SARVAMANGAL MERCANTILE COMPANY LIMITED.

Regd.Office : No. 2, Mohatta Bhavan Property, Off. Dr. E. Moses Road, Worli, Mumbai - 400 018. Tel.: 24964656-60 Fax : 2496 3055
Correspondence Address : 1076, Dr. E. Moses Road, Worli, Mumbai - 400 018.

Form – A

Annual Audit Report

1	Name of the Company	Sarvamangal Mercantile Co. Limited
2	Annual Financial Statement for the year ended	March 31, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of Observation	Not Applicable
5	To be Signed By –	
	Managing Director - Mrs. Nupur Somani	
	Chief Financial Officer – Shri Shashikant Sharma	
	Chairperson of the Audit Committee – Shri B K Toshniwal	
	Auditor – For S G Kabra & Co. Chartered Accountant (Malvika Mitra) Partner	

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SARVAMANGAL MERCANTILE CO. LIMITED

32nd ANNUAL REPORT

2014-2015

SARVAMANGAL MERCANTILE CO. LIMITED

Reg. office: No. 2 Mohatta Bhavan Properties, off Dr E Moses Road, Worli, Mumbai – 400018

CIN-L51100MH1983PLC029600

Email-info@sarvamangalmercantile.com; website: www.sarvamangalmercantile.com

Tel. No. 022-24964656`60; Fax No.: 022-24963055

NOTICE

NOTICE is hereby given that the **THIRTY TWO** Annual General Meeting of the Company will be held on Tuesday 29th September, 2015 at 2.00 P.M at No. 2 Mohatta Bhavan Properties, Dr E Moses Road, Worli, Mumbai – 400018 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2015 together with the Reports of the Directors and the Auditors thereon.

2. To appoint a Director in place of Shri Adarsh Somani who retires by rotation and being eligible, offers himself for re-appointment.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s. S G Kabra & Co. Chartered Accountants (FRN No. 104507W), be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read

with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to the appointment of Mrs. Nupur Somani as Managing Director of the Company for a period of three years commencing from 1st April 2015 to 31st March 2018 on such remuneration, terms and conditions, as recommended by the Nomination and Remuneration Committee detailed herein below:"

a) **Basic Salary** : Rs. 1,00,000/- per month

Mrs. Nupur Somani shall be entitled to one month's privilege leave on full pay for every eleven months' service.

Mrs. Somani shall be entitled to reimbursement of all or any expenditure actually and properly incurred for Company's business. She shall not be entitled to any sitting fee for attending Meetings of the Board of Directors'.

Subject to the superintendence and control of the Board of Directors of the Company, Mrs Somani shall be responsible for the day to day management of the Company and shall carry out such duties as may be entrusted to her by the Board of Directors.

The appointment may be terminated by either party giving to the other party, three months' notice in writing.

Compensation for loss of office in case of any termination before 31st March 2018 would be payable to Mrs. Somani as per the provisions of the Companies Act, 2013.

"**RESOLVED FURTHER** that if in any financial year during her tenure as Managing Director, the Company has no profit or its profits are inadequate, salary as above will be payable to Mrs. Somani as minimum remuneration."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to revise the remuneration payable to her as Managing Director, from time to time subject to the ceiling laid down in Section 196, 197, 203 and Schedule V of the Companies Act, 2013 without further approval of the Members of the Company, but with such other approvals, sanctions, or permission if any, required for such revision in the remuneration."

"**RESOLVED FURTHER THAT** Shri B K Toshniwal and/or Shri Sanjay Jain Director of the Company be and are hereby severally authorized to sign all the documents as may be deemed necessary in respect of the appointment of Mrs. Somani as Managing Director and remuneration payable to her."

By Order of the Board
For Sarvamangal Mercantile Co. Limited
Sd/-
Nupur Somani
Managing Director

Place: Mumbai
Date: 29th May, 2015

Registered Office:
No. 2 Mohatta Bhavan Properties
Off. Dr E Moses Road,
Worli, Mumbai - 400018

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**. A person can act as proxy on behalf of Members not exceeding 50(fifty) and holding in the aggregate not more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights. A Member holding more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot acts as a proxy for any other person or Shareholder.

   The Instrument of proxy in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Company(ies), Societies, etc must be supported by an appropriate resolution or authority as applicable.

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September, 2015, to 29th September, 2015 (both days inclusive).

4. Members are requested to intimate change in their address, if any, to the Company / R & T Agent.

5. The brief profile of the Directors proposed to be appointed / re-appointed is given in the Directors Report.

6. In support of the "Green Initiative" announced by the Government of India electronic copy of the Annual Report and this Notice inter-alia indicating the process and manner of e-voting along with attendance slip and Proxy form are being sent by E-mail to those shareholders whose E-mail addresses have been made available to the Company / Depository Participants unless member have requested for a hard copy of the same. For members who have not registered their e-mail addresses physical copies of Annual Report and this Notice inter-alia indicating the process and manner of e-voting along with attendance slip and Proxy form will be sent to them in the permitted mode.

VOTING THROUGH ELECTRONIC MEANS

i. In terms of the Provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement the Company is pleased to offer E-voting facility to the Members to cast their votes electronically on the resolutions mentioned in the Notice of 32nd Annual General Meeting of the Company.

ii. The Members who cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

iii. The E- Voting period commences on 26th September, 2015 (9.00 a.m.) and ends on 28th September, 2015 (5.00 p.m.). During the e-voting period, members of the Company, holding shares either in physical form or in dematerialized form as on the cut off date of 22th September, 2015 may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting

thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for e-voting are as under:

A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participant(s)]:

a) Open email and open PDF file viz; "SMCL 32ND AGM e-voting pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password/ PIN for e-voting. Please note that the password is an initial password.

b) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com

c) Click on "Shareholder – login."

d) Put User Id and Password as initial Password/ PIN noted in step (a) above and click login.

e) Password change Menu appears. Change the Password with new Password/ PIN of your choice with minimum 8 digits/ characters or combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform.

f) Please note that login to e-voting website will be disabled upon five unsuccessful attempts to key –in the correct password. In such an event, you will need to go through 'Forget Password' option available on the site to re-set the same.

g) Home page of "e-voting" opens. Click on e-voting : Active voting cycles.

h) Select "EVEN" of Sarvamangal Mercantile Co. Limited.

i) Now you are ready for "e-voting" as "cast vote" page opens.

j) Cast your vote by selecting appropriate options and click on "submit" and also "confirm" when prompted.

k) Upon confirmation, the message "vote cast successfully" will be displayed.

l) Once you have voted on the resolution, you will not be allowed to modify your vote.

m) Institutional Shareholders(i.e. other than individual's, HUF, NRI etc.) are also required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at cs@gmj.co.in with a copy marked to evoting@nsdl.co.in and info@sarvamangalmercantile.com

B. In case a member uses a printed copy of the Notice of AGM :

a) Initial password is provided by separate letter send to the shareholder

EVEN (E-voting Event Number)	USER ID	PASSWORD / PIN

b) Please follow all steps from Sl. No. (b) to (m) above, to cast vote.

7. In case of any queries, you may refer the frequently Asked Question (FAQs) for Members and remote e-voting uses manual for Members available at the download Section of www.evoting.nsdl.com or call on toll free No. 1800-222-990.

8. If you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password/ PIN for casting your vote.

9. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

10. The Voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date of 22th September, 2015.

11. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 22th September, 2015, may obtain the Login ID and Password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

12. A person, whose name is recorded in the register of the members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.

13. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

14. Shri. Prabhat Maheshwari, Partner of M/s. GMJ & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

15. The result shall be declared within the three days from the conclusion of the 32nd AGM of the Company. The Results declared alongwith the Scurtinizer's Report shall be placed on the Company's website www.sarvamangalmercantile.com and on the website of NSDL within three days of passing of the resolution at the AGM of the Company and shall be communicated to the Stock Exchange.

ANNEXURE TOTHE NOTICE:

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

Item No. 4

During the year under review, the Board of Directors of your Company has appointed Mrs. Nupur Somani as Managing Director of the Company w.e.f 1st April, 2015. Mrs. Nupur Somani is a post graduate and having an experience of nearly 4 years in field of Operations, Administration and General Management.

Accordingly the Board of Directors, after taking into consideration the financial position of the Company, at their meeting held on 31st March, 2015 appointed Mrs Somani, as Managing Director of the Company for a period of three years w.e.f. 1st April 2015 to 31st March 2018, subject to approval of members of the Company.

