



DIRECTORS REPORT

To,
Members,
ARIHANT MULTI COMMERCIAL LIMITED

The Directors present the **36th Annual Report** and Audited Accounts of the Company for the year ended 31st March 2018.

1. Financial Summary or highlights

The summarized financial results of the company for the year ended **31st March, 2018** are presented below:

Financial Results	Current Year 2017-2018	Previous Year 2016-2017
Revenue from Operations	41,463,704	34,800,468
Other Income	9,964,886	10,862,769
Total (A)	51,428,590	45,663,237
Expenses		
Purchases of stock in trade	111,699,397	63,379,379
Changes in inventories	(60,808,882)	(18,325,466)
Employee Benefits expense	244,000	139,889
Depreciation and Amortization expense	16,317	34,640
Other Expense	2,70,567	392,816
Total Expense	51,421,399	45,621,258
Profit for the year	7,191	41,979
Tax Expense:		
Current tax	1,852	12,630
Deffered Tax Assets/Liabilities	(798)	(23,583)
Excess provision of tax for earlier year	-	-
Profits for the year	6,137	52,932
Earning per Equity Share of face value of ₹ 1 each		
Basic (in rs.)	0.00	0.00
Diluted (in rs.)	0.00	0.00

2. Overall Performance & Outlook

The Gross Revenue of the Company Stood at Rs. **51,428,590** in Comparison to last year's figure of Rs. **45,663,237** whereas Profit / (Loss) after Tax stood at Rs **6,137** in comparison to last Year's Profit / (Loss) after Tax of Rs. **52,932**.

3. Dividend on Equity Shares

To conserve resources for future and to meet its business requirements, Directors do not recommends any Dividend for the year under review.

4. Share Capital

The paid up Equity Share Capital as on March 31, 2018 was Rs.**3, 62, 40,000**. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2018, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible in to Equity Shares of the Company.



5. **Directors:**

During the financial year, three directors have resigned from the board of the company. Further, there was two appointment of director being carried out during the year.

Sr. No.	Name	Appointment / Resignation	Designation	Date of Appointment and Resignation
1	Mr. Rajesh Savadiya	Appointment	Independent Director	05.09.2017
2	Mr. Rajen Valia	Appointment	Independent Director	30.01.2018
3	Ms. Karishma Kaku	Resignation	Women Independent Director	28.06.2017
4	Mr. Jaydeep Matadia	Resignation	Independent Director	18.12.2017
5	Mr. Pawankumar Kapil Singh	Resignation	Independent Director	30.01.2018

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the Independent Directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements), 2015.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The relevant details of the above Directors/KMP are given in the Corporate Governance Report

6. **No. of Meetings of The Board:**

During the year 7 (Seven) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

7. **Other Committees:**

The composition of all the Committee Meetings and its meetings during the financial year 2017-18 forms part of the Corporate Governance Report.

8. **Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the going concern status and Company's Operations in Future**

There is no significant and material orders passed by the Regulator/Courts that would impact the going concern status of the company and its operations.



9. Directors' Responsibility Statement u/s 134 (5) of the Companies Act, 2013

Pursuant to the provisions of Section 134 (5) of Companies Act, 2013, as amended, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for the year ended 31st March, 2018;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the financial year ended 31st March, 2018 on a going concern basis;
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. Deposits

The Company has no public deposits as of date and will not accept any deposits without prior approval of the Statutory Authorities concerned.

11. Statutory Auditors

At the 33rd Annual General Meeting (AGM) of the Company, the shareholders had approved appointment of M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No. 105834W) as Statutory Auditors of the Company from the conclusion of 33rd AGM till the conclusion of 37th AGM, subject to ratification by the Shareholders at every AGM.

The Companies (Amendment) Act, 2017 published in the Gazette of India on January 3, 2018, amended few sections of the Companies Act, 2013 including omission of first proviso to Section 139(1) of the Companies Act, 2013 which provided for ratification of appointment of Statutory Auditors by members at every AGM.

The amendment to said Section is already effective from May 7, 2018. In view of the same, the fresh approval of the members is sought for the ratification of appointment of M/s. Maheshwari & Co, Chartered Accountants (Firm Registration No. 105834W), as Statutory Auditors of the Company, for the remaining term of three years i.e. from the conclusion of this 36th Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company.

The Board recommends the Ordinary Resolution set out at Item No.2 of the Notice for approval by the members. None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in this resolution



12. Risk Management

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Business Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments viz. Finance and Capital Market activities.

13. Particulars of Loans, Guarantees or Investments by the Company

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

14. Particulars of Contracts or Arrangements with Related Parties:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year, if any were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013 thus disclosure in form AOC-2 is not required. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The policy on Related Party Transactions as approved by the Board; is uploaded on the Company's website.

15. Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives

The Company constantly strives to meet and exceed expectations in terms of the quality of its business and services. The Company commits itself to ethical and sustainable operation and development of all business activities according to responsible care and its own code of conduct. Corporate Social Responsibility is an integral part of the Company's philosophy and participates in activities in the area of education and health.

16. Policy on Directors' Appointment and Remuneration Including Criteria for Determining Qualifications, Positive Attributes, Independence of a Director, Key Managerial Personnel And other Employees

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Director -



- a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;
 - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing director

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

17. Establishment of Vigil Mechanism/Whistle Blower policy

As required under Rule 7 of The Companies (Meetings of Board and its Powers) Rules 2014, the Company has a vigil mechanism named Fraud Risk Management Policy (FRM) to deal with instance of fraud and mismanagement, if any. The detail of the FRM Policy is explained in the Corporate Governance Report.

18. The Details in respect of adequacy of Internal Financial Controls

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134 (5) (e) of the Companies Act, 2013.

For the year ended 31st March, 2018, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and /or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.



The Internal Audit Department monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

19. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during each Calendar year:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

20. Extract of the Annual Return

The details forming part of the extract of the Annual Return in form MGT 9, as required under section 92 of the Companies Act, 2013 is annexed elsewhere in this Annual Report.

21. A Statement Indicating the Manner in which formal Annual Evaluation has been made by the board of its own Performance and that of its Committees and Individual Directors;

- a) Nomination and Remuneration Committee of the Board had prepared and sent through its Chairman Draft parameterized feedback forms for evaluation of the Board, Independent Directors and Chairman.
- b) Independent Directors at a meeting without anyone from the non-independent directors and management, considered/evaluated the Board's performance, performance of the Chairman and other non-independent Directors.
- c) The Board subsequently evaluated performance of the Board, the Committees and Independent Directors.

22. The Details of Familiarization Programme arranged for Independent Directors have been disclosed on website of the Company and are available at the following link:

The Familiarization Programme for Independent Directors is hosted on the Company's Website at www.arihantmulticom.com

23. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s A. L & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed elsewhere in this Annual Report.



