------	--------------------

**Note\***

Equity warrant, up to 1,45,00,000 (One Crore and Forty Five Lakhs Only), at a price of Rs. 42.50 (Rupees Forty Two and Paise Fifty Only) each aggregating up to Rs. 61,62,50,000 (Rupees Sixty One Crores Sixty Two Lakhs and Fifty Thousand Only) for cash consideration on a private placement basis are created, issued, offered and allotted.

An amount equivalent to 25% of the issue price of the Equity Warrants shall be payable at the time of subscription and allotment of each Equity Warrant and the balance 75% shall be payable by the warrant holder(s) on or before the exercise of the entitlement attached to Equity Warrant(s) to subscribe for Equity Share(s).

The warrant holders, post expiry of three (3) months from date of allotment of Equity Warrants and consent of the Board of Directors, be entitled to exercise the Equity Warrants within a period of eighteen (18) months from the date of allotment of the warrants by issuing a written notice to the Company specifying the number of Equity Warrants proposed to be exercised. The Company shall accordingly, issue and allot the corresponding number of Equity Shares of Rs. 10 (Rupees Ten Only) each to warrant holders on payment of the balance consideration for the Equity Warrants.

One Equity Warrant of Rs. 42.50 (Rupees Forty Two and Paise Fifty Only) each shall entitle the warrant holders to subscribe to one Equity Share of Rs. 10 (Rupees Ten Only) each of the Company.

In the event, the warrant holders do not exercise the Equity Warrants within a period of eighteen (18) months from the date of allotment, the Equity Warrants shall lapse and the amount paid by the warrant holder(s) on such Equity Warrants shall stand forfeited by the Company.

The Equity Warrants do not give any rights/entitlements to the warrant holders as a shareholder of the Company.

**Note-11 Provisions non current**

Provision for employee benefits:

Gratuity (refer note 22)

	25,079	777
--	--------	-----

**Total**

<b>25,079</b>	<b>777</b>
---------------	------------

**GAURAV MERCANTILES LIMITED****Notes on Financial Statements for the year ended 31st March, 2020**

(All amount in ₹, unless stated otherwise)

	As at 31st March, 2020	As at 31st March, 2019
<b>Note 12 Other financial liabilities</b>		
Employee dues payable	3,61,030	4,47,467
Payable-others	1,65,130	10,42,442
	<b>5,26,160</b>	<b>14,89,909</b>
<b>Note 13 Other current liabilities</b>		
Payable to statutory authorities	1,22,918	2,10,075
	<b>1,22,918</b>	<b>2,10,075</b>
	<b>For the year ended 31st March, 2020</b>	<b>For the year ended 31st March, 2019</b>
<b>Note 14 Revenue from operations</b>		
Revenue from operations	-	-
	<b>-</b>	<b>-</b>
<b>Note 15 Other income</b>		
Interest income on fixed deposit	6,47,706	15,21,924
Interest income others	-	33,08,584
Dividend income	1,16,69,384	-
Amount written back	22,928	-
	<b>1,23,40,018</b>	<b>48,30,508</b>
<b>Note 16 Employee benefit expenses</b>		
Salaries and wages	26,46,802	11,35,371
Other employee benefits	19,617	(1,26,416)
	<b>26,66,419</b>	<b>10,08,955</b>
<b>Note 17 Finance costs</b>		
Interest on term loans	27,568	-
	<b>27,568</b>	<b>-</b>

**GAURAV MERCANTILES LIMITED**
**Notes on Financial Statements for the year ended 31st March, 2020**

(All amount in ₹, unless stated otherwise)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Note 18 Other expenses</b>		
Advertisement charges	3,21,164	37,263
Bank charges	1,261	2,427
Director sitting fees	12,75,000	3,25,000
Donation	-	41,000
Electricity charges	-	14,740
Legal and professional fees	80,11,547	11,47,810
Listing fees	4,80,000	2,50,000
Maintenance charges	-	73,317
Miscellaneous expenses	34,250	35,586
Postage and courier	-	59,157
Rates and taxes	12,47,844	25,900
Loss on sale of shares	-	2,647
Share depository charges	30,500	23,000
Share registrar fees	2,34,357	43,392
Loss on sale of fixed assets	-	86,471
Loss on sale of mutual fund	18,46,230	-
Loss on disposal of fixed assets	-	1,41,369
Website expenses	50,832	33,166
Telephone expenses	-	20,729
Insurance expenses	2,25,000	-
Travelling & Conveyance expenses	33,557	58,209
Sundry balance written off	-	50,000
<b>Total</b>	<b>1,37,91,542</b>	<b>24,71,182</b>
<b>*Payment to Auditors</b>		
<b>As Auditors</b>		
Statutory audit fees	1,00,000	75,000
Tax audit fees	25,000	-
	<b>1,25,000</b>	<b>75,000</b>
<b>Note 19 Tax Expenses</b>		
Current tax	-	3,46,728
Deferred tax credit	(10,77,833)	(1,57,614)
Tax on Earlier Years	-	30,373
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>(10,77,833)</b>	<b>2,19,487</b>

The income tax expenses for the year can be reconciled to the accounting profit as follows

Profit Before Tax	(41,45,511)	13,43,310
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	-	3,49,260
<b>Tax Effect of:</b>		
Exempted income	-	-
Expenses disallowed	-	2,798
Others	-	(5,330)
<b>Current Tax Provisions (A)</b>	<b>-</b>	<b>3,46,728</b>
Incremental deferred tax liability/(asset) on account of financial asset and others	(10,77,833)	(1,57,614)
<b>Deferred Tax Provisions (B)</b>	<b>(10,77,833)</b>	<b>(1,57,614)</b>
Tax on earlier years (C)	-	30,373
<b>Tax expenses recognised in statement of profit and loss (A+B+C)</b>	<b>(10,77,833)</b>	<b>2,19,487</b>

**Note 20 Basic and Diluted earnings per share**

Particulars	2019-20	2018-19
<b>A</b> Weighted average number of equity shares of Rs 10/- each		
i Number of shares at the end of the year	20,00,000	20,00,000
ii Weighted average number of equity shares outstanding during the year	20,00,000	20,00,000
<b>B</b> Net Profit available for equity shareholders (in Rs.)	(30,72,363)	11,23,823
<b>C</b> Earnings per share (EPS)		
Basic (in Rs.)	(1.54)	0.56
Weighted average number of CCPS of Rs 10/- each		
Number of CCPS issued as of 25.05.19	20,00,000	-
Weighted average number of CCPS outstanding during the period	17,04,918	-
Weighted average number of Warrant of Rs 42.5/- each @ 25% Paidup		
Number of warrant issued as of 25.05.19	36,25,000	-
Weighted average number of warrant outstanding during the period	30,90,164	-
Total Number of weighted average Number of shares outstanding during the period	67,95,082	20,00,000
Diluted (in Rs.)	(1.54)	0.56

Note - 21

**Related party transactions**

In accordance with the requirements of Ind AS 24 the names of the related party where control exists/able to exercise significant influence along with the transactions and year-end balances with them as identified and certified by the management are given below:

**i) Key management personnel (KMP)**

31 March 2020	31 March 2019
(i) Raghav Bahl – Whole Time Director and Chief Executive Officer (ii) Pratosh Mittal- Chief Financial Officer (iii) Anukrati Agarwal- Company Secretary	(i) Pratosh Mittal- Chief Financial Officer (ii) Anukrati Agarwal- Company Secretary