Mrs Nupur Somani is concerned or interested to the extent of the remuneration proposed in the aforesaid resolution.

Apart from Mrs. Nupur Somani, Shri Adarsh Somani being relative of Mrs. Nupur Somani may also be treated as concerned or interested in the resolution.

The above may also be treated as an abstract referred to in Section 190 of the Companies Act, 2013.

The resolution as set out on Item 4 of the notice is recommended for your approval

By Order of the Board
For Sarvamangal Mercantile Co. Limited
Sd/-
Nupur Somani
Managing Director

Place: Mumbai
Date :29/05/2015

Registered Office:
No. 2 Mohatta Bhavan Properties
Off. Dr E Moses Road,
Worli, Mumbai - 400018

SARVAMANGAL MERCANTILE CO. LIMITED

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the **THIRTY TWO ANNUAL REPORT** of the Company together with the Audited Statement of Accounts for the year ended March 31, 2015.

Financial Highlights:

	Rs. In Lacs	
	Current Year	**Previous Year**
Gross Profit / (Loss)	567.93	15.81
Less: Interest	41.20	30.79
Depreciation	0.53	0.63
Provision for Income Tax	--	--
Income tax for Earlier Year	1.04	0.03
Leaving a Balance	**525.16**	**(15.64)**
Balance brought forward from previous year	387.45	403.10
Less: Depreciation on fixed assets as on 01.04.2014	1.55	----
Balance transferred to General Reserve	---	---
Leaving a balance	385.99	403.10
Profit / (Loss) available for appropriation	911.06	387.45
Surplus carried to balance sheet	**911.06**	**387.45**

FINANCIAL PERFORMANCE:

The Sales and other income for the year under review were Rs. 6.77 crores as against Rs 1.81 crores in the previous financial year. The Net Profit for the year under review is Rs 5.25 crores as against Rs. (1.56) crores in the previous financial year.

DIVIDEND

Your Directors do not recommend any dividend, for the year, under review.

Since there was no dividend declared and paid during last year(s), the provisions of Section 125 of the Companies Act, 2013 i.e. Transfer of unpaid/ unclaimed dividend to the Investor Education and Protection Fund Account are not applicable to the Company.

TRANSFER TO GENERAL RESERVE

During the year under review, the Company does not propose to transfer any amount to the General Reserves and the full amount is carried to Surplus Account.

FIXED DEPOSITS:

During the year under review the Company has not accepted any deposit from the public.

SUBSIDIARY COMPANIES

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

SHARE CAPITAL

During the year under review:

a. the Company has not bought back any of its securities during the year.
b. the Company has not issued any Sweat Equity Shares during the year.
c. No Bonus Shares were issued during the year.

NO. OF BOARD MEETING

During the year ended 31st March, 2015 five meetings of the Board were held on the following dates:

(i) 28th May, 2014
(ii) 14th August, 2014
(iii) 14th November, 2014
(iv) 12th February, 2015
(v) 31st March, 2015

FORMATION OF AUDIT COMMITTEE

During the year, pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company has formed an Audit Committee of the Board of Directors of the Company.

The Audit Committee of the Company comprises of three Directors, of which majority are Independent, Non-Executive Directors, possessing knowledge of Corporate Finance, Accounts And Company Law. The Chairman of the Committee is an Independent Non-Executive Director.

The Members of the Committee are:

1.	Mr. B K Toshniwal	- Chairman
2.	Mr. Sanjay Jain	- Member
3.	Mr. Adarsh Somani	- Member

The Audit Committee has adequate powers and detailed terms of reference to play an effective role as required under Section 177 of the Companies Act, 2013, which inter-alia include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the Management, approval of related party transactions, recommendation and appointment of Auditors of the Company and etc.

During the year ended March 31, 2015, a meeting of the Audit Committee was held on 31st March, 2015.

FORMATION OF NOMINATION AND REMUNERATION COMMITTEE

During the year, pursuant to the provisions of Section 178(1) of the Companies Act, 2013, Company has formulated Nomination and Remuneration Committee of the Board of Directors of the Company.

The Committee has three Non – Executive Director, of which majority are Independent Directors as its members.

The Members of the Committee are:

1.	Mr. B K Toshniwal	- Chairman
2.	Mr. Sanjay Jain	- Member
3.	Mr. Adarsh Somani	- Member

During the year ended March 31, 2015, a meeting of the Nomination and Remuneration Committee was held on 31st March, 2015.

The purpose of the Remuneration Committee of the Board of Directors shall be to review and to discharge the Board's responsibilities related to remuneration of the Managing Director, Key Managerial Personnel, and Senior Management. The Committee has the overall responsibility for formulation of criteria of evaluation of Independent Director, identifying persons who are qualified to become a Director and appointment of Senior Management Personnel.

The Committee shall as and when needed will review and approve the remuneration payable to the Managing Director considering the profits of the Company.

Nomination & Remuneration Policy

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

WHISTLE BLOWER POLICY

With rapid expansion in compliances under various Acts, Laws and Regulations and liability of high penalty in default, the Audit Committee is committed to ensure fraud free work environment, the committee has laid down a whistle blower policy for its Directors, Employees and Business Associates to report the fraud, abuse of authority, breach of Company's code of conduct, employee misconduct, illegality and other reportable matters through any of the following manners:

- E-mail : info@sarvamangalmercantile.com
- Phone No. : 022-24964656`60
- Written Communication : Chairman of Audit Committee, C/o Sarvamangal Mercantile Co. Limited, No. 2 Mohatta Bhavan Properties, off Dr E Moses Road, Worli, Mumbai - 400018

This policy is applicable to all the Directors, Employees, and Business Associates of the Company. Adequate safeguards have been provided to prevent victimization of anyone

under this policy by direct access to the Chairman of the Audit Committee in exceptional cases.

The main objectives of the policy are as under:

- To provide guidance to the Employees, Vendors and Business Associates on reporting any suspicious activity and handling critical information and evidence.
- To provide healthy and fraud- free work culture.
- To initiate disciplinary action against false allegations.

PROHIBITION OF INSIDER TRADING CODE:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Insiders. All the Directors, Employees or Senior Management Personnel who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window will be closed during the time of declaration of results and occurrence of any material events as per the Code. The Company has appointed Mr. Adarsh Somani as the Compliance Officer of the Company.

The Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information is also available on Company's website www.sarvamangalmercantile.com.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirm:

(I) that in the preparation of the annual accounts for the year ended 31st March, 2015 the applicable Accounting Standards has been followed.

(II) that the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

(III) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies

Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(IV) that the Directors have prepared the annual accounts for the year ended 31st March, 2015 on a 'going concern' basis.

(V) that the Directors have laid down internal financial control and that such internal financial control are adequate.

(IV) that the Directors have devised proper system to ensure compliance with the provisions of all applicable laws.

RISK MANAGEMENT

Your Company has appropriate risk management system in place for identification of risks and assessment of risks, measure to mitigate them and mechanism for their proper and timely monitors and reports.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

Although the Company do not have large number of employees however to comply with the legal requirement, Company has in place adopted Policy on Prevention, Prohibition and Redressal of Sexual Harassment. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto.

The Company has not received any complaint of sexual harassment during the financial year 2014-2015.

INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

The Company has in place Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

The Company has appointed Mr. Shashikant Sharma as Internal Auditors of the Company. The Audit Committee in consultation with the Internal Auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The Internal

Auditor have expressed that the Internal Control System in the Company is effective commensurate with the size and it operations.

ANNUAL EVALUATION OF BOARD PERFORMANCE

During the year under review, no evaluation of Board performance is done by the Independent Director. The Nomination and Remuneration Committee formed at 31st March, 2015 and therefore it's in the process to finalise the terms for evaluation of the Board.

The Evaluation of the Independent Directors and Board will be considered in the near future.