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

Since the Company is into the Business of Financing and Investing activities in Shares and Securities; the information regarding conservation of energy, Technology Absorption, Adoption and innovation, under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is reported to be NIL.

25. Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

26. Details of Subsidiary/Joint Ventures/Associate Companies

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

27. Management Discussion and Analysis

The Management Discussion and Analysis Report forms part of the Annual Report and include various matters specified under Regulation 34(2) (e) of the SEBI (LODR) Regulations, 2015 form part of this Report.

28. Corporate Governance Report

A separate dedicated section under 'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

29. Acknowledgement:

The Board of Directors express their appreciation for the sincere co-operation and assistance of Government Authorities, Bankers, Customers, Suppliers, Business Associates and the efforts put in by all the employees of the Company. The Board of Directors expresses their gratitude to all our valued shareholders for their confidence and continued support to the Company.

Registered Office:

Arihant Multi Commercial
Shah Arcade 1, Rani Sati Marg
Malad East, Mumbai-400 097.

By order of the Board
For Arihant Multi Commercial Limited

S/d
DEEPAK BANSAL
Chairman & Managing Director
(Din No: 03578201)

Date: - 29th May, 2018

Place: - Mumbai



“Annexure – A”

Form MGT 9 - Extract of Annual Return as on Financial Year Ended on 31.03.2018

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

I. Registration and other Details –

CIN	L51909MH1982PLC028972
Registration Date	24/12/1982
Name of the Company	Arihant Multi Commercial Limited
Category / Sub-Category of the Company	Public Company limited by shares
Address of the Registered Office and contact details	F/3, C-Wing, 1st Floor, Shah Arcade 1, Rani Sati Marg, Malad (E) Mumbai Telephone: +91 22- 2301 2518 / 6761 Email id: info@arihantmulticom.com Website: www.arihantmulticom.com
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Private Limited Address: 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai-400011 Tel No: 91-22-2301 2518 / 6761 Email :- busicomp@gmail.com / busicomp@vsnl.com

II. Principal Business Activities of the Company

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Trading in Textile Product	46101	06 %
2.	Financing & Trading/ Investment in Shares and Securities	66110	93 %
3.	Steel	24319	01 %

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of shares held by them in the company	Applicable Section
1	Not Any	Not Applicable	Not Applicable	Not Applicable	Not Applicable



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup a percentage of total Equity)

(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year {As on 01 st April, 2017}				No. of Shares held at the end of the year {As on 31 st March, 2018}				% Change during the year
	Physical	Demat	Total	% of Total Shares	Physical	Demat	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	25000	-	25000	0.07	25000	-	25000	0.07	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Bank/ FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	25000		25000	0.07	25000	-	25000	0.07	-
(2)foreign	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A1)+(A2)	25000	-	25000	0.07	25000	-	25000	0.07	-
(2) Foreign	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	0.00	-	0.00	0.00	0.00	-	0.00	0.00	0
2.Non- Institutions									
a) Body corporate	PHYSICAL	DEMAT	TOTAL	%	PHYSICAL	DEMAT	TOTAL	%	
			2430525				2342897		
i. Indians	199154	24106097	1	67.07	1652292	21776683	5	66.15	-1
i. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual share capital upto Rs. 2 Lacs	226000	7910192	8136192	22.45	226000	7988306	8214306	22.67	0.22



i. Individual share capital in excess of Rs. 2 Lacs	0	2882817	2882817	7.95	0	2574264	2574264	7.10	-0.85
c) Others (specify)	-	-	-	-	-	-	-	-	-
i. Non Resident Indians	-	200094	200094	0.55	-	200094	200094	0.55	-
ii. Clearing Members	-	-	-	-	-	1098215	1098215	3.03	3.03
ii. Trusts/Qualified Foreign Investor)	-	-	-	-	-	-	-	-	-
iv. Hindu Undivided Family	-	690646	690646	1.91	-	699146	699146	1.93	0.02
Sub-total (B) (2):-	425154	35789846	3621500 0	99.93	1878292	34336708	3621500 0	99.93	1.42
Total Public Shareholding (B)=(B)(1)+(B)(2)	425154	35789846	3621500 0	99.93	-	36215000	3621500 0	99.93	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	425154	35814846	3624000 0	100.00	-	36240000	3624000 0	100.0 0	-

The shareholding of Promoters listed above is pursuant to Regulation 31(1)(b) of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015 submitted to the Stock Exchanges as on March 31, 2018.

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year {As on 01 st April, 2017}			Shareholding at the end of the year {As on 31 st March, 2018}			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Deepak Bansal	25000	0.07	-	25000	0.07	-	NIL
Total		25000	0.07	-	25000	0.07	-	NIL

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date of Changes	Reason for Changes
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
At the beginning of the year	25000	0.07	25000	0.07	No Changes during the year under review	



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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Stickwell India Pvt. Ltd				
	At the Beginning of the Year	1804837	4.98 %	1804837	4.98 %
	Acquired during the year	-	-	-	-
	At the End of the Year	1804837	4.98 %	1804837	4.98 %
2	Linus Holdings Limited				
	At the Beginning of the Year	1801984	4.97 %	1801984	4.97 %
	Acquired during the year	-	-	-	-
	At the End of the Year	1801984	4.97 %	1801984	4.97 %
3	Suresham Vinimay Private Limited				
	At the Beginning of the Year	1799124	4.96 %	1799124	4.96 %
	Acquired during the year	-	-	-	-
	At the End of the Year	1799124	4.96 %	1799124	4.96 %
4	Shivmani Vinimay Private limited				
	At the Beginning of the Year	1510319	4.17 %	1510319	4.17 %
	Acquired during the year	-	-	-	-
	At the End of the Year	1510319	4.17 %	1510319	4.17 %
5	Goodpoint Impex Pvt Ltd				
	At the Beginning of the Year	1383495	3.82 %	1383495	3.82 %
	Acquired during the year	-	-	-	-
	At the End of the Year	1383495	3.82 %	1383495	3.82 %
6	Arya Securities Pvt Ltd				
	At the Beginning of the Year	1024622	2.83 %	1024622	2.83 %
	Acquired during the year	-	-	-	-
	At the End of the Year	1024622	2.83 %	1024622	2.83 %
7	Nipun Ishwardas Thakkar				
	At the Beginning of the Year	900000	2.48 %	900000	2.48 %
	Acquired during the year	-	-	-	-
	At the End of the Year	900000	2.48 %	900000	2.48 %
8	Luminous Tie up Private Limited				
	At the Beginning of the Year	864129	2.38 %	864129	2.38 %
	Acquired during the year	-	-	-	-
	At the End of the Year	864129	2.38 %	864129	2.38 %
9	Gurukul Enclave Private Limited				
	At the Beginning of the Year	682637	1.88 %	682637	1.88 %
	Acquired during the year	-	-	-	-
	At the End of the Year	682637	1.88 %	682637	1.88 %