**ii) Relatives of KMP**

**31 March 2020 and 31 March 2019**

Name of Relatives	Relationship with KMP
Ritu Kapur	Wife of Mr Raghav Bahl

**(a) Transactions with related parties carried out in the ordinary course of business:**

S No.	Particulars	Year	Related parties				Total		
			Entities which exercises significant influence over the Company	Subsidiary companies	Director	Key management personnel and their relatives		Enterprise over which KMP exercise significant influence	
1	<b>Salaries and other benefits</b>	31 March 2020	-	-	-	11,40,000	-	<b>11,40,000</b>	
		31 March 2019	-	-	-	-	-	-	
	Raghav Bahl	31 March 2020	-	-	-	10,02,882	-	<b>10,02,882</b>	
		31 March 2019	-	-	-	54,568	-	<b>54,568</b>	
	Pratosh Mittal	31 March 2020	-	-	-	3,00,000	-	<b>3,00,000</b>	
		31 March 2019	-	-	-	16,935	-	<b>16,935</b>	
2	<b>Issue of Compulsorily Convertible Preference Shares</b>	31 March 2020	-	-	-	5,02,09,713	-	-	
		31 March 2019	-	-	-	-	-	-	
		Ritu Kapur	31 March 2020	-	-	-	92,90,288	-	-
		31 March 2019	-	-	-	-	-	-	
3	<b>Issue of share warrants</b>	31 March 2020	-	-	-	8,13,83,208	-	-	
		31 March 2019	-	-	-	-	-	-	
		Ritu Kapur	31 March 2020	-	-	-	1,50,58,324	-	-
		31 March 2019	-	-	-	-	-	-	

**Note 22 Employee benefits obligations****Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service

**(i) Amounts recognized in the balance sheet**

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of the obligation at end	25,064	762
Unfunded liability/provision in balance sheet	25,064	762

**Bifurcation of present value of obligation at the end of the year**

Particulars	As at 31 March 2020	As at 31 March 2019
Current liability	321	4
Non-current liability	24,743	758
<b>Total</b>	<b>25,064</b>	<b>762</b>

**(ii) Expenses recognized in other comprehensive income**

Particulars	As at 31 March 2020	As at 31 March 2019
Actuarial (gain)/loss		
Changes in demographic assumptions	(21)	-
Changes in financial assumptions	3,686	40
Changes in experience adjustment	1,020	(1,37,256)
<b>Expenses recognized in other comprehensive income</b>	<b>4,685</b>	<b>(1,37,216)</b>

**(iii) Expenses recognized in statement of profit and loss**

Particulars	As at 31 March 2020	As at 31 March 2019
Current service cost	19,560	762
Interest cost	57	10,023
<b>Expenses recognized in statement of profit and loss</b>	<b>19,617</b>	<b>10,785</b>

**(iv) Movement in the liability recognized in the balance sheet is as under:**

Particulars	As at 31 March 2020	As at 31 March 2019
Present value of defined benefit obligation at the beginning of the year	762	1,27,193
Current service cost	19,560	762
Interest cost	57	10,023
Actuarial (gain)/loss	4,685	(1,37,216)
Benefits paid	-	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>25,064</b>	<b>762</b>

**(v) For determination of the liability of the Company the following actuarial assumptions were used:**

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.05%	7.45%
Salary escalation rate	7.00%	7.00%
Retirement age (years)	60	60
Withdrawal rate		
Up to 4 years	10.00%	10.00%
Above 4 years	5.00%	5.00%

**Note 23 Segment information**

In the current year, the Company's only source of revenue is from trading activities and interest income. Based on guiding principles given in the IND AS-108 on segment reporting, as specified in the companies (Indian Accounting standards) Rules, 2015, being the only business segment, no segment information thereof is given.

**Note 24** In the opinion of the Management, the Current Assets, Loans & Advances approximately are of the value stated if realized in the ordinary course of business.

**Note 25** The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

**Note 26 Provisions and contingent liabilities**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Note 27 Post balance sheet event**

Pursuant to the meeting of Board of Directors of the Company on May 6, 2020, the Company had entered into a Business Transfer Agreement (BTA) with Quintillion Media Private Limited, being a related party, for acquisition of the digital content business operated under leading brand name of 'The Quint', as a going concern for a lump-sum purchase consideration of INR 12,62,26,644 subject to adjustments for debt and working capital as on the Closing Date.

The transaction is being undertaken at arm length based on a fair valuation report of an independent valuer issued on May 5, 2020 wherein the Enterprise Value of the digital business has been recommended as INR 30,58,55,459 for the purposes of determination of said purchase consideration after adjustment of debt and working capital which shall be determined as on the Closing Date. The fair valuation report is supported by a fairness opinion obtained from a Category — 1 Merchant Banker registered with the Securities and Exchange Board of India.

**Note 28 Disclosure of material impact of CoVID-19 pandemic on the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company does not see a direct impact of the CoVID-19 pandemic outbreak. The Company does not have any exposure in investments it will remain unaffected from impairment losses, and other operational losses. The Company will consider the financial impact and the areas of the financial statements that will be affected to disclose when they are identified.

As per our report of even date  
For **ASDJ & Associates**  
Chartered Accountants  
Firm Registration No.: 033477N

For and on behalf of Board of Directors  
**Gaurav Mercantiles Limited**

**Abhishek Sinha**  
Partner  
Membership No. 504550

**P D Agarwal**  
Chairman  
DIN 00063017

**Raghav Bahl**  
Whole Time Director and Chief Executive Officer  
DIN 00015280

Place: Noida  
Date : June 29, 2020

**Pratosh Mittal**  
Chief Financial Officer

**Anukrati Agarwal**  
Company Secretary



## **NOTICE OF THE ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the Thirty Fifth (35<sup>th</sup>) Annual General Meeting of the Members of Gaurav Mercantiles Limited ("**the Company**") will be held on Wednesday, September 30, 2020 at 5:00 p.m. through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") to transact the following businesses.

### **ORDINARY BUSINESS:**

**1. Adoption of Audited Financial Statements, etc. for the financial year 2019-20**

To receive, consider and adopt the Audited Financial Statements of the Company prepared as per Indian Accounting Standards, for the financial year ended March 31, 2020, including the Balance Sheet as at March 31, 2020, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.

**2. Re-appointment of Mr. Raghav Bahl (DIN: 00015280) Director, liable to retire by rotation**

To appoint Director in place of Mr. Raghav Bahl (DIN: 00015280), Director, who retires by rotation and, being eligible, offers himself for re-appointment.

**3. Re-appointment of Ms. Ritu Kapur (DIN: 00015423), Director, liable to retire by rotation**

To appoint Director in place Ms. Ritu Kapur (DIN: 00015423), Director, who retires by rotation and, being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS:**

**4. To consider and approve the appointment of Ms. Ritu Kapur as a Whole Time Director and the Chief Executive officer**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 188, 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("**the Act**") and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, read with Schedule V of the Act (including statutory modification or re-enactment thereof for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Articles of Association of the Company and on the recommendation from the Nomination and Remuneration Committee of the Company and approval by the Board of Directors, consent of the Members be and is hereby accorded to appoint Ms. Ritu Kapur as a Whole-Time Director and Chief Executive Officer for a period not exceeding 5 (five) years commencing from the date of approval of members at the 35<sup>th</sup> Annual General Meeting, on the terms and conditions including remuneration as set out in the Statement annexed to the notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "**the Board**" which term shall include the Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Ms. Ritu Kapur (DIN:00015423), subject to the same not exceeding the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment thereof.