LOANS AND INVESTMENTS

The details of Loans, Guarantees and Investment under Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

A) Details of Investments made by the Company as on 31st March, 2015 (including investments made in previous years)

(i) Investment in Equity Shares

(Rs in lacs)

Name of Entity	**Amount as at 31st March, 2015**
Videocon Industries Limited	0.18
Oricon Enterprises limited	590.69
Kopran Limited	549.62
KDL Bio- tech Limited	0.01
Supreme Industries Limited	5.28
Supreme Pertochem Limited	0.05
Onward Technologies Limited	79.90
KJMC Financial Services Limited	0.02
KJMC Global Services Limited	0.03
NMDC Limited	1.88
Shree Vindhya Paper Mills Limited	0.39
Soma Paper Mills Limited	11.00

Hindustan Tin works Limited	0.03
IMP Powers Limited	1.55
Shree Venkatesh Karriers Pvt Ltd	8.34
Vishnu Vijay Packaging Ltd	0.37
Malvika Steel Ltd	1.46
Suraj Containers Ltd	0.05
Digvijay Investment Limited	0.02
Twenty One Trends Pvt Ltd	0.46
USL Auto Services Ltd	1.50
Total	**1252.83**

(ii) Investment in Preference Shares

(Rs in lacs)

Name of Entity	**Amount as at 31st March, 2015**
2% redeemable preference shares of Kempo Finvest Pvt Ltd	0.00
Convertible Preference Shares of Twenty One Trends Pvt Ltd	14.54
Total	**14.54**

B. Details of Loans given by the Company are as follows:

(Rs in lacs)

Name of Entity	**Amount as at 31st March, 2015**
Balaji Crowns & Containers Pvt Ltd	0.25
Ergon Laboratories Pvt Ltd	15.05
Kimaya Securities & Financial Services Pvt Ltd	20.00
Parko Traders Pvt Ltd	30.00
Sevenhill Securities Limited	6.35
Shree Venkatesh Metal Packs Pvt Ltd	86.77
Suyash Holding & Estate Developers Pvt Ltd	7.00
Sanchay Holdings Pvt Ltd	15.00
Singhi Properties Pvt Ltd	25.00
Suraj Containers Limited	1.40

Total	206.82

C. **Details of Guarantee given**

(Rs. In lacs)

Name of Entity	Amount as at 31st March, 2015
Oricon Enterprises Limited	4560.00

RELATED PARTY DISCLOSURE

During the year under review, no related party transactions are entered by the Company. There are no materially significant related party transactions made by the Company with Promoters, Directors and Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure I** to this report.

LISTING / TRADING OF SHARES:

Your Company Shares are listed with The Bombay Stock Exchange Limited, P.J Towers, Dalal Street, Mumbai – 400001.

The Scrip Code of Shares of the Company is 506190.
The Listing fee for the current year 2015-2016 has been paid.

EXTRACT OF ANNUAL RETURN

The detail of forming part of the extract of the annual return for the financial year 2014-2015 is enclosed in **Annexure II.**

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board, stating that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to

qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

DISCLOSURES RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ Employees of your Company is set out in **Annexure III** to this report.

DISCLOSURE OF PARTICULARS

Information's as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy ,Technology Absorption, Foreign Exchange Earnings and Outgo are given in **Annexure- IV** forming part of this Report.

CASH FLOW STATEMENT:

In conformity with the provisions of Clause 32 of the Listing Agreement the Cash Flow Statement for the year ended 31st March 2015 is included in this annual report.

DIRECTORS

(i) Retirement by rotation

Mr. Adarsh Somani, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment as Director liable to retire by rotation.

(ii) Appointment of Managing Director

During the year, the Board of Directors at their meeting held on 31st March, 2015 has appointed Mrs. Nupur Somani as Managing Director for a period of three years w.e.f 1st April, 2015 to 31st March, 2018 subject to your approval at the forthcoming Annual General Meeting. A resolution for her appointment along with the explanatory statement is included in the notice convening 32nd Annual General Meeting of the Company.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board had appointed M/s. GMJ & Associates, Company Secretaries in Whole Time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year ended 2014- 2015. The report of Secretarial Auditor is annexed to this report as **Annexure V**.

As per the Secretarial Audit report, the Company has not appointed Whole Time Company Secretary of the Company during the financial year 2014-2015 and therefore not complied with the provisions of Section 203 of the Companies Act, 2015.

The Company is in process to find suitable candidate for appointment as a Company Secretary of the Company.

AUDITORS

At the Annual General Meeting of the Company held on 30th August, 2014, M/s. S G Kabra & Co. Chartered Accountant (FRN No. 104507W) were re-appointed as the Statutory Auditors of the Company for a period of 3 years which is subject to annual ratification by the Members of the Company in terms of Section 139 of the Companies Act, 2013 and rules made thereunder. The members ratify the appointment of M/s. S G Kabra & Co. Chartered Accountant (FRN No. 104507W) as the Statutory Auditors of the Company for the financial year 2015-2016.

There are no qualifications or adverse remarks in the Statutory Auditors Report which require any explanation from the Board of Directors.

SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant / material orders passed by the Regulators or Courts or Tribunal impacting going concern status of your Company and its operations in future.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There is no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2014-15 and the date of this report.

ACKNOWLEDGEMENT

The Board of Directors thanks the Financial Institutions, Bankers and all the Stakeholders, for their continued co-operation and support to the Company.

Date : 29th May, 2015
Place : Mumbai

For & on behalf of the Board

Sd/-
Mrs. Nupur Somani
Managing Director
(DIN -00816788)

Sd/-
Mr. B K Toshniwal
Director
(DIN –00048019)

Sd/-
Mr. Sanjay Jain
Director
(DIN – 00047973)

Annexure - I

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

a)	Name(s) of the related party and nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the Contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	
i)	Amount paid as advances, if any	
j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to section 188 of the Companies Act, 2013	

2. Details of contracts or arrangements or transactions at Arm's length basis.

a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Date : 29th May, 2015

Place : Mumbai

For & on behalf of the Board

Sd/-

Mrs. Nupur Somani

Managing Director

(DIN -00816788)

Sd/-

Mr. B K Toshniwal

Director

(DIN –00048019)

Sd/-

Mr. Sanjay Jain

Director

(DIN – 00047973)

ANNEXURE - II

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2015

[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:

1.	**CIN**	L51100MH1983PLC029600
2.	**Registration Date**	22/03/1983
3.	**Name of the Company**	Sarvamangal Mercantile Co. Limited
4.	**Category/ Sub- Category of the Company**	Public Company Limited by Shares
5.	**Address of the Registered office and contact details**	No. 2 Mohatta Bhavan Properties Off, Dr E Moses Road, Worli, Mumbai-400018
6.	**Whether Listed Company**	Listed
7.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	System Support Services 209, Shivai Ind. Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai-400072 Tel: 2850 0835 Fax: 2850 1438

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. NO.	Name and Description of the main products/ Services	NIC Services of the Product/ services	% to total turnover of the Company
1	Trading and Investment	NA	100

Note:

1. The Company has only one business segment.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

There is no Holding, Subsidiary and Associate Company

IV. SHAREHOLDING PATTERN (Equity Shares Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholder	No. of Share held at the beginning of the Year				No. of Share held at the end of the				% Change during the Year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
Indian									
Individuals/ HUF	32000	0	32000	12.85	32000	0	32000	12.85	0
Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
Bodies Corporate	92500	0	92500	37.15	92500	0	92500	37.15	0
Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
Any Others(Specify)	0	0	0	0	0	0	0	0	0
Sub Total(A)(1)	**124500**	**0**	**124500**	**50.00**	**124500**	**0**	**124500**	**50.00**	**0**
Foreign									
Individuals (Non-Residents Individuals/	0	0	0	0	0	0	0	0	0
Foreign Individuals)	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Institutions	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Any Others(Specify)	0	0	0	0	0	0	0	0	0

Sub Total(A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**124500**	**0**	**124500**	**50.00**	**124500**	**0**	**124500**	**50.00**	**0**
B. Public Shareholding									
Institutions									
Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Non-institutions									
Bodies Corporate	24500	0	24500	9.84	24500	0	24500	9.84	0
Individuals									
Individuals -i. Individual shareholders holding nominal share capital	0	100000	100000	40.16	0	100000	100000	40.16	0

up to Rs 1 lakh									
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Any Other (specify)	0	0	0	0	0	0	0	0	0
Clearing Member	0	0	0	0	0	0	0	0	0
NRI	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	24500	100000	124500	50.00	24500	100000	124500	50.00	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	**24500**	**100000**	**124500**	**50.00**	**24500**	**100000**	**124500**	**50.00**	**0**
TOTAL (A)+(B)	**149000**	**100000**	**249000**	**100.00**	**149000**	**100000**	**249000**	**100.00**	**0**
C. Shares held by Custodians and against which Depository Receipts have been issued									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Sub-Total (C)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
GRAND TOTAL (A)+(B)+(C)	**149000**	**100000**	**249000**	**100.00**	**149000**	**100000**	**249000**	**100.00**	**0**