10	Panchratan Enclave Pvt Ltd				
	At the Beginning of the Year	606728	1.67 %	606728	1.67 %
	Acquired during the year	-	-	-	-
	At the End of the Year	606728	1.67 %	606728	1.67 %

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors and KMP	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	Mr. Deepak Sitaram Bansal				
	At the beginning of the year	25000	0.07	25000	0.07
	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	There were no Increase / Decrease in Shareholding during the year			
	At the end of the year	25000	0.07	25000	0.07

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	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-



VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/	Total Amount
		Mr Deepak Bansal (Managing Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	100000	100000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify (Sitting Fees & Out of Pocket Expenses)	-	-
Total (A)		100000	100000

B. Remuneration to other directors:

Sr No	Particulars of Remuneration	Name of Directors					Total Amount (In Rs.)
		Mr. Pavankumar Kapil Singh	Ms. Karishma Ruturaj Kaku	Mr. Jaydeep Surendrasin gh Matieda	Mr. Rajesh Savadia	Mr. Rajen Valia	
1	Independent Directors						
	Fee for attending board/ committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Professional Fee	120000	-	-	-	-	-
	Total (B1)	-	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board/ committee	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Professional fee	-	-	-	-	-	-
	Total (B2)	-	-	-	-	-	-
	Total	120000	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Rs.)

Sr.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Priya Pareek	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- Others, specify...	-	-
5	Others, please specify	-	-
	Total	-	-

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

Registered Office:

Arihant Multi Commercial
Shah Arcade 1, Rani Sati Marg
Malad East, Mumbai-400 097.

By order of the Board
For Arihant Multi Commercial Limited

S/d
DEEPAK BANSAL
Chairman & Managing Director
(DIN: 03578201)

Date: - 29th May, 2018
Place: - Mumbai



**“ANNEXURE B”
Form No. MR-3**

Secretarial Audit Report for the Financial Year Ended March 31, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Aриhant Multi Commercial Limited

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

Based on my verification of **Aриhant Multi Commercial Limited** 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 March 31, 2018, 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 March 31, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. We have also examined compliance with the applicable clauses of the following:
 - a) Secretarial Standards issued by The Institute of Company Secretaries of India.



b) The Listing Agreements entered into by the Company with BSE Limited. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

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

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

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.

We further report that during the audit period, there were no instances of:

- a) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- b) Redemption / buy-back of securities.
- c) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction etc.
- e) Foreign technical collaborations.

Place: Mumbai

Date: May 29, 2018

**For AL & Associates,
Company Secretaries**

S/d

Priti Agarwal

Partner

C.P. No. 9937



Annexure: - 1

To,
The Members,
Arihant Multi Commercial Limited

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

- 1) Maintenance of secretarial record is the responsibility of the Management of the Company. 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, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For AL & Associates,
Company Secretaries**

**S/d
Priti Agarwal
Partner
C.P. No. 9937**

**Date:-29/05/2018
Place:- Mumbai**



MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management discussion and analysis presents the industry Overview, opportunities and Threats, Initiatives by the Company and overall strategy of **Arihant Multi Commercial Limited**

1. Overview of economy:

Indian economy as compared to previous year is on a recovery mode. Major indicators of growth mainly industrial production, stock market index, domestic consumption and exports are picking up. In many ways, 2017-18 was a defining year for the Indian economy. India completely reset its indirect tax system to a comprehensive 'One Nation, One Tax' - Goods and Service Tax regime. The Indian Economy gained momentum in the previous Financial Year with its Gross Domestic Product (GDP) growth stood at 6.7%. However, inflation at around 5.1%, fiscal deficit at 3.5% of GDP, Trade deficit at US \$16.3 billion and Dollar appreciation are major concerns going forward in the current year. The World growth also strengthened in the year 2017-18 to 3.8 percent with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia and remarkable upswing in emerging Europe. The world economy is expected to strengthen further in 2018 and 2019, with economic growth projected to rise to about 4%. **Industry Structure and Development:**

During Financial Year 2017-18 exports of Textile and clothing were maintained at USD 35.5 billion. While garment sector accounted for 53% of the exports, Cotton yarn/fabrics/made ups had 24% share with remaining 23% comprising man-made textiles, handicrafts, handmade carpets, etc.

According to the report of Labour Bureau, textiles and clothing sector generated maximum employment during 2016, outperforming the IT and auto sectors. As it is, the clothing and textiles industry has 12% share of country's total exports and employs close to 45 million people. India's share in the world trade in textiles and clothing was around 5%, as against 37% of China, and 4% each of Italy, Germany and Bangladesh. Among the other major exporters, U.S., Hong Kong, Vietnam and Turkey had a share of 3% each.

Technology Upgradation Fund Scheme (TUFS), which was introduced for textile industry from 1st April, 1999, has been further extended up to 31st March, 2022 with certain changes. A substantial part of spinning capacity was put up under the TUFS during this period and total investments attracted in the entire industry till 30th June, 2017, amounted to around Rs.3.07 lakh crores.

2. Opportunities and threats Opportunities

Though the furnishing fabric market is ever growing one yet it has witnessed a radical change in consumer tastes and liking due to changing life styles in line with changing times. The economic changes and liberalization has played a big role in enhancing the living standards and is also instrumental to a large extent in adding up to general spending power. The boom in housing sector has indeed added spice to peoples' tastes and their zest for sophistication.

The Company operates in a highly competitive environment but its competence and core experience has helped it in keeping pace with the developments around.



Threats

With the lifting of quota, the competition has increased from China and other towel exporting countries.

3. Financial Performance / Product wise Performance

During the year under review your company had achieved a turnover of Rs. 4.56 Crores against the last year turnover of Rs. 46.88 Crores. Your Company has earned a net profit of Rs. 0.52 Lacs as against a profit of Rs. 5.20 Lacs during the last year. In view of improving financial results and positive outlook of the near future, your directors are hopeful that in current year better financial results would follow.

4. Internal Control Systems and their adequacy

The Company has in place internal control system. Audit Committee reviews internal audit reports and oversees the internal control system of the Company. The Company has implemented an internal controls and risk management systems for achieving operational efficiency, optimal utilization of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by Management for its efficiency and effectiveness.

5. Human Resources

The Company recognizes that its success is deeply embedded in the success of its human capital. Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce.