---

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



**RESOLVED FURTHER THAT** pursuant to the provisions of Section 203 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, consent of Members of the Company be and is hereby accorded to appoint Ms. Ritu Kapur as the Chief Executive Officer w.e.f. the date of the approval of the Members at the 35<sup>th</sup> Annual General Meeting.

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby also accorded that in case of losses incurred by the Company during the above mentioned term of office, Ms. Ritu Kapur shall be paid the remuneration not exceeding the minimum remuneration in accordance with the provisions of Schedule V of the Act.

**RESOLVED FURTHER THAT** the Directors and the Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**5. To consider and approve the change in designation of Mr. Raghav Bahl as Managing Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188, 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (“**the Act**”) and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, read with Schedule V of the Act (including statutory modification or re-enactment thereof for the time being in force), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Articles of Association of the Company and on the recommendation from the Nomination and Remuneration Committee of the Company and the approval of the Board of Directors and in terms of the Ordinary Resolution passed by Members in the 34<sup>th</sup> Annual General Meeting with respect to the appointment of Mr. Raghav Bahl as Whole Time Director, consent of Members be and is hereby accorded to change the designation of Mr. Raghav Bahl to Managing Director of the Company for the period of 5 (five years), w.e.f. the date of the approval of the Members of the Company at the 35<sup>th</sup> Annual General Meeting, on the terms and conditions including remuneration as set out in the Statement annexed to the notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “**the Board**” which term shall include the Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Raghav Bahl (DIN:00015280), subject to the same not exceeding the limits specified under Schedule V of the Act or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** the consent of the Members of the Company be and is hereby also accorded that in case of losses incurred by the Company during the above mentioned term of office, Mr. Raghav Bahl shall be paid the remuneration not exceeding the minimum remuneration in accordance with the provisions of Schedule V of the Act.

**RESOLVED FURTHER THAT** the Directors and the Company Secretary be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**





**6. To consider and approve requests for re-classification from “Promoter and Promoter Group” category to “Public” category**

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

“**RESOLVED THAT** pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations 2015 (“**Listing Regulations**”) and all other applicable provisions, including any amendment(s) or modification(s) made thereto from time to time and any other laws and regulations as may be applicable from time to time and subject to the approval of the concerned Stock Exchange and other appropriate statutory authorities as may be necessary, the consent of the Members be and is hereby accorded for the reclassification of status of the identified members of the Promoter / Promoter Group from the "Promoter and Promoter Group" category to the "Public" category of the Company subject to approvals from the BSE Limited ("BSE"):

S. No	Name of the identified member of Promoter / Promoter Group to be reclassified	PAN	No. of shares / securities held	Details of direct/ indirect control or special rights	Designation in the Company as KMP or in any other capacity
1.	Gulab Devi Bohra	AAJPB9872A	Nil	None	None
2.	Nikhil Bohra	AEOPB7030D	Nil	None	None
3.	Pratap Singh Bohra	AABPB9066A	Nil	None	None
4.	Tarun Bohra	AGBPB2499P	Nil	None	None
5.	Vivek Bohra	AEMPB7658H	Nil	None	None
6.	Bohra Exports Pvt. Ltd	AAACB1520D	Nil	None	Not applicable

**RESOLVED FURTHER THAT** the Directors of the Company, the officers authorised by the Board in this regard and the Company Secretary be and are hereby severally authorised to take all necessary steps in relation to aforesaid re-classification, to do all such acts, deeds and things as they may, in their absolute discretion deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and to make and submit all requisite applications with BSE, representations, filings, undertakings and any other documents, to BSE and other regulatory authorities for their approval, as may be required, in order to give effect to this resolution.”

**7. Approval for related party transactions**

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable rules (including any statutory modification(s) or re- enactment(s) notified thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**Listing Regulations**”), Company’s policy on Related Party transaction(s), enabling provisions of the Memorandum and Articles of Association of the Company and such other applicable laws and regulations and subject to the permissions, approvals, consents and sanctions as may be necessary to be

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties’s Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



obtained from appropriate authorities, the consent of the Members be and is hereby accorded to enter into the related party transactions with following persons identified as related party within the meaning of the Section 2(76) of the Act on arm's length basis and in ordinary course of business:

#	Name of Related Party	Description of contract	Period	Maximum value
1.	RB Diversified Private Limited	Cost sharing, professional and editorial services	Till termination by mutual action	INR 1.5 Crores per annum
2.	RB Diversified Private Limited	Advertising Services	Till termination by mutual action	INR 1.5 Crores per annum

**RESOLVED FURTHER THAT** the Directors and the Company Secretary of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things, as may be necessary and to take all such steps and do all such acts, deeds and things as may be considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider as necessary or desirable to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto."

#### 8. Approval for related party transactions

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

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") and other applicable provisions (including any statutory modification(s) or re-enactment(s) notified thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**"), Company's policy on Related Party transaction(s) and such other applicable laws and regulations and subject to the permissions, approvals, consents and sanctions as may be necessary to be obtained from appropriate authorities, to the extent applicable and wherever necessary, consent of the Members be and is hereby accorded to engage Ms. Tara Bahl as a Consulting Editor of the Company in order to provide consultancy, correspondence and other media professional services, at an annual fees not exceeding USD 100,000.

**RESOLVED FURTHER THAT** the Directors and the Company Secretary of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things, as may be necessary and to take all such steps and do all such acts, deeds and things as may be considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider as necessary or desirable to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto."

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



**Registered Office:**  
3<sup>rd</sup> Floor, Tower 2B  
One Indiabulls Centre  
Senapati Bapat Marg, Lower Parel (W)  
Mumbai- 400013

Place: Kanpur  
Date: August 19, 2020

By order of the Board of Directors  
**For Gaurav Mercantiles Limited**

Anukrati Agarwal  
Company Secretary  
M No: 57098

**NOTES:**

1. In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs (“MCA”) vide its Circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as “MCA Circulars”) and the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 have permitted the holding of the Annual General Meeting (“AGM”) through Video Conference/ Other Audio Visual Means, without the physical presence of the Members at a common venue. The deemed venue for the 35<sup>th</sup> AGM shall be the Registered Office of the Company.  
  
Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with the circulars issued by MCA and SEBI, the 35<sup>th</sup> AGM of the Company shall be conducted through VC / OAVM. CDSL will be providing facility for remote e-voting, participation in the AGM through VC / OAVM and e-voting during the AGM.
2. The procedure for participating in the meeting through VC/ OAVM is explained in this notes and is also available on the website of the Company at [www.gmlmumbai.com](http://www.gmlmumbai.com).
3. Since the AGM will be conducted through VC / OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization shall be sent to the Company at [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com).
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 24, 2020 to Wednesday, September 30, 2020 (both days inclusive) for the purpose of the 35<sup>th</sup> AGM.
6. The details required under Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM forms part of the Notice.
7. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the Notice is annexed.