(ii) **Shareholding of Promoters**

Sr. No.	Shareholders Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	%of total shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	%of total shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Jaya Somani	100	0.40	0	1000	0.40	0	0
2	Kopran Laboratories Ltd	18000	7.23	0	18000	7.23	0	0
3	Kumkum Somani	500	0.20	0	500	0.20	0	0
4	Mr Adarsh Somani	1000	0.40	0	1000	0.40	0	0
5	Mridula Somani	2000	0.80	0	2000	0.80	0	0
6	Parijat Shipping and Finale Ltd.	24500	9.84	0	24500	9.84	0	0
7	Rajendra Somani	1500	0.60	0	1500	0.60	0	0
8	Rajendra Somani (HUF)	1000	0.40	0	1000	0.40	0	0
9	Ridhi Sidhi Equifin Pvt. Ltd.	50000	20.08	0	50000	20.08	0	0
10	Shantanu Somani	500	0.20	0	500	0.20	0	0
11	Suhrid Susheel Somani	500	0.20	0	500	0.20	0	0
12	Surendra Somani	2500	1.00	0	2500	1.00	0	0
13	Susheel Somani	500	0.20	0	500	0.20	0	0
14	Susheel Somani (HUF)	1000	0.40	0	1000	0.40	0	0
15	Susheel Somani Jointly with Mridula Somani	16000	6.43	0	16000	6.43	0	0
16	Vandana Somani	2000	0.80	0	2000	0.80	0	0
17	Varun Somani	1000	0.40	0	1000	0.40	0	0
18	Vrinda Somani	1000	0.40	0	1000	0.40	0	0

	TOTAL	124500	50.00	0	124500	50.00	0	0

(iii) **Change in Promoter's Shareholding**

During the year under review, there is no change in the Shareholding of the Promoter Group.

(iv) Shareholding Pattern of top ten Shareholders (Other Than Directors, Promoters and Holders of GDRs and ADRs)

SL. NO.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
	For Each of Top 10 Shareholders	No. of Shares	%of total shares of the Company	No. of Shares	%of total shares of the Company
1	Skyland Securities Pvt Ltd	24500	9.84	24500	9.84
2	B M Gaggar	2400	0.96	2400	0.96
3	Neelkamal Gaggar	2400	0.96	2400	0.96
4	Shyamsunder Bang	2400	0.96	2400	0.96
5	Shobha Bang	2400	0.96	2400	0.96
6	Virendar Malpani	2400	0.96	2400	0.96
7	Jagdishprasad Biyani	2400	0.96	2400	0.96
8	Santosh Biyani	2400	0.96	2400	0.96
9	Hariprasad Sharma	2400	0.96	2400	0.96
10	Pramod Jain	2400	0.96	2400	0.96

(v) Shareholding of Directors and Key Managerial Personnel:

SL. NO.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	%of total shares of the Company	No. of Shares	%of total shares of the Company
1.	B K Toshniwal	0	0	0	0
2.	Adarsh Somani	1000	0.40	1000	0.40
3.	Sanjay Jain	0	0	0	0
4.	Nupur Somani	0	0	0	0
5	Shashikant Sharma	0	0	0	0

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
(i) Principal Amount	62,070,352	239,936,717	752,000	302,759,069
(ii) Interest due but not paid	--	--	---	--
(iii) Interest accrued but not due	---	---	---	--
Total (i+ii+iii)	62,070,352	239,936,717	752,000	302,759,069
Change in Indebtedness during the financial year				
* Addition	---	---	----	----
*Reduction	33,145,739	239,936,717	552,000	273,634,456
Net Change	33,145,739	239,936,717	552,000	273,634,456
Indebtedness at the end of the Financial Year				
i)Principal Amount	28,924,613	----	200,000	29,124,613
ii) Interest due but not paid	--	---	----	---
(iii) Interest accrued but not due	---	---	----	---
Total (i+ii+iii)	28,924,613	----	200,000	29,124,613

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors And/ or Manager.

The Company did not have Managing Director, Whole time Director during the year under review, hence no remuneration is paid. The Board at their meeting held on 31st March, 2015 appointed Mrs. Nupur Somani as Managing Director w.e.f. 1st April, 2015 for a period of three years, subject to approval of the Members at the forthcoming Annual General Meeting.

B. Remuneration to Other Director

I. Independent Director

Particulars of Remuneration	Name of Director		
	Sanjay Jain	B K Toshniwal	Total
Fee for attending Board Committee Meeting	1000	1000	2000
Commission	-	-	
Others	-	-	
Total	1000	1000	2000

II. Other Non-Executive Director:-

Other Non-Executive Director	Adarsh Somani	Total
Fee for attending Board Committee Meeting	1000	1000
Commission	---	---
Others	---	----
Total	1000	1000
Total (B) [(i)+(ii)]		**3000**

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

The Company did not have Key Managerial Personnel during the year under review, hence no remuneration is paid. The Board of Directors at their meeting held on 31st March, 2015 appointed Mr. Shashikant Sharma as Chief Financial officer of the Company w.e.f. 1st April, 2015.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/NCLT/ COURT]	Appeal made If any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					

B. DIRECTORS			NIL		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

FOR AND ON BEHALF OF THE BOARD

Sd/-
Nupur Somani
(Managing Director)
(DIN – 00816788)

Sd/-
B K Toshniwal
(Director)
(DIN – 00048019)

Sd/-
Sanjay Jain
(Director)
(DIN – 00047973)

Place: Mumbai
Date: 29/05/2015

Annexure – III to the Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2014-2015 is as follows:

Name of the Director	Total Remuneration	Ratio of remuneration of director to the Median remuneration
Adarsh Somani	1000	0.00
Sanjay Jain	1000	0.00
B K Toshniwal	1000	0.00
Nupur Somani	---	---

Notes :

1. The information provided above is on standalone basis.

2. Mrs. Nupur Somani is appointed as Managing Director w.e.f 1st April, 2015. Accordingly, no remuneration was paid to Mrs. Somani in the financial year 2014-2015.

4. The aforesaid details are calculated on the basis of remuneration for the financial year 2014-2015

5. The remuneration to Directors includes sitting fees paid to them for the financial year 2014-2015 for attending Board Meeting. No sitting fee is payable for attending the committee meetings

6. Median remuneration of the Company for all its employees is Rs. 1,20,979 for the financial year 2014-2015.

B. Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the financial year 2014-2015 is as follows:

Name	Designation	Remuneration (in Rs.)		Increase (%)
		2014-2015	2013-2014	
Adarsh Somani	Director	1000	800	25%
Sanjay Jain	Director	1000	800	25%
B K Toshniwal	Director	1000	800	25%
Nupur Somani*	Managing Director	---	---	---
Shashikant Sharma*	CFO	----	---	---

Notes :

1. *Mrs. Nupur Somani is appointed as Managing Director and Mr. Shashikant Sharma as CFO w.e.f. 1st April, 2015. Therefore no remuneration was paid in the financial year 2014-2015

2. The remuneration to Directors includes sitting fees paid to them for the financial year 2014-2015 for attending Board Meeting.

C. Percentage increase in the median remuneration of all employees in the financial year 2014-2015:

	2014-2015 (Rs.)	2013-2014 (Rs.)	Increase (%)
Median remuneration of all employees per annum	120979	80573	50%

D. Number of permanent employees on the rolls of the Company as on 31st March, 2015 : TWO (2)

E. Explanation on the relationship between average increase in remuneration and company performance:

The increase in average remuneration of all employees in the financial year 2014-2015 as compared to the financial year 2013-14 was 45.31%.

The key indices of company's performance are:

(Rs. In lacs)

Particulars	**2014-15**	**2013-14**
Net revenue from operations	677.14	181.49
Profit Before Tax and Exceptional Items	526.19	(15.61)
Profit After Tax	525.15	(15.64)

Your Company is committed in ensuring fair pay and a healthy work environment for all its employees. Your company offers competitive compensation to its employees. The pay also incorporates external factors like cost of living to maintain concurrence with the environment. The pay for an employee depends on his/ her performance against the objective set for the year and also on the basis of the performance of your company or functions.