6. Cautionary Statement

Certain statements under “Management Discussion & Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company’s operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Registered Office:

Arihant Multi Commercial
Shah Arcade 1, Rani Sati Marg
Malad East, Mumbai-400 097.

By order of the Board
For Arihant Multi Commercial Limited

S/d
DEEPAK BANSAL
(Din No: 03578201)
Chairman & Managing Director

Date: - 29th May, 2018

Place: - Mumbai



CORPORATE GOVERNANCE REPORT

A report on Corporate Governance is set out with the Corporate Governance requirement as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. **Company's Philosophy on Code of Governance:**

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders.

The goal is achieved through –

- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties.
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

2. **Board of Directors (Board)**

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

a) **Composition of the Board**

The Constitution of Board of Directors of the Company is governed by the Company's Act 2013 and the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's Board comprises a combination of executives and non-executive Directors. The Board presently consists of 3 Directors and its mix provides a combination of professionalism, knowledge and experience required in the line of Business of the Company. The Board is responsible to manage business of the Company. The functions, responsibilities, role and accountability of the Board are well defined. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board. During the financial year, Mr Rajesh Savadia was appointed as Independent directors with effect from 05th September, 2017 & Mr Rajen Valia was also appointed as Independent director with effect from 30th January, 2018. Further, Ms Karishma Kaku, Mr Jaydeep Matieda & Mr. Pavankumar Kapil Singh has resigned from Board w.e.f 28th June, 2017; 18th December, 2017 & 30th January, 2018 respectively.



The composition and details of the Board of Directors as at March 31, 2018 is as follows

Name	Designation	DIN	Date of appointment	Committee Membership in other Listed Cos.	Committee Chairmanship in other Listed Cos.	No. of Directorship in other Listed Cos.
Mr. Deepak Bansal	Managing Director	03578201	17/01/2014	Nil	Nil	1
Mr. Rajesh Savadia	Independent Director	07924652	05/09/2017	Nil	Nil	Nil
Mr. Rajen Valia	Independent Director	08046346	30/01/2018	Nil	Nil	Nil

b) Board procedure

A detailed agenda folder is sent to each Director atleast 10 days in advance of Board and Committee Meetings. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. To enable the Board to discharge its responsibilities effectively, the Managing Director appraises the Board at every meeting, the overall performance of the Company.

c) Number of Board Meetings:

Board Meetings are conducted in accordance with the Rules made under Companies Act, 2013 and as per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre scheduled and a tentative annual calendar of the Board is circulated to the Directors in advance to facilitate the Directors to plan their schedules.

The Notice of each Board Meeting is given in writing and/or by email to each Director. The Agenda along with relevant notes and other material information are sent in advance separately to each Director and in exceptional cases, tabled at the meeting. This ensures timely and informed decisions by the Board. The Minutes of Board Meetings are also circulated in advance to all Directors and confirmed at subsequent Meetings. The Board reviews the performance of the Company.

Details of Board Meetings

The Board of Directors met 07 times during the financial year 2017-2018 on 29th May, 2017, 14th August, 2017, 05th September, 2017, 13th November, 2017, 18th December, 2017, 30th January, 2018 and 12th February, 2018.



Attendance of Board of Directors at the Board Meeting and at the last Annual General Meeting:

Name /DIN	Designation	No of Meetings Entitled to Attend	Meetings attended	Attendance at the Last AGM
Mr. Deepak Bansal (Din:- 03578201)	Managing Director	10	10	YES
Mr. Pavankumar kapil Singh (Din:- 07467926)	Independent Director	05	05	NO
Ms. Karishma Kaku (Din:- 07214961)	Independent Women Director	01	01	NO
Mr. Jaydeep Matieda (Din:- 07467914)	Independent Director	04	04	NO
Mr. Rajesh Savadia (Din:- 07924652)	Independent Director	05	05	YES
Mr. Rajen Valia (Din:- 08046346)	Independent Director	02	01	YES

d) **Shareholding of Non-executive Director :-**

None of the Non-executive Director holds shares and/or convertible instruments.

e) **Board Independence**

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of and Regulation 17 of the SEBI (LODR) Regulations, 2015 entered into with Stock Exchange. Further, none of the Independent Director is serving more than seven listed companies.

3. Committees of the Board

The Board has constituted the following committees viz. Audit Committee, Nomination Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable.

Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/ functional heads of Company are invited to present various details called for by the Committee in its meeting. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting. The recommendations of the Committees are submitted to the Board for approval.



AUDIT COMMITTEE

a) Terms of reference

The powers, role and terms of reference of the audit Committee are in line with the provisions of Section 177 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors and notes the processes and safeguards employed by each of them.

b) Powers of Audit Committee

The Audit Committee is having following powers:-

- ❖ To investigate any activity within its terms of reference
- ❖ To seek information from any employee
- ❖ To obtain outside legal or other professional advice.
- ❖ To secure attendance of outsiders with relevant expertise, if it considers necessary.

c) Role of Audit Committee

- ❖ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ❖ Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- ❖ Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- ❖ Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management
 - iv. Significant adjustments made in the financial statements arising out of audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report.
- ❖ Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- ❖ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- ❖ Review and monitor the auditor's independence and performance, and effectiveness of audit process;



- ❖ Approval or any subsequent modification of transactions of the company with related parties;
- ❖ Scrutiny of inter-corporate loans and investments;
- ❖ Valuation of undertakings or assets of the company, wherever it is necessary;
- ❖ Evaluation of internal financial controls and risk management systems;
- ❖ Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ❖ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- ❖ Discussion with internal auditors of any significant findings and follow up there on;
- ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- ❖ Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ❖ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- ❖ To review the functioning of the Whistle Blower mechanism;
- ❖ Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- ❖ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- ❖ Apart from the Role defined as above the review of information as mandated by the SEBI Listing Regulations.

d) Meetings Attendance & Composition of Audit Committee

Name	Designation	Meetings Entitled to Attend	Meetings Attended
Mr. Deepak Bansal* (Managing Director)	Chairman	4	4
Mr. Pavankumar Kapil Singh^ (Independent Director)	Member	3	3
Mr. Jaydeep Matieda ^ (Independent Director)	Member	3	3
Mr. Rajesh Savadia^^ (Independent Director)	Member	2	2
Mr. Rajen Valia^^^ (Independent Director)	Member	1	1

The members of Audit Committee met four times during the financial year 2017-2018 on 29th May, 2017, 14th August, 2017, 13th November, 2017, 12th February, 2018.