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**  
**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818**  
**Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



8. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102 of the Act, are open for inspection at the registered office of the Company on any working day, between 11 A.M. and 1 P.M. up to the date of AGM and also available electronically and any member seeking inspection of such documents can mail us at [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com).
9. The Company is providing facility for voting by electronic means and the business may be transacted through such voting.
10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

#### **DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDS**

11. In compliance with MCA Circular No. 20/2020 dated May 5, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for FY 2019-20 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
12. Shareholders holding shares in physical forms are requested to register / update their email addresses by sending scanned copy of the following details to the Company's Registrar and Share Transfer Agent i.e Skyline Financial Services Private Limited at [subhashdhingreja@skylinerta.com](mailto:subhashdhingreja@skylinerta.com):
  - i. A signed request letter mentioning your name, email-id, folio number, number of shares held, certificate number, distinctive number and complete address; and
  - ii. Self-attested scanned copy of PAN and an identity proof (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as mentioned above.

Members holding shares in dematerialized mode are requested to register / update their email addresses with their Depository Participants.

13. The Notice of AGM along with Annual Report for FY 2019-20, are available on the website of the Company at [www.gmlmumbai.com](http://www.gmlmumbai.com) and on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com).

#### **PROCEDURE FOR ATTENDING THE AGM THROUGH VC / OAVM**

14. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the Virtual platform of CDSL Shareholders may access the voting during the AGM by clicking the link provided in virtual platform i.e <https://www.evotingindia.com>. Shareholders/members may login by using the remote e -voting credentials. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM.

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



15. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of CDSL.
16. Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
17. Members who need assistance before or during the AGM, can contact Mr. Subhash Dhingreja, M/s Skyline Financial Services Private Limited A/505, Dattani Plaza, Andheri-Kurla Road, Safeed Pool, Andheri East, Mumbai – 400 072 India through Email at [subhashdhingreja@skylinerta.com](mailto:subhashdhingreja@skylinerta.com) or on Telephone No.: 022 28511022.

#### PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS

18. As the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com) to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before Wednesday, September 23, 2020 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
19. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com) on or before Wednesday, September 23, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
20. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, PAN, mobile number at [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com). These queries will be replied to by the company suitably by email.
21. Those shareholders who have registered themselves as an attendee will be allowed to express their views/ask questions during the meeting. The member who have not registered themselves as an attendee but have queries during the AGM can use the chat box/ send query button and ask the question.
22. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533. For, any other queries regarding Participating in AGM or other matter kindly write to [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com). In case you have any queries or issues regarding attending Annual General Meeting through VC/OAVM write an email to : [subhashdhingreja@skylinerta.com](mailto:subhashdhingreja@skylinerta.com).

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**  
**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818**  
**Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



#### PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

23. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force); Regulation 44 of the Securities and Exchange Board of India (“Listing Regulations”), 2015 and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide Members with a facility to exercise their right to vote by electronic means for the business to be transacted at the AGM.
24. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., Friday, September 18, 2020 shall only be entitled to attend and vote at the AGM. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
25. The remote e-voting period commences on Saturday, September 26, 2020 (9:00 A.M. IST) and ends on Tuesday, September 29, 2020 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, September 18, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.
26. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

#### Instructions and other information relating to remote e-voting are as under:

- i. The e-voting facility can be availed by typing the link [www.evotingindia.com](http://www.evotingindia.com) in the internet browser.
- ii. Click on the “shareholders” tab.
- iii. Now select the Company name from the drop down menu and click on “SUBMIT”
- iv. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties’s Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



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

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li><li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Rajesh Kumar with folio number 100 then enter RAO0000100 in the "PAN" field</li></ul>
<b>Dividend Bank Details or Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).</li></ul>

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

ix. Members holding shares in physical form will then reach directly the Company selection screen.

However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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

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

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

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

---

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



- xv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Members can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as promoted by the mobile app while voting on your mobile.
- xviii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates and Custodians respectively.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

#### **Procedure for E- Voting on the day of the AGM**

- i. The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.
- ii. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- iii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iv. If any votes are casted by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- v. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties’s Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**





#### GENERAL INFORMATION FOR SHAREHOLDERS

27. Any person, who acquires shares of the Company and become members of the Company after sending the Notice and holding shares as on the cut-off-date i.e. September 18, 2020 may follow the same instructions as mentioned above for e-voting.

28. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) OR

Mr. Subhash Dhingreja, M/s Skyline Financial Services Private Limited A/505, Dattani Plaza, Andheri-Kurla Road, Safed Pool, Andheri East, Mumbai – 400 072 India through Email at [subhashdhingreja@skylinerta.com](mailto:subhashdhingreja@skylinerta.com) or on Telephone No.: 022 28511022

Members may also write to the Company Secretary of the Company at the address: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com) or contact at Telephone No. 020 45404000

29. The Company has appointed Mr. Devesh Vashisht, (CP No. 13700), Practicing Company Secretary and Partner of M/s Sanjay Grover & Associates failing Ms. Priyanka (CP No. 16187) Practicing Company Secretary and Partner of M/s Sanjay Grover & Associates as Scrutinizer to scrutinize the voting process in a fair and transparent manner.

30. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes casted at the Meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of AGM, a consolidated scrutinizer's report of the total votes casted in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the results of the voting forthwith.

31. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.gmlmumbai.com](http://www.gmlmumbai.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) and shall simultaneously be forwarded to the concerned stock exchanges.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

##### **Item No: 4**

Based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company in its meeting held on August 19, 2020 had approved the appointment of Ms. Ritu Kapur as the Whole Time Director and the Chief Executive Officer of the Company, subject to and with effect from the approval of Members of the Company at the ensuing Annual General Meeting. It is informed that Ms. Ritu Kapur is retiring by rotation at the ensuing Annual General Meeting, so it is proposed to appoint her as the Whole Time Director and the Chief Executive officer of the Company.

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



It is further informed that as per Section 203(3) of the Companies Act, 2013 (“the Act”), the Whole-Time Key Managerial Personnel shall not hold office in more than one Company except in its subsidiary company at the same time. As Ms. Ritu Kapur is a Whole Time Director in Quintillion Media Private Limited, accordingly, to comply with the said provisions, Ms. Ritu Kapur will resign as the Whole Time Director from Quintillion Media Private Limited once her appointment as Whole Time Director is approved at the 35<sup>th</sup> Annual General Meeting of the Company. However, Ms. Ritu Kapur may continue as a non-executive director.

It is further informed that Ms. Ritu Kapur is a ‘related party’ in accordance with the applicable provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). Accordingly, Ms. Ritu Kapur and Mr. Raghav Bahl (*as spouse of Ms. Ritu Kapur*) shall not participate and vote on the mentioned resolutions.

A brief profile of Ms. Ritu Kapur and other requisite details, pursuant to the provisions of the Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India are annexed to this Notice.

It is further informed that Ms. Ritu Kapur satisfies all the conditions set out in Part-I of Schedule V of the Act and also the conditions set out under sub-section (3) of Section 196 of the Act for being eligible for the appointment.