F. Comparison of the remuneration of the key Managerial Personnel against the performance of your company:

The Company did not have Key Managerial Personnel during the year under review, hence no remuneration is paid. The board at their meeting held on 31st March, 2015 appointed Mrs. Nupur Somani as Managing Director w.e.f. 1st April, 2015 for a period of three years, subject to approval of the Members at the forthcoming Annual General Meeting and Mr. Shashikant Sharma as Chief Financial officer of the Company w.e.f 1st April, 2015.

The Profit Before Tax and Exceptional items increased to Rs. 526.19 lacs in 2014-15, compared to Rs. (15.61) lacs in 2013-14.

G. Details of Share Price and market capitalization:

No trading was done in the Equity Shares of the company therefore the details of variations in the market capitalization and price earnings ratio as at the closing date of the current and previous financial years could not be obtained.

Comparison of share price at the time of first public offer and market price of the share of 31st March, 2015

Market price as on 31st March, 2015	No Trading in the Equity Shares
Price at the time of initial public offer in 1986	Not available
% increase of Market price over the price at the time of initial public offer	Not available

H. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the Key managerial remuneration :

	2014-2015	2013-14	Increase%
Average salary of all employees (other than Key Managerial Personnel)	250890	172659	45.31%
Key Managerial Personnel - Salary of MD - Salary of CFO & CS	No remuneration was paid to the Key Managerial Personnel during the financial year 2014-15 and 2013-2014		

The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel

I. Key Parameters for the variable components of remuneration paid to the Directors:

The key parameters for the variable components of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration policy:

(i) Commission to Non- executive Directors – The Nomination and Remuneration committee does not recommend any commission to be paid to Non –executive Directors other than sitting fee for attending the Board Meeting.

(ii) Commission to the Managing Director : The Nomination and Remuneration Committee evaluates the performance of Managing Director by setting key performance parameters from time to time. The committee approves the compensation package of the Managing Director. The committee ensures that the Compensation package is in accordance with applicable laws.

J. There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

K. **Affirmation :**

Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration policy of your company.

I. **Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (appointment and Remuneration of Managerial personnel) Rules, 2014:**

During the financial year 2014-2015, no employees of the company has paid remuneration of Rs. More than 60 lacs or Rs. 5 lacs per months

Annexure- IV to the Board's Report

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

Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Account) Rules, 2014

	PARTICULARS	REMARKS
1.	**CONSERVATION OF ENERGY**	
a.	The steps taken or impact on Conservation of energy	The company has no manufacturing activities, hence there is no need to take any steps for conservation of energy and technology absorption
i.	Process optimization and automation	
ii.	Optimization of Electrical Equipment	
iii.	Lighting	
iv.	Other Key initiatives for Energy conservation	
2.	The steps taken by the Company for utilizing alternate sources of energy	
3.	The Capital Investment on energy conservation equipment	
2.	**TECHNOLOGY ABSORPTION**	
a.	The efforts made by the Company towards technology absorption	The company has no manufacturing activities, hence there is no need to take any steps for conservation of energy and technology absorption
b.	The benefits derived like product improvement, cost reduction, product development or import substitution	
c.	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year)	
d.	The expenditure incurred on Research and Development	
3.	**FOREIGN EXCHANGE EARNINGS AND OUTGO**	There is no foreign exchange earring or outgo during the year.

GMJ & Associates
Company Secretaries

3rd & 4th Floor, Vaastu Darshan,
'B' Wing, Above Central Bank of India
Azad Road, Andheri (East),
Mumbai- 400 069.
Tel. No.: 61919293
Email : cs@gmj.co.in

FORM MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

To,
The Members,
Sarvamangal Mercantile Company Limited
No 2, Mohata Bhavan Properties,
Off Dr. E. Moses Road,
Worli, Mumbai 400 018.

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2015 according to the provisions of:

i. The Companies Act, 2013 and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), viz :
    a. The Securities and Exchange Board of India (Substantial acquisition of Shares and Takeover) Regulations, 2011;

[Cont...2]

GMJ & ASSOCIATES MUMBAI Company Secretaries

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c. 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;

v. We have relied on the representation made by the company and its officers for systems and mechanism formed by the company for compliances under other applicable Acts, Laws and Regulations with respect to Industry related laws, Employees related Laws and Land Law of the state, Intellectual Property Laws, Municipality Laws to the extent applicable, Direct and Indirect Tax Laws, Shops and Establishments Legislations and other local Laws as applicable.

We have also examined compliance with the applicable clauses of The Listing Agreement entered into by the Company with BSE Limited.

During the year under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above, ***except that the Company is in the process of appointing a Company Secretary (KMP) as required as per provisions of section 203 of The Companies Act, 2013.***

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 year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions are carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

[Cont...3]

GMJ & ASSOCIATES MUMBAI

We further report that during the year under report, the company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

For **GMJ & ASSOCIATES**
Company Secretaries

Maheshwari

[CS P. MAHESHWARI]
PARTNER
FCS No. : 2405
COP No. : 1432

GMJ & ASSOCIATES MUMBAI Company Secretaries

Place: Mumbai
Date: 29th May, 2015

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

ANNEXURE I

To,
The Members,
Sarvamangal Mercantile Company Limited
No 2, Mohata Bhavan Properties,
Off Dr. E. Moses Road,
Worli, Mumbai 400 018.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

Maheshwari

[CS P. MAHESHWARI]
PARTNER
FCS No. : 2405
COP No. : 1432

GMJ & ASSOCIATES MUMBAI Company Secretaries

Place: Mumbai
Date: 29th May, 2015

S. G. KABRA & CO.
CHARTERED ACCOUNTANTS

Wavell House, 1st Floor, 1st Dhobi Talao Lane, Mumbai - 400 002.
Tel.: 2201 0708 / 2200 4533 • Fax : 2200 1497 • E-mail : info@sgkabra.com • Website : www.sgkabra.com

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sarvamangal Mercantile Co. Ltd

REPORT OF THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Sarvamangal Mercantile Co. Ltd ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement for year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

S. G. KABRA & CO. MUMBAI. CHARTERED ACCOUNTANTS

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

■ OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

■ REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:

S. G. KABRA & CO. MUMBAI. CHARTERED ACCOUNTANTS

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the statement of Profit and Loss and the the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified u/s. 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which has impact on 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 is no amount which is required to be transferred to the investor Education and Protection Fund by the Company.

For S. G. Kabra & Co.,
Chartered Accountants
FRN 101507W

(Malvika P. Mitra)
Partner
M No 044105
Place : Mumbai
Dated : 29.05.2015

S. G. KABRA & CO. MUMBAI. CHARTERED ACCOUNTANTS

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements of our report of even date to the members of Sarvamangal Mercantile Co. Ltd for the year ended 31st March, 2015)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.

(b) All the fixed assets were physically verified by the management during the year. We are informed that no material discrepancies were noticed on such verification.

(ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on such verification.

(iii) The Company has not granted any loans, secured and unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Consequently, requirement of clauses (iii,a) and (iii,b) of paragraph 3 of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

S. G. KABRA & CO. MUMBAI. CHARTERED ACCOUNTANTS

(b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess which have not been deposited with the appropriate authorities on account of any dispute.

(c) According to the information and explanations given to us, there are no amount required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debentures holders.

(x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xi) The Company did not have any term loans outstanding during the year.

(xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For S. G. Kabra & Co.,
Chartered Accountants
FRN 104507W

S. G. KABRA & CO. MUMBAI. CHARTERED ACCOUNTANTS

(Malvika P. Mitra)
Partner
M No 044105
Place : Mumbai
Dated : 29.05.2015

Sarvamangal Mercantile Co. Limited

Balance Sheet as at 31st March'2015

	Note	Figure as at the end of current reporting Period	Figure as at the end of previous reportin Period
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds:			
(a) Share Capital	1	4,990,000	4,990,000
(b) Reserves & Surplus	2	91,105,759	38,745,506
(2) Non- Current Liabilities			
(a) Long Term borrowings	3	0	239,936,717
(b) Deffered tax Liabilities		89,895,485	89,895,485
Less :- Discount Value		29,021,669	33,985,988
		60,873,816	55,909,497
(c) Other Long Term liabilities	4	200,000	752,000
(4) Current Liabilities			
(a) Short Term Borrowings	5	28,924,613	62,070,352
(b) Trade Payables	6	113,590	113,540
(c) Other current liabilities	7	9,943,791	49,771,273
Total		**196,151,568**	**452,288,885**
II. Assets			
(1) Non - current assets			
(a) Fixed assets			
(i) Tangible assets	8	72,848	281,288
(b) Non - Current investments	9	126,815,604	221,787,364
(2) Current assets			
(a) Inventories	10	32,873,792	96,535,374
(b) Trade receivables	11	689,208	6,614,208
(c) Cash and cash equivalents	12	31,426	1,622,148
(d) Short term Loans and advances	13	35,202,604	124,984,079
(e) Other current assets	14	466,086	464,424
Total		**196,151,568**	**452,288,885**
Significant Accounting Policies & Notes on Accounts	17		

As per our Report of even date

For S. G. KABRA & CO
Chartered Accountants
(F.R.N.104507W)

Sd/-
(MALVIKA P. MITRA)
Partner
Membership No. 44105

Place :- Mumbai

Date :- 29th May'2015

For and on Behalf of the Board

Sd/-
Nupur Somani
(Managing Director)

Sd/-
B. K. Toshniwal
(Director)

Sd/-
Sanjay Jain
(Director)

Sd/-
Shashikant Sharma
(CFO)

Sarvamangal Mercantile Co. Limited

Statement of Profit & Loss Account for the period ended 31st March'2015

	Note	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
I. Revenue from Operations			
Sale of Shares		58,040,000	6,250,000
II. Other Income	15	73,336,562	3,870,985
III. Increase /(Decrease) In stock of Shares		(63,661,581)	8,028,555
Total Revenue (I+II)		67,714,981	18,149,540
III. EXPENSES:			
Purchase of Shares		0	8,536,443
Employees benefit expenses		250,890	172,659
Financial Cost			
Interest Paid to Bank		3,043,003	2,504,083
Interest Paid to Others		1,077,547	575,620
Depreciation and amortization expense		53,061	63,334
Other expenses	16	10,670,727	7,858,694
Total Expenses		15,095,228	19,710,833
IV. Profit /(Loss)before tax		52,619,753	(1,561,293)
(1) Current Tax		-	-
(2) Income Tax paid for earlier year		104,121.00	3,118
V Profit(Loss) from the period from continuing operations		52,515,632	(1,564,411)
Significant Accounting Policies & Notes on Accounts	17		

As per our Report of even date

For S. G. KABRA & CO
Chartered Accountants
(F.R.N.104507W)

Sd/-
(MALVIKA P. MITRA)
Partner
Membership No. 44105

Place :- Mumbai

Date :- 29th May'2015

For and on Behalf of the Board

Sd/-
Nupur Somani
(Managing Director)

Sd/-
B. K. Toshniwal
(Director)

Sd/-
Sanjay Jain
(Director)

Sd/-
Shashikant Sharma
(CFO)

Notes Forming Part of The Financial Statement

NOTE "1"	As at 31st March'2015 Rupees	As at 31st March'2014 Rupees
SHARE CAPITAL		
Authorised :		
2,50,000 (Prev. Year 2,50,000) Equity Shares of Rs.10/- each	2,500,000	2,500,000
2,50,000 (Prev. Year 2,50,000) Redeemable Cumulative Preference Shares of Rs.10/- each	2,500,000	2,500,000
	5,000,000	5,000,000
Issued ,Subscribed and Paid-up		
2,49,000 (Prev. Year 2,49,000) Equity Shares of Rs.10/- each	2,490,000	2,490,000
2,50,000 (Prev.Year 2,50,000) 11% Redeemable Cumulative Pref. Shares of Rs.10/- each	2,500,000	2,500,000
	4,990,000	4,990,000

Notes :

1. The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- each. Each holder of the equity shares is entitled to one vote per share.

2. The details of shareholders holding more than 5%of the equity shares of the Company as at Period /Year end is as below.

Name of Shareholder	**Number of Equity shares Held**	**% of Holding**	Number of Equity shares Held	% of Holding
Susheel Somani Jt. Mridula Soman	**16,000**	**6.43%**	**16,000**	**6.43%**
Kopran Laboratories Limited	**18,000**	**7.23%**	**18,000**	**7.23%**
Skyland Securities Pvt. Limited	**24,500**	**9.84%**	**24,500**	**9.84%**
Parijat Shipping & Finale Limited	**24,500**	**9.84%**	**24,500**	**9.84%**
Ridhi Sidhi Equifin Pvt. Limited	**50,000**	**20.08%**	**50,000**	**20.08%**

3. The reconciliation of the number of equity shares outstanding as at the period /year end set is as below

Number of Equity Shares at the beginning of the year	249,000
Add :- Equity shares issued during the year	-
Number of equity shares at the end of the year	249,000

NOTE "2"
RESERVES AND SURPLUS :

Surplus - Profit and Loss Account

Opening Balance	38,745,506	40,309,917
Less:- Depreciation on Fixed Assets as on 01.04.2014	155,379	-
Add :- Net Profit/(Loss) after tax from continuing operations	52,515,632	(1,564,411)
Closing Balance	91,105,759	38,745,506

NOTE "3"

Unsecured Loans		
Inter-corporate Loans	-	239,936,717
	0	239,936,717

NOTE "4"
Other Long Term Liabilties

Deposits	200,000	752,000
	200,000	752,000

NOTE "5"
Short Term Borrowings

Cash Credit from Central Bank of India (Secured by Pledge of Third Party's FCNR Deposits)	17,621,459	40,037,108
Cash Credit from Punjab National Bank (Secured by Pledge of Third Party's FCNR Deposits)	11,303,154	22,033,245
	28,924,613	62,070,352

NOTE "6"

Trade Payable	113,590	113,540
	113,590	113,540

NOTE "7"
Other current liabilities

Other liabilities	9,927,791	49,710,711
Tds Payable	16,000	60,562
	9,943,791	49,771,273

NOTE "9"
Non - Current Investments (At Cost)

(As certified by Director)

(A) QUOTED - Fully paid up Equity Shares

Face Value		Nos.	Rupees	Nos.	Rupees
10	Videocon Industries Limited	40	18,449	40	18,449
02	Oricon Enterprises Limited	3612500	59,069,179	3612500	59,069,179
10	Kopran Limited	2903951	54,962,299	2903951	54,962,299
10	KDL Bio-Tech Limited	250	1,309	250	1,309
10	Supreme Industries Limited	1,600	528,000	1,600	528,000
10	Supreme Petrochem Limited	700	5,180	700	5,180
10	Onward Technologies Limited	187,971	7,990,528	538,484	22,890,613
10	KJMC Financial Services Limited	100	2,381	100	2,381
10	KJMC Global Services Limited	150	2,601	150	2,601
10	NMDC Limited	2,000	188,198	2,000	188,198
10	Shree Vindhya Paper Mills Limite	79,877	39,939	79,877	39,939
10	Soma Paper Mills Limited	55,000	1,100,000	55,000	1,100,000
10	Hindustan Tin Works Limited	100	2,606	200,100	5,215,355
10	IMP Powers Limited	24	155,484	24	155,484
	TOTAL (A)		124,066,153		144,178,987

(B) UNQUOTED -
Fully paid up Equity and Preference Shares

100	Hotel Empire Ltd.	0	0	9790	27,622,900
10	Suraj Containers Ltd.	5000	50,000	5000	50,000
	Less :-Diminution in the value of Investment		49,999		49,999
			1		1
10	2% Redeemable Preference Shares of Kempo Finvest Pvt. Ltd.	100000	1,000,000	100000	1,000,000
	Less :-Diminution in the value of Investment		999,999		999,999
			1		1
10	12% Redeemable Preference Shar Kopran Limited	0	0	800,000	8,000,000
10	Shree Venkatesh Karriers Pvt. Limi	83,000	833,990	83,000	833,990
10	Vishnu Vijay Packaging Ltd.	150,000	37,500	150,000	37,500
10	Malvika Steel Ltd.	145,700	145,700	145,700	145,700
10	Parijat Shipping & Finale Ltd.	0	0	850,000	8,502,138
10	G. Claridge & Co. Limited	0	0	915,590	32,233,510
10	Suraj Containers Limited	5,000	5,125	5,000	5,125
10	Digvijay Investment Limited	25	2,512	25	2,512
10	USL Auto Services Ltd.	15,000	150,000	15,000	150,000
10	Twenty One Trends Pvt. Limited	10	45,860	0	0