* Chairman of the Committee;

^ Mr. Jaydeep Matieda and Mr. Pavankumar Kapil Singh resigned from the Board with effect from 18.12.2017 and 30.01.2018 respectively;

^^ Pursuant to Resignation of Mr Jaydeep Matieda, Audit Committee was re-constituted and Mr. Rajesh Savadia was appointed as Member of the Audit Committee w.e.f 13th November, 2017



^^ Pursuant to Resignation of Mr. Pavankumar Kapil Singh again the Audit Committee is re-constituted and Mr, Rajen Valia was appointed as Member of the audit Committee w.e.f 12/02/2018

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee discharges the functions as envisaged by the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

a) **Terms of reference**

The terms of reference of the Nomination & Remuneration Committee are in line with the provisions of section 178 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The purpose of the Committee is to oversee the nomination process for top-level management positions and review executive remuneration structure. The Committee identifies, screens and reviews individuals qualified to serve as executive directors, non-executive directors and independent directors consistent with criteria approved by the Board and recommends, for approval by the Board, nominees for election at the AGM.

b) **Role of Nomination and Remuneration committee**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board, their appointment and removal.

c) **Details of Remuneration paid to Directors**

The payment of Remuneration to Director is as prescribed in Extract of Annual Return during the Year. Further no Stock option has been allotted to any of the Directors during the financial year 2017 - 2018.

d) **Policy for Selection and Appointment of Directors and Their remuneration.**

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non-Executive Directors;

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director -
 - a) Qualification, expertise and experience of the Directors in their respective fields;



- b) Personal, Professional or business standing;
c) Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.
- e) **Remuneration of Non- Executive Directors :**
The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- f) **Remuneration of Chairman & Managing Director**
For the purpose of selection of the Chairman & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.
The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.
- g) **Performance Evaluation**
A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.
- h) **Meetings Attendance & Composition of Committee ***
The members of Nomination & Remuneration Committee met four times during the financial year 2017-2018 on 29th May, 2017 14th August, 2017 13th November 2017 12th February, 2018

Name	Designation	Meetings Entitled to Attend	Meetings Attended
Mr. Deepak Bansal (Managing Director)	Member	4	4
Mr. Pavankumar Kapil Singh* (Independent Director)	Chairman	3	3
Mr. Jaydeep Matieda ^ (Independent Director)	Member	3	3
Mr. Rajesh Savadia * (Independent Director)	Member/ Chairman	2	2
Mr. Rajen Valia^^ (Independent Director)	Member	1	1



* Chairman of the Committee – Appointed With effect 12th February, 2018

^ Mr. Jaydeep Matieda and Mr. Pavankumar Kapil Singh resigned from the Board with effect from 18.12.2017 & 30.01.2018 respectively.

^^ Pursuant to Resignation of Mr Jaydeep Matieda, Nomination and Remuneration Committee was re-constituted and Mr. Rajesh Savadia was appointed as Member of the Committee w.e.f 13.11.2017.

^^^ Pursuant to Resignation of Mr. Pavankumar Kapil Singh Nomination and Remuneration Committee was again re-constituted and Mr.Rajesh Savadia was given chairmanship of the Committee and Mr. Rajen Valia was appointed as Member of the Committee w.e.f from 12.02.2018.

STAKEHOLDER RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing “Shareholders’/Investors’ Grievance Committee” as the “Stakeholders’ Relationship Committee”

The terms of reference of the Committee are:

- a. Transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- b. issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- c. issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- d. issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- e. to grant Employee Stock Options pursuant to approved Employees’ Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- f. to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- g. to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- h. to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- i. monitoring expeditious redressal of investors / stakeholders grievances;
- j. All other matters incidental or related to shares, debentures and other securities of the Company.

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry (India) Private Limited attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Stakeholders’ Relationship Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

Compliance Officer

Ms Bhakti Soni, Company Secretary and Compliance officer of the company have resigned with effect from 04th January, 2016, committee is under process of appointing suitable candidate for post of compliance officer.



Composition of Committee and Meetings attended

During the year, four meetings of the Stakeholders' Relationship Committee were held on 29th May, 2017; 14th August, 2017; 13th November 2017 and 12th February, 2018 during the financial year 2017-2018.

Brief Details of Names, Designation, Category and meeting attended by Members of Committee is as follows:

Name	Designation	Meetings Entitled to Attend	Meetings Attended
Mr. Deepak Bansal* (Managing Director)	Chairman	4	4
Mr. Pavankumar Kapil Singh^ (Independent Director)	Member	3	3
Mr. Jaydeep Matieda ^ (Independent Director)	Member	3	3
Mr. Rajesh Savadia^^ (Independent Director)	Member	2	2
Mr. Rajen Valia^^^ (Independent Director)	Member	1	1

* Chairman of the Committee;

^ Mr. Jaydeep Matieda and Mr. Pavankumar Kapil Singh resigned from the Board with effect from 18.12.2017 and 30.01.2018 respectively;

^^ Pursuant to Resignation of Mr Jaydeep Matieda, Stakeholder Relationship Committee was re-constituted and Mr. Rajesh Savadia was appointed as Member of the Audit Committee w.e.f 13th November, 2017

^^^ Pursuant to Resignation of Mr. Pavankumar Kapil Singh again the Audit Committee is re-constituted and Mr, Rajen Valia was appointed as Member of the audit Committee w.e.f 12.02.2018

4. Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, Clause 49 of Listing Agreement and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on- going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

5. Independent Directors' Meeting

The separate meeting of Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR) Regulations, 2015 was held during the year under review, on February 11, 2016, inter alia, to discuss:

- Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non- Executive Directors.



- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

6. Details of General body Meetings

Meeting	33 rd Annual General Meeting	34 th Annual General Meeting	35 th Annual General Meeting
Date	29 th September 2015	30 th September 2016	30 th September 2017
Time	2.00 PM	2.00 PM	3.30 PM
Venue	Ramee Guest Line Hotel, 1st Floor, 462, A. B. Nair Road, Opp. Sun-N-Sand, Hotel, Juhu, Vile Parle (W), Mumbai-400 049	Ramee Guest Line Hotel, 1st Floor, 462, A. B. Nair Road, Opp. Sun-N-Sand, Hotel, Juhu, Vile Parle (W), Mumbai-400 049	Shah Arcade 1, Rani Sati Marg, Malad East, Mumbai - 400 097

• **POSTAL BALLOT**

No resolution was being passed during last three years through Postal Ballot.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

• **SPECIAL RESOLUTION PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:**

Details of Special Resolution passed in last three Annual General Meeting

Meeting	31 st Annual General Meeting	32 nd Annual General Meeting	33 rd Annual General Meeting
Date	27 th September, 2013	30 th September 2014	29 th September 2015
Special Resolution	No Special Resolution Passed	No Special Resolution Passed.	No Special Resolution Passed

During current Financial Year 2017-2018 no Extra-Ordinary General Meeting (EOGM) was held.