The specific information relating to proposed related party transactions required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

Details required about related party	Information
Name	Ms. Ritu Kapur
Name of the Director or KMP who is related	Mr. Raghav Bahl
Nature of relationship to qualify as related party	Ms. Ritu Kapur is the spouse of Mr. Raghav Bahl, Promoter and Whole Time Director of the Company.
Nature, material terms, monetary value and particulars of the contract or arrangements	Annual gross salary of upto Rs 12,00,000 ( <i>including various allowances and excluding the perquisites and expense reimbursements as specified in the resolution</i> ).  Ms. Ritu Kapur is appointed as Chief Executive officer and a Whole Time Director for a period of 5 (five) years, subject to the approval of Members of the Company.
Any other information relevant or important for the shareholders to take a decision on the proposed resolution	NA

Broad particulars of the terms of appointment of and remuneration payable to Ms. Ritu Kapur are as under:

**I. General information:**

- Nature of industry-** Media and Entertainment
- Date or expected date of commencement of commercial production-** W.e.f July 1, 2020, the Company acquired ‘the Quint’ business.

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties’s Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus- NA

4. Financial performance based on given indicators:

(Amount in Rs.)

As per Audited Financials	
Particulars	Financial Year 2019-20
Paid up Capital	2,00,00,000
Reserves (Other Equity) excluding Revaluation Reserves	27,31,12,582
Total Income	1,23,40,018
Total Expenses	1,64,85,529
Profit/(Loss ) before Tax	(41,45,511)
Tax Expenses	(10,77,833)
Profit/(Loss ) after Tax	(30,67,678)

5. Foreign investments or collaborations, if any.- Nil

## II. Information about the appointee:

### 1. Background details

Ms. Ritu Kapur was the co-founder and CEO of The Quint. She has driven the digital innovation at 'The Quint' from starting the innovation lab, to launching a health vertical – FIT, to driving the fight against misinformation with a fact check initiative - WebQoof.

Ms. Ritu Kapur has also strived to provide multiple platforms for free speech. One such platform is Talking Stalking, where 'The Quint' collaborated with senior advocate Kamini Jaiswal and Member of Parliament Dr Shashi Tharoor to submit a bill in Parliament to make stalking a non-bailable offence. Others include The Quint's multilingual campaign "BOL", and its citizen journalism initiative "My Report". Ritu feels very strongly about significant gender representation in mainstream journalism – and has been leading the "Me The Change" campaign on The Quint which focusses on the rights and aspirations of young women in India.

### 2. Past remuneration

During the financial year ended March 31, 2020, no remuneration was paid to Ms. Ritu Kapur other than the director sitting fees of Rs. 50,000.

### 3. Recognition or awards

She is on the advisory board of Oxford University's Reuters Institute of Journalism, the World Editor's Forum at WAN IFRA and Future News Worldwide. Ritu Kapur has been recognized by Outlook Business as "Woman of Worth 2017 - The Newsmaker".

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



#### 4. Job profile and her suitability

Ms. Ritu Kapur is being appointed as a Whole Time Director of the Company w.e.f the date of approval of Members at the 35<sup>th</sup> Annual General Meeting on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Ms. Ritu Kapur was the co-founder and CEO of 'The Quint' business which has been acquired by the Company w.e.f July 1, 2020. She has driven the digital innovation at 'the Quint' from starting the innovation lab, to launching a health vertical – FIT, to driving the fight against misinformation with a fact check initiative - WebQoof.

#### 5. Remuneration proposed

##### a. Remuneration:

Ms. Ritu Kapur shall be paid Annual gross salary of upto Rs. 12,00,000 (*including various allowances and excluding the perquisites and expense reimbursements as specified below*) to be paid periodically in according with the company's norms payroll practice and subject to the withholdings.

The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.

Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Ms. Ritu Kapur, as maybe determined by the Board and / or the Nomination and Remuneration Committee of the Board, shall be in addition to the remuneration under (a) above.

The overall remuneration payable every year to the Whole time Director by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive etc. as may be, shall be within the limits specified under Section 197 of the Act or any statutory modifications(s) or re-enactment(s) thereof.

##### b. Variable Pay:

Annual Variable pay, if any, each fiscal year, less applicable withholdings, subject to Company's achievements of certain fiscal milestones as determined by the Board of Directors in its sole discretion.

##### c. Perquisites:

In addition to the salary specified above, Ms. Ritu Kapur would be entitled to the following perquisites in accordance with company's policy as in effect from time to time:

- Medical Insurance
- Accidental Insurance
- Term Life insurance
- Other employee benefits plan

---

### **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



**d. Expenses:**

The Company will also reimburse Ms. Ritu Kapur for reasonable travel, entertainment or other expenses incurred by him in the furtherance of or in connection with the performance of duties hereunder, in accordance with Company's policy as in effect from time to time.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

The current remuneration being paid to the Ms. Ritu Kapur (looking at the profile of the position and person) does not exceed the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

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

Besides the remuneration proposed and shareholding of Ms. Ritu Kapur does not have any pecuniary relationship with the Company. Ms. Ritu Kapur is the spouse of Mr. Raghav Bahl, who is proposed to be designated as Managing Director of the Company. Ms. Ritu Kapur is also a Promoter of the Company.

**III. Other information:**

**1. Reasons of loss or inadequate profits**

During the Financial Year 2018-19, the Company had earned a total interest income of Rs 48,30,508 and Net Profit of Rs.11,23,823 as against the total income of Rs 1,53,22,553 and Net Profit of Rs 23,53,237 for the Financial Year 2017-18.

Towards the end of March 2020, many of the States/Union Territories across the country in view of the heightened concern over the spread of Corona Virus Disease ('COVID-19') issued directives inter-alia, to facilitate work from home for majority of its employees. In line with the lockdowns announced by the Central Government, all offices of the Company were closed from 23 March 2020 providing employees facility to "Work from Home" to ensure continuity of operations of the Company.

On account of decrease in market value of listed securities (held as investments) since the onset of the pandemic, these has been some adverse impact on the market value of the Company's investments.

**2. Steps taken or proposed to be taken for improvement**

To address challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, alongside working on improvements in process and controls.

The Company had acquired the digital content business operated under the name and brand name of 'The Quint' ([www.thequint.com](http://www.thequint.com)) of Quintillion Media Private Limited w.e.f. July 1, 2020.

It is expected that after the acquisition of business, the financial position of the Company will improve in the coming years.

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



### 3. Expected increase in productivity and profits in measurable terms

The above measures undertaken is expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

Save and except Mr. Raghav Bahl, Spouse of Ms. Ritu Kapur, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends the resolution for approval of the shareholders of the Company as an **Ordinary Resolution**.

#### Item No: 5

Mr. Raghav Bahl was appointed as Whole-Time Director of the Company by way of shareholders' resolution dated September 27, 2019 and based on the recommendation of Nomination & Remuneration Committee and Audit Committee of the Company, Board of Directors in its meeting held on August 19, 2020 had re-designated him as Managing Director of the Company, subject to and with effect from the approval of the Members of the Company and other regulatory approvals, if required.

A brief profile of Mr. Raghav Bahl and other requisite details, pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are annexed to this notice.

It is further informed that Mr. Raghav Bahl satisfies all the conditions set out in Part-I of Schedule V of the Companies Act, 2013 ("the Act") and also the conditions set out under sub-section (3) of Section 196 of the Act, for being eligible for the appointment.

It is further informed that Mr. Raghav Bahl is a 'related party' in accordance with the applicable provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Accordingly, Mr. Raghav Bahl and Ms. Ritu Kapur (*as spouse of Mr. Raghav Bahl*) shall not participate and vote on the mentioned resolutions.