10 Convertiable Preference shares of Twenty One Trends Pvt. Limited	317	1,453,762	0	0
TOTAL (B)		2,674,451		77,533,377
(C) PARTNERSHIP FIRM - S. K. Somani & Co.		75,000		75,000
		75,000		75,000
TOTAL (A+B)		126,815,604		221,787,364
Aggregate Book Value - Unquoted		2,749,451		77,533,377
Quoted		124,066,153		144,178,987
Aggregate Market Value - Quoted		339,893,364		163,829,233

NOTE "10"

INVENTORIES :
(As taken, valued and certified by a Director)

Face Value		Nos.	As at 31st March'2015 Rupees	Nos.	As at 31st March'2014 Rupees
(A) QUOTED - (At cost or market value which ever is lower)					
1. Fully Paid up Equity Shares :					
10	Alstom Projects India Limited (Market Value Rs.2,16,000/-)	300	-	300	-
10	Atash Industries Ltd. (Cost Rs. 11,25,000/-)	37500	37,500	37500	37,500
10	Bhilai Wires Limited (Cost Rs. 5,810/-)	8300	5,810	8300	5,810
10	Balaji Foods (Cost Rs. 27,000/-)	15,000	27,000	15,000	27,000
10	Cifco Finance Limited (Cost Rs. 225/-)	100	225	100	225
10	Can India Limited (Cost Rs. 500/-)	100	100	100	100
10	Cyberscepe Multimedia Limited (Cost Rs. 64,69,690/-)	100000	66,000	100000	31,000
10	DSQ Software Limited (Cost Rs.2,08,040/-)	28000	208,040	28000	208,040
10	DSQ Biotech Limited (Cost Rs. 3,24,765.01)	33,700	125,260	33,700	125,260
10	DLF Cements Limited (Cost Rs.45,000/-)	5,000	45,000	5,000	45,000
10	Ensa Steel Ltd. (Cost Rs.19,250/-)	350	1,498	350	1,540
10	Finolex Industries Limited (Market Value Rs.28,365/-)	100	3,584	100	3,584
10	Globe Stock Limited (Cost Rs. 87,98,177/-)	300,000	300,000	300,000	300,000
10	Gautam Resources Limited (Cost Rs. 334/-)	200,000	334	200,000	334
10	Gujarat Themis Biosys Limited (Market Value Rs. 34,110/-)	900	7,191	900	7,191
10	Gujarat Alkalies & Chemicals Limite (Market Value Rs. 15,935/-)	100	14,706	100	14,706

10 Jayant Vitamins Limited (Cost Rs. 2,220/-)	740	2,220	740	2,220
10 Kshitji Investment Co. Limited (Cost Rs. 500/-)	50	500	50	500
10 Kilburn Chemical Limited (Market Value Rs. 768/-)	50	500	50	500
10 Kayveeaar Limited (Cost Rs.79,31,880/-)	200,000	200,000	200,000	200,000
10 Libord Securities Limited (Market Value Rs. 26,59,800/-)	409200	1,104,668	409200	1,104,668
10 Modi Xerox Limited (Cost Rs.14,244/-)	200	14,244	200	14,244
10 Morgan Stanley Growth Fund (Cost Rs.13,781/-)	1600	13,781	1600	13,781
10 Origin Agrostar Limited (Cost Rs.333/-)	19,300	333	19,300	333
10 Sudal Industries Limited (Cost Rs.14,250/-)	1,100	11,000	1,000	12,970
10 Sona Koya Streeing Limited (Market Value Rs.50,400/-)	1,000	9,840	1,000	9,840
10 Shree Krishna Petro Yarn Limited (Cost Rs.2,220/-)	1,200	2,220	1,200	2,220
10 Synery Log-in Systems Limited (Cost Rs.12,150/-)	1,000	12,150	1,000	12,150
10 Sharp Industries Limited (Cost Rs.27,294/-)	2,495	11,826	2,495	17,739
10 Spartak Ceramics (I) Ltd. (Cost Rs. 1,08,372/-)	1486	1,486	1486	1,486
10 SBEC Sugar Limited (Cost Rs.10,00,000/-)	100000	488,000	100000	960,000
10 Team Asia Semico Limietd (Cost Rs.333/-)	67,000	333	67,000	333
10 The Aluminium Industries Ltd. (Cost Rs.4,26,050/-)	24600	25,200	24600	25,200
10 The West Coast Paper Mills Ltd. (Market Value Rs.24,450/-)	500	5,592	500	5,592
10 Tube Investment Limited. (Market Value Rs.44,634/-)	122	7,814	122	7,814
10 21st Century Management Limited (Market Value Rs.10,37,500/-)	25000	45,063	25000	45,063
10 United Diamond Limited (Cost Rs.13,000/-)	1,000	13,000	500	13,000
10 Videocon Industries Limited (Market Value Rs.37,380/-)	240	16,208	80	12,864
TOTAL		2,828,225		3,269,807

II. Fully Paid up Debentures :

30 16% Debentures of Essar Shipping (Cost Rs. 30,000/-)	1000	30,000	1000	30,000
100 15% Debentures of Supreme Industries Limited (Cost Rs. 1,60,000/-)	1600	160,000	1600	160,000
140 14% Debentures of Spartak Granites Limited (Cost Rs.7000/-)	50	7,000	50	7,000
10 14% Debentures of Gujarat State Fertilizers Limited	106	1,060	106	1,060
50 12.5% Deb. of Jayant Vitamins Ltd.	3570	3,500	70	3,500
50 15% Deb. of Jayant Vitamins Ltd.(S	200	3,000	200	3,000
TOTAL		204,560		204,560

(B) UNQUOTED -
(At Cost)

Fully Paid Up Equity Shares

100 Hyderabad Construction Co Ltd	100	6,717	100	6,717
10 Co Nick Alloy (I) Ltd	5000	27,500	5000	27,500
10 G. Claridge & Co Ltd	804,000	22,413,275	804,000	22,413,275
10 Kopran Laboratories Limited	28,000	280,000	50,000	500,000
10 Manish Pharma Pvt. Limited	0	0	40,000	48,000,000
10 10% Non Convertible Non Cumulati Pref. Shares of Kopran Limited	0	0	5,580,000	15,000,000
10 Digvijay Investment Limited	25	2,515	25	2,515
10 Venkatesh Karrier Limited	153,500	7,061,000	153,500	7,061,000
10 Suraj Containers Limited	5,000	50,000	5,000	50,000
TOTAL		29,841,007		93,061,007
GRAND TOTAL :-		32,873,792		96,535,374

NOTE "11"

Trade Receivable
Unsecured & Considered Doubtful:

Debts outstanding for a period exceeding six months	791,032	6,716,032
Other Debts	0	0
	791,032	6,716,032
Less :- Provision for bad & doubtful debts	101,824	101,824
	689,208	6,614,208

NOTE "12"

CASH AND CASH EQUIVALENT

Cash on hand	7,812	9,015
Balance with Scheduled Banks		
In Current account	23,613	1,613,133
	31,426	1,622,148

NOTE "13"
Short - Term loans and advances
Other Loan & Advances

Loan and Advances	20,682,796	110,272,796
Advance recoverable in cash or kind or for value to be received	14,442,673	14,634,147
Deposits	77,135	77,135
	35,202,604	124,984,079

NOTE "14"

Other Current Assets

Advance Payment of Income Tax (net of Provision)	466,086	464,424
	466,086	464,424

NOTE "15"

OTHER INCOME

Dividend Received (Gross)	1,444,007	1,825,463
Interest received on PNB Fixed Deposit (TDS Rs 3517/-. Previous Year Rs.10,446/-)	35,086	104,458
Interest received from Income Tax Authority	14,016	28,604
Interest received from Others (TDS Rs 16250/-. Previous Year Rs.Nil)	162,500	0
Rent Received (TDS Rs.72,000/- Previous year Rs.80,904/-)	720,000	720,000
Profit/(Loss) on Sale of Investment	18,411,809	-
Profit/(loss) from Partnership Firm	52,549,144	1,188,960
Provision for Bonus written off	0	3,500
TOTAL	73,336,562	3,870,985

NOTE "16"

OTHER EXPENSES		
Discount Charges	4,964,319	4,462,381
Loss on Sale of Investment	0	79,186
Demat Charges	22,958	13,493
Rent Rates & Taxes	274,847	389,560
Legal & Professional	642,367	482,639
Service Tax Paid	0	24,720
Sundry Balances Written off	4,425,051	1,940,347
Sundry Repairs	0	118,139
Auditors' Remuneration :		
Audit Fees	34,200	11,236
Directors Sitting Fees	3,000	2,400
Miscellaneous Expenses	303,985	334,594
TOTAL	10,670,727	7,858,694

SARVAMANGAL MERCANTILE CO. LIMITED

Note – 17

Notes forming part of Accounts for the year ended 31st March 2015

1. SIGNIFICANT ACCOUNTING POLICIES :

a) The books of accounts are maintained on accrual basis.

b) Dividend Income in the books is accounted when right to receive the payment is established

c) Depreciation has been provided on written down value method at the rates specified in Schedule II of part 'C' of the Companies Act, 2013.

d) Long Term Investments are stated at cost. Cost is determined on average method.

e) Stock in Trade (quoted) are shown at Cost or Market value whichever is lower.

f) Stock in Trade (unquoted) are valued at Cost.

g) Taxation

i. Income-tax expenses comprise current tax and deferred tax charge or credit.

ii. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax loss that have been enacted or substantially enacted by the Balance Sheet date.

iii. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainly of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation.

iv. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure realisation.

h) Other Accounting Policies are consistent with generally accepted account practices.