7. Means of Communication

- **Quarterly Results :-** Quarterly Results of the Company are published in 'Asian Age' and 'Mumbai Mitra' and are also displayed on the Company's website www.arihantmulticom.com
- **News Releases, Presentations etc.:-** Official news / Press releases, if any are sent to the Stock Exchanges and are displayed on the Company's website www.arihantmulticom.com
- **Website:-** The Company maintains website as per regulations of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The Company's Annual Report is also uploaded on the website in a user-friendly and downloadable form.
- There were no presentations made to the institutional investors or to the analysts
- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):-** BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases among others are also filed electronically on the Listing Centre.



8. General Shareholder Information

- **Company Registration details:** - The Company is registered in the state of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51909MH1982PLC028972
- **Details of Registrar and Share Transfer Agents:** - Purva Sharegistry Pvt. Ltd., Mumbai has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:
M/s. Purva Sharegistry Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg Lower Parel,
Mumbai-400 011
Tel: 022-23012518 / 23016761
- **Financial year :-**
The financial year covers the period from 01st April to 31st March
- **Annual General Meeting :-**
Date: - 29th September 2018
Time: - 09.00 AM
Venue: - SHAH ARCADE 1, RANI SATI MARG, MALAD EAST, MUMBAI - 400 097

- **Financial reporting :-**

Subject Matter	Date
Financial Reporting of 1st Quarter ended on 30 th June 2017	Mid of August, 2017
Financial Reporting of 2nd Quarter ended on 30 th September 2017	Mid of November, 2017
Financial Reporting of 3rd Quarter ended on 31 st December 2017	Mid of February, 2018
Financial Reporting of 4th Quarter ended on 31 st March 2018	During May 2018
Date of Annual General Meeting	During September, 2018

- **Dates of Book Closure :- 21st September, 2018 to 29th September, 2018** (Both days inclusive)
- **Share Transfer system :-**
The Company's Share transfer system is handled by Registrar & Share transfer agent M/s. Purva Sharegistry Pvt. Ltd.
- **Dividend Payment Date:** - No Dividend has been recommended for the year under review.
- **Dividend History for last 10 years:**

Sr. No	Year of Declaration of Dividend	Date of Declaration of Dividend	Amount Declared per Share	Face Value of Shares
1	2009-10	May 29, 2010	Rs. 1.00	Rs. 10.00
2	2014-15	May 28, 2015	Rs. 0.10	Rs. 1.00

- **Unclaimed Equity Share** - As required to be disclosed under Regulation 39 of SEBI Listing Obligations and Disclosure Requirements, Regulations 2015. Nil Shares are lying at the beginning or at the Close of Financial Year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.
- **Name & Address of stock exchange where securities are listed are as follows :-**

Name	Bombay Stock exchange (BSE)
Address :-	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.



- **Listing Fees :-** Company has paid Annual Listing Fees for financial year 2016-2017 & it is under process of Payment of Listing Fees for Financial Year 2017-18 to BSE
- **Stock Code & ISIN:** - Scrip Code 506113 on BSE. ISIN – INE776N01028

- **Distribution of Shareholding as on 31st March 2018**

No. of Equity Shares held	No. of Share Holders	% of Total Holders	No. of Shares Held	% of Total Holding
0-5000	170	35.71	1,62,540	0.45
5001-10000	36	7.56	2,92,858	0.81
10001 - 20000	73	15.34	11,64,037	3.21
20001 – 30000	33	6.93	8,49,088	2.34
30001 - 40000	13	2.73	4,61,984	1.27
40001-50000	22	4.62	10,10,510	2.79
50001-100000	42	8.82	28,12,954	7.76
100001 and Above	87	18.28	2,94,86,029	81.36
Total	476	100	36,240,000	100

- **Market Price Data**

Month	Price on BSE & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2017	-	-	-	30184.22	29241.48
May 2017	-	-	-	31255.28	29804.12
June 2017	-	-	-	31522.87	30680.66
July 2017	-	-	-	32672.66	31017.11
August 2017	-	-	-	32686.48	31128.02
September 2017	-	-	-	32524.11	31081.83
October 2017	-	-	-	33340.17	31440.48
November 2017	-	-	-	33865.95	32683.59
December 2017	-	-	-	34137.97	32565.16
January 2018	-	-	-	36443.98	33703.37
February 2018	-	-	-	36256.83	33482.81
March 2018	-	-	-	34278.63	32483.84

- **Code of Conduct**

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees of the company for ethical, professional conduct and the code is posted on website of the company www.arihantmulticom.com. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Chairman & Managing Director is forming part of the report.

- **CEO/ CFO Certification:**

The Chairman and Managing Director of the Company Mr. Deepak Bansal and Chief Financial Officer of the Company Mr. Priya Pareek have certified compliances with the stipulations of Regulation 17(8) of the SEBI (LODR) 2015 in relation to Annual Financial Statements for the year 2017-18.

- **Details on use of Public Funds Obtained in the last three years:**

No fund has been raised by way of Public, Right of Preferential Issue or any other mode during last three financial years

- **Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity:** - The Company has not issued any ADRs/GDRs/ Warrants or any convertible instruments.



- **Plant Location:-** The Company does not have any plant.
- **Green initiatives** in Corporate Governance to receive documents through email by registering your email address :-

The Ministry of Corporate Affairs (MCA) has taken a “Green initiative in the Corporate Governance” by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company will send notices/documents such as Annual Reports and notices by email to the shareholders registering their email address. To support this applaud able move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding through the respective Depository Participant (DP) and in respect of physical holding through the Registrar and Share Transfer Agent (RTA) M/s. Purva Sharegistry Pvt. Ltd.

While every notice/document will be sent through email address registered with the Company, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

- **Dematerialization of Equity Shares & Liquidity :-**

The Company’s Equity Shares are in Demat trading segment and the Company had established connectivity with NSDL by signing the necessary agreements.

Procedures for dematerialization / Rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of Shares.

The Shares of Company are traded on Bombay Stock Exchange Ltd. 98.83% of the Company’s Equity Share Capital held under Public category has been dematerialized up to 31st March 2018.

- **Address for Correspondence :-**

ARIHANT MULTI COMMERCIAL PVT. LTD

F/3, C-Wing, 1st Floor, Shah Arcade 1, Rani Sati Marg, Malad (E)

Tele: 91 22 28822184 **Fax:** +91 22 28822183

Email; Website: www.arihantmulticom.com

9. Disclosures

- There were no transactions with related parties i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large. The details of the related Party transactions are disclosed under the notes on accounts, as required under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India.
- Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of



Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

- There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- **Disclosure Of Accounting Treatment:-** In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.
- **Vigil Mechanism / Whistle Blower Policy:-**
The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and it provides its employees a channel for reporting of genuine concerns about unethical behavior, actual or suspected or mis-conduct without fear of punishment or unfair treatment.