The specific information relating to proposed related party transactions required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

Details required about related party	Information
Name	Mr. Raghav Bahl
Name of the Director or KMP who is related	Ms. Ritu Kapur
Nature of relationship to qualify as related party	Mr. Raghav Bahl is the spouse of Ms. Ritu Kapur, Promoter and Director of the Company.
Nature, material terms, monetary value and particulars of the contract or arrangements	Mr. Raghav Bahl is re-designated as Managing Director for a period of 5 (five) years, subject to the approval of Members of the Company.

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



Details required about related party	Information
	Annual gross salary of upto Rs 12,00,000 (including various allowances and excluding the perquisites and expense reimbursements as specified in the resolution)
Any other information relevant or important for the shareholders to take a decision on the proposed resolution	NA

Broad particulars of the terms of appointment of and remuneration payable to Mr. Raghav Bahl are as under:

**I. General information:**

- Nature of industry-** Media and Entertainment
- Date or expected date of commencement of commercial production-** W.e.f July 1, 2020, the Company acquired 'the Quint' business.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus-** NA
- Financial performance based on given indicators:**

(Amount in Rs.)

As per Audited Financials	
Particulars	Financial Year 2019-20
Paid up Capital	2,00,00,000
Reserves (Other Equity) excluding Revaluation	27,31,12,582
Reserves	
Total Income	1,23,40,018
Total Expenses	1,64,85,529
Profit/(Loss ) before Tax	(41,45,511)
Tax Expenses	(10,77,833)
Profit/(Loss ) after Tax	(30,67,678)

- Foreign investments or collaborations, if any.- Nil**

**II. Information about the appointee:**

**1. Background details**

Mr. Raghav Bahl is a journalist, entrepreneur, media baron and one of the most respected business leaders of India. He built a highly diversified media conglomerate viz, Network18 Group, which has news operations at its core, and layered with a rich assortment of entertainment and film properties. He did

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**  
**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818**  
**Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



his MBA from the University of Delhi and work as a management consultant for AF Ferguson and American Express Bank.

**2. Past remuneration**

During the financial year ended March 31, 2020, Rs. 12,90,000 was paid as remuneration to Mr. Raghav Bahl inclusive of sitting fees of Rs. 1,50,000.

**3. Recognition or awards**

Mr. Raghav Bahl has been felicitated at various national and international forums. In 1994, the World Economic Forum called him a 'Global Leader of Tomorrow' and he won India's 'Sanskriti Award' for Journalism. In 2011, he won the All India Management Association's 'Media Person of the Year' award, as well as the Bombay Management Association's prize for 'Entrepreneur of the Year'. He was also bestowed an honorary degree from Amity University in Uttar Pradesh.

**4. Job profile and his suitability**

Mr. Raghav Bahl is being re-designated as the Managing Director of the Company w.e.f. the date of approval of members at the 35<sup>th</sup> Annual General Meeting on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee, Audit Committee and approved by the Board of Directors.

In 1993, Mr. Raghav Bahl launched his own television production company, shortly after the Indian government privatised the industry as part of its push for economic growth. Today, Network18 is one of India's biggest media conglomerates in India. He also spends more time in the public sphere—advocating right-of-center public policies, and writing books and op-eds.

**5. Remuneration proposed**

**a. Remuneration:**

Mr. Raghav Bahl shall be paid annual gross salary of upto Rs 12,00,000 (*including various allowances and excluding the perquisites and expense reimbursements as specified below*) to be paid periodically in according with the company's norms payroll practice and subject to the withholdings.

The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration under (a) above.

Increment in salary, perquisites and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Raghav Bahl, as maybe determined by the Board of Directors and / or the Nomination and Remuneration Committee, shall be in addition to the remuneration under (a) above.

The overall remuneration payable every year to the Whole Time Director by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive etc. as may be, shall be within the limits specified under Section 197 of the Act or any statutory modifications(s) or re-enactment(s) thereof.

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**





**b. Variable Pay:**

Annual Variable pay, if any, each fiscal year, less applicable withholdings, subject to Company's achievements of certain fiscal milestones as determined by the Board of Directors in its sole discretion.

**c. Perquisites:**

In addition to the salary specified above, Mr. Raghav Bahl would be entitled to the following perquisites in accordance with company's policy as in effect from time to time:

- Medical Insurance
- Accidental Insurance
- Term Life insurance
- Other employee benefits plan

**d. Expenses:**

The Company will also reimburse Mr. Raghav Bahl for reasonable travel, entertainment or other expenses incurred by him in the furtherance of or in connection with the performance of duties hereunder, in accordance with Company's policy as in effect from time to time.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

The current remuneration being paid to the Mr. Raghav Bahl (looking at the profile of the position and person) does not exceed the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

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

Besides the remuneration proposed and shareholding of Mr. Raghav Bahl does not have any pecuniary relationship with the Company. Further, he is not related to any managerial personnel of the Company. Mr. Raghav Bahl is the spouse of Ms. Ritu Kapur, who is currently the Director of the Company and is proposed to be appointed as Whole Time Director and Chief Executive Officer.

**III. Other information:**

**1. Reasons of loss or inadequate profits**

During the Financial Year 2018-19, the Company had earned a total interest income of Rs 48,30,508 and Net Profit of Rs.11,23,823 as against the total income of Rs 1,53,22,553 and Net Profit of Rs 23,53,237 for the Financial Year 2017-18.

Towards the end of March 2020, many of the States/Union Territories across the country in view of the heightened concern over the spread of Corona Virus Disease ('COVID-19') issued directives inter-alia, to facilitate work from home for majority of its employees. In line with the lockdowns announced by the Central Government, all offices of the Company were closed from 23 March 2020 providing employees facility to "Work from Home" to ensure continuity of operations of the Company.

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



On account of decrease in market value of listed securities (held as investments) since the onset of the pandemic, these has been some adverse impact on the market value of the Company's investments.

## 2. Steps taken or proposed to be taken for improvement

To address challenges, the Company has initiated several measures towards achieving organizational and operating efficiencies, alongside working on improvements in process and controls.

The Company had acquired the digital content business operated under the name and brand name of 'The Quint' ([www.thequint.com](http://www.thequint.com)) of Quintillion Media Private Limited w.e.f July 1, 2020.

It is expected that after the acquisition of business, the financial position of the Company will improve in the coming years.

## 3. Expected increase in productivity and profits in measurable terms

The above measures undertaken is expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

Save and except Ms. Ritu Kapur (Spouse of Mr. Raghav Bahl), none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends the resolution for approval of the shareholders of the Company as an **Ordinary Resolution**.

## Item No. 6

Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**") provides a mechanism regarding reclassification from "Promoter and Promoter Group" category to "Public" category.