2. Some of the balances of sundry debtors, sundry creditors, deposits, loans and advances and unsecured loan are subject to confirmation and adjustments necessary upon reconciliation, if any consequential impact thereof on the financial statement is not ascertainable.

3. Earnings per shares :

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Net Profit/(Loss) attributable to share holder (in Rs.)	5,25,15,632	(15,64,411)
Weighted average number of equity shares (in No.)	249000	249000
Basic earning per shares of Rs.10/- each	210.91	(6.28)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the company remain the same.

4. In view of time limitations on carry forward of losses and as a matter of prudence Deferred Tax Assets arising on account of brought forward losses and unabsorbed Depreciation under tax laws has not been recognised.

5. In the opinion of the Board, the Current Assets, Loans, and advances are approximately of the value stated in the Balance Sheets if realised in ordinary courses of the business and the provision of all known liabilities is made and is adequate and is not in excess of the amount reasonable considered necessary.

6. Quantitative details of Inventories (Shares & Debentures)

Particulars	**No. of Shares**		**No. of Debentures**	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Opening Stock	82,24,198	77,63,986	3,026	2,650
Add:-Purchase	-	5,10,212	-	376
	82,24,198	82,74,198	3,026	3,026
Less :- Sale	56,42,000	50,000	-	-
Closing Stock	25,82,198	82,24,198	3,026	3,026

7. Other additional information pursuant of the provisions of paragraph 3, 4C and 4D of part II of schedule VI of Companies Act,1956, are not applicable to the company.

8. Previous years figures are regrouped, reclassified and recasted whenever necessary.

As per our Report of even date

For S. G. KABRA & CO.
Chartered Accountants
(FRN 104507W)

(Malvika P. Mitra)
Partner
Membership No. 44105

Place :- Mumbai

Date :- 29th May'2015

For and on behalf of the board

Sd/-
Nupur Somani
(Managing Director)

Sd/-
B. K. Toshniwal
(Director)

Sd/-
Sanjay Jain
(Director)

Sd/-
Shashikant Sharma
(CFO)

SARVAMANGAL MERCANTILE CO. LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

PARTICULARS	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	52,619,753	(1,561,293)
Adjustments for:		
Depreciation	53,061	63,334
Dividend Received	(1,444,007)	(1,825,463)
Interest Expenses	4,120,550	3,079,703
Interest Received	(211,602)	(133,062)
(Profit)/ Loss on Sale of long term Investments	(18,411,809)	79,186
Discount Charges	4,964,319	4,462,381
Sundry Balances Written off	-	-
Operating Profit before Working Capital changes	41,690,265	4,164,786
Adjustments for:		
Trade & Other Receivables	95,704,813	(73,665,739)
Inventories	63,661,582	(8,028,555)
Trade Payables	(40,379,432)	27,524,325
Cash generated from Operations	160,677,228	(50,005,183)
Direct Taxes Paid (Net of Refund)	(104,121)	(3,118)
Cash Flow before prior period Adjustments	160,573,107	(50,008,301)
Prior period adjustments	-	-
NET CASH FROM OPERATING ACTIVITIES: TOTAL (A)	160,573,107	(50,008,301)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of Investment	114,903,190	3,485,230
Purchase of Investment	(1,519,622)	(77,514,367)
Interest Received	211,602	133,062
Dividend Received	1,444,007	1,825,463
NET CASH FROM / (USED IN) INVESTING ACTIVITIES: TOTAL (B)	115,039,177	(72,070,612)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Unsecured Loans (Net of Proceeds)	(239,936,717)	92,230,595
Proceeds from Secured Loans (Net of Repaymets)	(33,145,739)	62,070,352
Deffered Sales Tax Liabilities	-	(28,843,696)
Interest paid	(4,120,550)	(3,079,703)
NET CASH FROM FINANCING ACTIVITIES: TOTAL (C)	(277,203,006)	122,377,548
Net Increase in Cash and Cash Equivalents Total: (A+ B+ C)	(1,590,722)	298,635
Cash and Cash Equivalents - Opening Balance	1,622,148	1,323,513
Cash and Cash Equivalents - Closing Balance	31,426	1,622,148

Notes:
1. Above statments have been prepared in the indirect method.
2. Cash and Cash Equivalents represents Cash and Bank balances only.
3. Previous years' figures have been regrouped and reclassified, wherever necessary.

As per our Report of even date attached
For S. G. Kabra & Co.
Chartered Accountants
(F.R.N. 104507W)

(Malvika P. Mitra)
Partner

Place : Mumbai

Date : 29th May'2015

For and on behalf of the Board

Sd/-
Nupur Somani
(Managing Director)

Sd/-
B. K. Toshniwal
(Director)

Sd/-
Sanjay Jain
(Director)

Sd/-
Shashikant Sharma
(CFO)

Sarvamangal Mercantile Co. Limited
CIN: L51100MH1983PLC029600
Registered office: No. 2, Mohatta Bhavan Properties, off DR E Moses Road, Worli, Mumbai – 400018

Attendance Slip DP ID ----------

(To be presented at the entrance) Folio No. / Client ID ----------

I /We hereby record my / our presence at the 32nd Annual General Meeting of the Company at No. 2, Mohatta Bhavan Properties, off DR E Moses Road, Worli, Mumbai – 400018 on Tuesday 29th September, 2015 at 2.00 P.M.

Full name of the Shareholder in Block Letters.....

Folio No.:.....

DPID No.:.....

Client ID No.:.....

Name of Proxy holder.....

....
Signature of Proxy holder Signature of Shareholders

PROXY FORM

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

Sarvamangal Mercantile Co. Limited
CIN: L51100MH1983PLC029600
Registered office: No. 2, Mohatta Bhavan Properties, off DR E Moses Road, Worli, Mumbai – 400018

Name of the Member(s) :
Registered address :
E-mail Id:
Folio No. / Client ID:
DP ID:

I /We being the member(s) of ---------- Shares of the above named Company hereby appoint:

(1) Name: ----------
Address: ----------
E-mail Id: ----------or failing him;

(2) Name: ----------
Address: ----------
E-mail Id: ----------or failing him;

(3) Name: ----------
Address: ----------
E-mail Id: ----------or failing him;

As my/ our proxy to attend and vote (on a poll) for me / us and on my/ behalf at the 32nd Annual General Meeting of the Company to be held on Tuesday, 29th September, 2015 at 2.00 p.m. at No. 2, Mohatta Bhavan Properties, off DR E Moses Road, Worli, Mumbai – 400018 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	RESOLUTIONS		
	Ordinary Business	For	Against
1.	Consider and adopt Annual Financial Statement of the Company for the year ended 31st March, 2015 together with Reports of Board of Directors and Auditor's thereon		
2	Re-appointment of Shri Adarsh Somani (DIN – 00192609) , who retire by rotation and being eligible offer himself for re-appointment as director		
3.	Ratification for Re-appointment of M/s. S G Kabra & Co. as Statutory Auditor		
	Special Business		
4.	Appointment of Mrs. Nupur Somani as Managing Director		

Signed this .....day of 2015

Signature of the Shareholder .....

Affix Revenue Stamp

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Signature of first proxy holder Signature of Second proxy holder Signature of third proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.