Whistle Blower Policy is placed on the website of the Company – www.arihantmulticom.com . During the year, no employee has been denied access to the Audit Committee.

Mandatory / Non Mandatory Compliances:

The Company has been complying with all mandatory legislations including but not restricted to Accounting Standards, Secretarial Standards, Internal Financial Controls, Code of Conduct, Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information, Corporate Social Responsibility etc.

Adoption of Discretionary Requirement Specified in Part E of Schedule II

The Company has adopted the following non-mandatory requirements:

- The financial statements of the Company contain an unmodified audit opinion.
- The report of the Internal Auditor is placed before the Audit Committee

The Company does not have any material subsidiary.

The Company does not have any shares lying in the demat suspense account/ unclaimed suspense account.

Registered Office:

Arihant Multi Commercial Limited
Shah Arcade 1, Rani Sati Marg
Malad East, Mumbai-400 097.

For Arihant Multi Commercial Limited

S/d
Deepak Bansal
Chairman & Managing Director
(Din No: **03578201**)

Date: - 29th May, 2018

Place: - Mumbai



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of ARIHANT MULTI COMMERCIAL LIMITED

We have examined the compliance of conditions of Corporate Governance by **Arihant Multi Commercial Limited** (“the Company”), for the year ended 31st March 2018, as per Regulation 17 to 27, clause (b) to (i) to Regulation 46 (2) and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement), Regulation, 2015 (“Listing Regulations”)

The compliance of conditions of corporate governance is the responsibility of the management. Our examinations has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For AL & Associates,
Practicing Company Secretaries**

S/d
Priti Lakhotia
Partner
ACS No- 21970
CP No - 12790

Date: - 29th May, 2018
Place: - Mumbai



DECLARATION ON CODE OF CONDUCT

**To,
The Members of Arihant Multi Commercial Limited**

This is to confirm that the Board has laid down a Code of Conduct for all Board of Directors and Senior Management Personnel of the Company.

It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company as at March 31, 2018, as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For Arihant Multi Commercial Limited

S/d
Deepak Bansal
Managing Director
Din No: - 03578201

Date: - 29th May, 2018

Place: - Mumbai



CERTIFICATE

(Certification by CFO under Regulation 17(8) of SEBI Listing Obligations and Disclosure Requirements, Regulations, 2015)

**To,
The Members of Arihant Multi Commercial Limited**

- a) We have reviewed the financial statements and the cash flow statements of **Arihant Multi Commercial Limited** for the year ended March 31, 2018 and to the best of our knowledge and belief certify that:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectifying these deficiencies
- d) We have indicated to the Auditors and the Audit Committees that there are:
- i. No significant changes in internal control over financial reporting during the year
 - ii. No significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement.
 - iii. No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Arihant Multi Commercial Limited

S/d
Priya Pareek
(Chief Financial officer)

S/d
Deepak Bansal
(Managing Director)
DIN: - 03578201

Date: - 29th May, 2018
Place: - Mumbai



INDEPENDENT AUDITORS' REPORT

To the Members of Aриhant Multi Commercial Limited Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Aриhant Multi Commercial Limited (CIN - L51909MH1982PLC028972)** (“the Company”), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as “Ind AS financial statements”).

Management’s Responsibility for the Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement



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

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

Emphasis of Matters

We invite attention to the Note No. 28 of financial statements regarding balance confirmation from the parties to whom loans & advances has been made by the company, which are under process to receive and subsequent reconciliation and adjustment if any required.

Our opinion on the Ind AS financial statement is not modified in respect of the above matters.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *subject to the possible effects of matters specified in the Emphasis of Matters*, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report we report that:
 - a) We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance sheet, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e) On the basis of written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position in its Ind-AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the “**Annexure- B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Maheshwari & Co
Chartered Accountants
Firm Registration No - 105834W
S/d
Pawan Gattani
Partner
(Membership No. 144734)

Place: Mumbai
Date: May 29, 2018



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

**(Referred to in paragraph 1(f) under the heading
'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **Arihant Multi Commercial Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company has maintained, *except the deficiencies observed in maintaining the documents related to balance confirmations from various parties*, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Maheshwari & Co
Chartered Accountants
Firm Registration No - 105834W

S/d
Pawan Gattani
Partner
(Membership No. 144734)

Place: Mumbai
Date: May 29, 2018



ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) Fixed assets have been verified by the management in accordance with a phased programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets, though all the assets were not verified by the management during the year. No material discrepancies were noticed on such verification *however no such reports are produced before us for our verifications.*
c) According to information and explanations given to us, there are no immovable properties held by the company. Accordingly, the provisions of clause 3(i) (c) of the Order is not applicable to the Company.
2. According to information and explanations given to us, the inventory of the company consist quoted and unquoted equity shares, quoted shares has been maintained with Anugrah Stock and Broking Private Limited and these have been confirmed by Anugrah Stock and Broking Private Limited as at the year end and Inventory Certificate has been provided to us certifying the quantities and value of quoted and unquoted shares.
3. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.
4. According to information and explanations given to us, the Company has not granted any secured or unsecured loan or provided any guarantee or security as per provisions of Section 185 of the Act however *the Company has not complied with the provisions of Section 186 of the Act with regard to the investments made by the company to Corporates and Non-Corporates.*
5. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder during the year. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Companies Act, are not applicable to the Company during the year.
7. (a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities.
(b) There was undisputed amounts payable in respect of Sales Tax including interest Rs.15,352 is outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited on account of any dispute with the relevant authorities.



8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans during the year.
10. According to the information and explanation given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officers or employees have been noticed or reported during the year, nor have we been informed of any such cases by the management.
11. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
16. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Maheshwari & Co
Chartered Accountants
Firm Registration No - 105834W**

**S/d
Pawan Gattani
Partner
(Membership No. 144734)**

**Place: Mumbai
Date: May 29, 2018**



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972
Balance sheet as at March 31, 2018