In terms of the said Regulation, the Company on April 10, 2020, received requests for reclassification from the following Promoter/Promoter Group of the Company:

S. No	Name of the identified member of Promoter / Promoter Group to be reclassified	PAN	No. of shares / securities held	Details of direct/ indirect control or special rights	Designation in the Company as KMP or in any other capacity
1.	Gulab Devi Bohra	AAJPB9872A	Nil	None	None
2.	Nikhil Bohra	AEOPB7030D	Nil	None	None
3.	Pratap Singh Bohra	AABPB9066A	Nil	None	None
4.	Tarun Bohra	AGBPB2499P	Nil	None	None
5.	Vivek Bohra	AEMPB7658H	Nil	None	None
6.	Bohra Exports Pvt. Ltd	AAACB1520D	Nil	None	Not applicable

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



On the basis of the requests received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the Listing Regulations, the aforesaid shareholders seeking reclassification have confirmed that:

- i) They, together do not hold more than ten per cent of the total Voting rights in the Company;
- ii) They do not exercise control over the affairs of the Company directly or indirectly;
- iii) They do not have any special rights with respect to the listed entity through formal or informal arrangements including through any shareholder agreements;
- iv) They do not represent on the board of directors (including not having a nominee director) of the Company;
- v) They do not act as a key managerial person in the Company;
- vi) They are not 'wilful defaulters' as per the Reserve Bank of India Guidelines;
- vii) They are not fugitive economic offenders

Further, the aforesaid Promoters/Promoter Group have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A (4) of the Listing Regulations.

The said requests for reclassification were considered and analyzed and approved by the Board of Directors at its meeting held on May 6, 2020. Such a reclassification requires approval from members by way of Ordinary Resolution and subsequent approval from the BSE Limited.

None of the Directors or Key Managerial Personnel of the Company, or their respective relatives are in any way concerned or interested in the said resolution.

The Board of Directors recommends the resolution for approval of the shareholders of the Company as an **Ordinary Resolution**.

#### **Item No: 7**

As required under Section 188 of the Companies Act, 2013 ("**the Act**") read along with the Companies (Meeting of the Board and its Powers) Rules, 2014, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and the Company's policy on Related Party Transactions, the proposed related party transactions shall require the approval of the members by way of an Ordinary Resolution.

It is further informed that certain persons have been identified as 'related party' in terms of the provisions of Section 2(76) of the Act read with Regulation 2(1) (zb) of the Listing Regulations.

Thus, after obtaining prior approval of Audit Committee on August 19, 2020, the Board of Directors of the Company approved the proposal of such related party transactions in their meeting held on August 19, 2020, subject to the approval of the Members at the ensuing AGM.

The specific information relating to proposed related party transactions required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

---

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



1. **RB Diversified Private Limited**

Details required about related party	Information
Name	RB Diversified Private Limited
Name of the Director or KMP who is related	1. Raghav Bahl, Director and CEO 2. Ritu Kapur, Director 3. Mohan Lal Jain, Director
Nature of relationship to qualify as related party	Private Company in which Mr. Raghav Bahl, Ms. Ritu Kapur and Mr. Mohan Lal Jain are Directors
Nature, material terms, monetary value and particulars of the contract or arrangements	Cost sharing and professional and editorial services.  Monetary Value of the proposed arrangement: up to <b>INR 1.5 Crores</b> per annum
Any other information relevant or important for the shareholders to take a decision on the proposed resolution	No other information remains undisclosed

2. **RB Diversified Private Limited**

Details required about related party	Information
Name	RB Diversified Private Limited
Name of the Director or KMP who is related	1. Raghav Bahl, Director and CEO 2. Ritu Kapur, Director 3. Mohan Lal Jain, Director
Nature of relationship to qualify as related party	Private Company in which Mr. Raghav Bahl, Ms. Ritu Kapur and Mr. Mohan Lal Jain are Directors
Nature, material terms, monetary value and particulars of the contract or arrangements	Advertising Services  Monetary Value of the proposed arrangement: up to <b>INR 1.5 Crores</b> per annum
Any other information relevant or important for the shareholders to take a decision on the proposed resolution	No other information remains undisclosed

These above being related party transactions, all the related parties of the Company shall not vote on this resolution irrespective of the fact that such related party is a party or has interest in said transaction.

Except Mr. Raghav Bahl, Ms. Ritu Kapur and Mr. Mohan Lal, none of the Directors or the Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the said resolution.

The Board of Directors recommends the resolution for approval of the shareholders of the Company as an **Ordinary Resolution**.

---

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**



**Item No: 8**

Post obtaining prior approval of the Audit Committee on August 19, 2020, the Board of Directors of the Company approved the appointment of Ms. Tara Bahl as a Consulting Editor of the Company at an annual fee not exceeding USD 100,000 in their meeting held on August 19, 2020, subject to the approval of the members.

It is further informed that Ms. Tara Bahl have been identified as ‘related party’ in terms of the provisions of Section 2(76) of the Companies Act, 2013 (“**the Act**”) read with Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”). Accordingly, as required under Section 188 of the Act read along with the Companies (Meeting of the Board and its Powers) Rules, 2014, Regulation 23 of the Listing Regulations and the Company’s policy on Related Party Transactions, the proposed transaction shall require the approval of the shareholders by way of an Ordinary Resolution.

Ms. Tara Bahl is a highly qualified and driven global media professional, with international experience in Broadcast, Programmatic, VOD and Social Media Planning. Ms. Tara Bahl holds a Bachelor of Arts in Political Economy from King’s College, London, UK and Master of Arts in Global Communications from University of Southern California, Los Angeles, CA. She will be inter alia focusing on freelance pieces for “The Indian American” section on ‘The Quint’ and other properties owned by the Company.

Except Mr. Raghav Bahl and Ms. Ritu Kapur, none of the Directors or the Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the said resolution.

The Board of Directors recommends the resolution for approval of the shareholders of the Company as an **Ordinary Resolution**.

The specific information relating to proposed related party transaction required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

Details required about related party	Information
Name	Ms. Tara Bahl
Name of the Director or KMP who is related	Mr. Raghav Bahl and Ms. Ritu Kapur
Nature of relationship to qualify as related party	Ms. Tara Bahl is the daughter of Mr. Raghav Bahl and Ms. Ritu Kapur, Directors of the Company
Nature, material terms, monetary value and particulars of the contract or arrangements	Consulting Editor Services at an Annual fees not exceeding USD 100,000; fees will be paid on a per article basis or on an assignment basis.
Any other information relevant or important for the shareholders to take a decision on the proposed resolution	No other information remains undisclosed

**GAURAV MERCANTILES LIMITED**

Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000

Corporate Office: Carnousties’s Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592



### FOR ATTENTION OF THE MEMBERS

1. For prompt attention, requests for transfer of equity shares and related correspondence should be addressed to the Company's Registrar & Share Transfer Agent: M/s Skyline Financial Services Private Limited A/505, Dattani Plaza, Andheri-Kurla Road, Safeed Pool, Andheri East, Mumbai – 400 072. For other matters, kindly write to the Secretarial Department of the Company at Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida- 201301.

Transferee(s) seeking transfer of shares in physical form should furnish PAN card to the Company/RTA for registration of transfer/transmission of shares.

2. Members are requested to refer any change of address among others:
  - To the Company's Registrar in respect of their physical share folios.
  - To their Depository Participants (DPs) in respect of their electronic demat accounts as the Company is obliged to print the bank details on the dividend warrant as furnished by NSDL/CDSL.
3. Members are requested to:
  - Send their queries, if any at least 7 days in advance of meeting so that the information can be made available
  - Note that no gifts/coupons will be distributed at the Annual General Meeting
4. Members holding shares in multiple folios are requested to apply for consolidation to the Company or to the Registrar along with relevant share certificates.
5. Dividend Warrants, Share Transfer, etc.:

As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Accordingly, the Members are requested to register/update their correct bank account details with the Company/RTA/ Depository Participant, as the case may be.

6. Unclaimed dividends - Transfer to Investor Education and Protection Fund:

Members willing to claim unclaimed dividend are requested to correspond with the Registrar and Share Transfer Agents of the Company, or to the Company Secretary, at the Company's registered office. Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF).

7. The Securities and Exchange Board of India (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 the Company.
8. Nomination: Pursuant to Section 72 of the Companies Act, 2013, individual Shareholders holding Equity Shares of the Company either singly or jointly may nominate an individual to whom all the rights in the Shares in the Company shall vest in the event of death of the sole/all joint Shareholders. Members desiring to avail this facility may send their nomination in the prescribed Form duly filled into RTA. Members interested in obtaining a copy

---

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



of the Nomination Form may write to the Company Secretary at the Company's registered office or email at [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com).

9. Dematerialisation of Shares and Liquidity: As per Regulation 40 of the Securities and Exchange Board of India Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of the above and to avail various benefits of Dematerialisation, members are advised to dematerialize shares held by them in physical form. Dematerialisation facility is available both on NSDL and CDSL. Company's ISIN No. is INE641R01017. Members can contact the Company or Company's Registrars and Transfer Agents, M/s Skyline Financial Services Private Limited A/505, Dattani Plaza, Andheri-Kurla Road, Safeed Pool, Andheri East, Mumbai – 400 072.
10. Members are requested to quote their Folio No./DP ID- Client ID and details of shares held in physical/demat mode, e-mail ids and Telephone No. for prompt reply to their communications.
11. Route map giving directions to the venue is not annexed to this Notice as meeting will be held through VC/OAVM due to COVID 19 Crisis.
12. "Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of Dematerialisation, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries."

---

## **GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: [www.gmlmumbai.com](http://www.gmlmumbai.com), email: [cs@gmlmumbai.com](mailto:cs@gmlmumbai.com), CIN: L74110MH1985PLC176592**



**ANNEXURE TO THE NOTICE DATED AUGUST 19, 2020**  
**DETAILS OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/ RE-APPOINTMENT**  
**AT THE ENSUING ANNUAL GENERAL MEETING**

Details	Mr. Raghav Bahl	Ms. Ritu Kapur
DIN	00015280	00015423
Nationality	Indian	Indian
Date of Birth	02/01/1961	20/10/1967
Age	59 Years	53 Years
Qualification	Master's degree in business administration	Master's in Film and TV Production at Mass Communication Research Centre (MCRC) from Jamia University New Delhi
Experience	Around 34 Years	Around 27 Years
Expertise in specific functional area	Television and journalism	Television and journalism
Terms and Conditions of Appointment	Refer to item no. 5 of the Notice and the corresponding Explanatory Statement	Refer to item no. 4 of the Notice and the corresponding Explanatory Statement
Remuneration last drawn (including sitting fees, if any)	Rs. 12,90,000	Rs. 50,000
Remuneration sought to be paid	Annual gross salary of upto Rs 12,00,000 <i>(including various allowances and excluding the perquisites and expense reimbursements as specified in the resolution)</i>	Annual gross salary of upto Rs 12,00,000 <i>(including various allowances and excluding the perquisites and expense reimbursements as specified in the resolution)</i>
Date of first appointment on the Board	08/01/2019	08/01/2019
Shareholding in the Company as on March 31, 2020*	11,20,900	2,07,400
Relationship with other Directors/Key Managerial Personnel	Spouse of Ms. Ritu Kapur and not related to any other Director / Key Managerial Personnel  Mr. Mohan Lal Jain, part of the Promoter Group and a Director, is also a director in certain companies owned by Mr. Raghav Bahl and Ms. Ritu Kapur	Spouse of Mr. Raghav Bahl and not related to any other Director / Key Managerial Personnel  Mr. Mohan Lal Jain, part of the Promoter Group and a Director, is also a director in certain companies owned by Mr. Raghav Bahl and Ms. Ritu Kapur

**GAURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**  
**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818**  
**Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**





Details	Mr. Raghav Bahl	Ms. Ritu Kapur
<b>Number of meetings of the Board attended during the year</b>	5	2
<b>Directorships of other Boards as on March 31, 2020</b>	<ol style="list-style-type: none"> <li>1. Digital Content Private Limited</li> <li>2. VT Media Private Limited</li> <li>3. B K Media Private Limited</li> <li>4. RRK Holdings Private Limited</li> <li>5. RRK Media Private Limited</li> <li>6. R B Software Private Limited</li> <li>7. Quintype Technologies India Private Limited</li> <li>8. Network 18 Publications Ltd.</li> <li>9. VT Softech Private Limited</li> <li>10. RVT Softech Private Limited</li> <li>11. RB Diversified Private Limited</li> <li>12. RMS Diversified Private Limited</li> <li>13. Keyman Trading Services Private Limited</li> <li>14. Quintillion Media Private Limited</li> <li>15. Quintillion Business Media Private Limited</li> <li>16. BK Media Mauritius Private Limited, Mauritius</li> <li>17. Quintype, Inc.</li> <li>18. R.B. Solar Power Private Limited</li> <li>19. Da Vinci Media Private Limited**</li> </ol>	<ol style="list-style-type: none"> <li>1. Digital Content Private Limited</li> <li>2. VT Media Private Limited</li> <li>3. B K Media Private Limited</li> <li>4. RRK Holdings Private Limited</li> <li>5. WEB 18 Securities Private Limited</li> <li>6. RRK Media Private Limited</li> <li>7. R B Software Private Limited</li> <li>8. Quintype Technologies India Private Limited</li> <li>9. Network 18 Publications Limited</li> <li>10. VT Softech Private Limited</li> <li>11. RVT Softech Private Limited</li> <li>12. RB Diversified Private Limited</li> <li>13. YKA Media Private Limited</li> <li>14. Spunklane Media Private Limited</li> <li>15. Keyman Trading Services Private Limited</li> <li>16. Quintillion Media Private Limited</li> <li>17. Quintillion Business Media Private Limited</li> <li>18. Quintype Inc.</li> <li>19. R.B. Solar Power Private Limited</li> <li>20. Da Vinci Media Private Limited**</li> </ol>
<b>Membership / Chairmanship of Committees of other Boards as on March 31, 2020</b>	Nil	Nil

\* The Board of Directors in their meeting held on May 25, 2019 had allotted 14,00,000 Compulsorily Convertible Preference Shares and 90,76,850 Warrants to Mr. Raghav Bahl and Ms. Ritu Kapur.

\*\*Under Process of Striking off

**Registered Office:**  
3<sup>rd</sup> Floor, Tower 2B,  
One Indiabulls Centre,  
Senapati Bapat Marg, Lower Parel (W),  
Mumbai- 400013

By order of the Board of Directors  
**For Gaurav Mercantiles Limited**

Anukrati Agarwal  
Company Secretary

Place: Kanpur  
Date: August 19, 2020

## **GURAV MERCANTILES LIMITED**

**Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai, Maharashtra 400 013 Tel: 020 45404000**

**Corporate Office: Carnousties's Building, Plot No. 1, 9th Floor, Sector 16A, Film City, Noida-201301 Tel: 0120 4751818  
Website: www.gmlmumbai.com, email: cs@gmlmumbai.com, CIN: L74110MH1985PLC176592**