Particulars	Note No.	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
I. ASSETS				
Non-current assets				
Property, Plant and Equipment	4	31,837	48,154	82,795
Financial Assets				
Income Asset Tax (Net)	5	8,94,832	-	-
Deferred Tax Asset (Net)	14	3,099	2,301	
Other non-current assets				
Total Non-current assets		9,29,768	50,455	82,795
Current assets				
Inventories	6	9,14,32,613	3,06,23,731	1,22,98,265
Financial Assets				
(i) Trade receivables	7	4,66,732	2,24,76,060	43,50,93,274
(ii) Cash and cash equivalents	8	27,48,160	3,15,435	4,26,332
(iii) Bank balances other than (ii) above				
(iv) Loans	9	12,01,28,806	15,97,78,883	13,35,10,729
(v) Other financial assets	10	-	15,580	1,15,579
Other current assets	11	1,52,93,983	2,85,55,342	5,99,37,708
Total Current Assets		23,00,70,294	24,17,65,031	64,13,81,887
Total Assets		23,10,00,062	24,18,15,486	64,14,64,682
II. EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	12	3,62,40,000	3,62,40,000	3,62,40,000
b) Other Equity	13	17,97,09,686	17,97,03,550	17,96,50,619
Total Equity		21,59,49,686	21,59,43,550	21,58,90,619
Non-current liabilities				
Deferred tax liabilities (Net)	14	-	-	21,282
Total non-current liabilities		-	-	21,282
Current liabilities				
Financial Liabilities				
(i) Trade payables	15	1,50,35,023	60,70,855	41,31,35,882
Other current liabilities	16	15,353	1,95,34,328	1,10,42,328
Provisions	17	-	-	11,11,253
Current Tax liability (Net)	5	-	2,66,753	2,63,318
Total current liabilities		1,50,50,376	2,58,71,936	42,55,52,781
Total Liabilities		1,50,50,376	2,58,71,936	42,55,74,063
Total Equity and Liabilities		23,10,00,062	24,18,15,486	64,14,64,682

The Significant Accounting Policies and accompanying notes form an integral part of the Ind AS financial statements 1-37

As per our report of even date attached

For Maheshwari and Co.
Chartered Accountants
Firm No: 105834W

(S/d)
Pawan Gattani
(Partner)
Membership No. : 144734

Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors of
Arihant Multi Commercial Limited

(S/d)
Deepak Bansal
(Managing Director)
(DIN: 00272675)

(S/d)
Firoz Pathan
(Director)
(DIN : 07780227)

(S/d)
Priya Mahesh Pareek
(CFO)



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972
Statement of Profit and Loss for the Year ended 31 March 2018

Particulars	Note No.	Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Revenue from operations	18	4,14,63,704	3,48,00,468
Other income	19	99,64,886	1,08,62,769
Total Revenue (A)		5,14,28,590	4,56,63,237
Expenses			
Cost of raw materials consumed	20	11,16,99,397	6,33,79,379
Changes in inventories of finished goods/traded goods and work-in-progress	21	(6,08,08,882)	(1,83,25,466)
Employee benefits expense	22	2,44,000	1,39,889
Depreciation and amortisation expense		16,317	34,641
Other expenses	23	2,67,315	3,92,817
Finance Cost	24	3,252	-
Total expenses (B)		5,14,21,399	4,56,21,260
Profit before tax (A-B)		7,191	41,977
Tax expense:			
- Current tax		1,852	12,630
- Deferred tax		(798)	(23,583)
		1,054	(10,953)
Profit for the year		6,137	52,931
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined employee benefit plans		-	-
Fair value changes on Equity Instruments carried at fair value through OCI		-	-
Tax impact of items that will not be reclassified to statement of profit and loss		-	-
Total comprehensive income for the year		6,137	52,931
Earnings per equity share			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
Nominal value of equity shares		1	1

The Significant Accounting Policies and accompanying notes form an integral part of the Ind AS financial statements

1-37

As per our report of even date attached

For Maheshwari and Co.
Chartered Accountants
Firm No: 105834W

For and on behalf of the Board of Directors of
Arihant Multi Commercial Limited

(S/d)
Pawan Gattani
(Partner)
Membership No. : 144734

(S/d)
Deepak Bansal
(Managing Director)
(DIN: 00272675)

(S/d)
Firoz Pathan
(Director)
(DIN : 07780227)

Place : Mumbai
Date : May 29, 2018

(S/d)
Priya Mahesh Pareek
(CFO)



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

Particulars		Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Cash flow from/(used in) operating activities			
Profit before tax		7,191	41,978
Adjustment for:			
Depreciation and amortization		16,317	34,641
Interest and Dividend Income		(90,17,755)	(1,08,62,769)
Operating profit before working capital changes		(89,94,247)	(1,07,86,150)
Movement in working capital:			
(Increase)/decrease in trade receivables		2,20,09,328	41,26,17,214
(Increase)/decrease in inventories		(6,08,08,882)	(1,83,25,466)
(Increase)/decrease in Short Term Loan and Advances		3,96,50,077	(2,62,68,153)
(Increase)/decrease in other financial Assets		15,580	99,999
(Increase)/decrease in other current Assets		1,32,61,359	3,13,82,366
Increase/(decrease) in trade payables		89,64,168	(40,70,65,027)
Increase/(decrease) in other current liability		(1,95,18,975)	84,92,000
Increase/(decrease) in Short Term Provision		(2,66,753)	(11,07,818)
Cash generated/(used) in operations		(56,88,346)	(1,09,61,035)
Income taxes paid		(8,96,684)	(12,630)
Net Cash flow from operating activities	(A)	(65,85,030)	(1,09,73,665)
Cash flow from/(used) investing activities			
Interest and Dividend Received		90,17,755	1,08,62,769
Cash generated/(used) in investing activities	(B)	90,17,755	1,08,62,769
Cash flow from/(used in) financing activities			
Interest paid		-	-
Cash generated/(used) in financing activities	(C)	-	-
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	24,32,725	(1,10,897)
Cash and cash equivalent at beginning of year		3,15,435	4,26,332
Unrealised exchange difference		-	-
Total Cash and cash equivalent at beginning of year		3,15,435	4,26,332
Cash and cash equivalent at end of year		27,48,160	3,15,435
Unrealised exchange difference at year end		-	-
Total Cash and cash equivalent at end of year		27,48,160	3,15,435
Net increase/(decrease) as disclosed above		24,32,725	(1,10,897)

As per our report of even date attached

For Maheshwari and Co.
Chartered Accountants
Firm No: 105834W

(S/d)
Pawan Gattani
(Partner)
Membership No. : 144734

Place : Mumbai
Date : May 29, 2018

**For and on behalf of the Board of Directors of
Arihant Multi Commercial Limited**

(S/d) (S/d)
Deepak Bansal **Firoz Pathan**
(Managing Director) (Director)
(DIN: 00272675) (DIN : 07780227)

(S/d)
Priya Mahesh Pareek
(CFO)



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLCO28972

Notes to the Ind AS financial statements for the year ended 31 March 2018

1 Corporate information

Arihant Multi Commercial limited (referred to as "Company") has been incorporated on Dec 24, 1982 vide CIN L51909MH1982PLCO28972 having registered office at 204, B-Wing, New Prabhat SRA CHS Ltd., Chikuwadi, W. E. Highway, Andheri East, Mumbai Mumbai City MH 400099.

2 Basis of preparation of financial statements

These financial statements, for the year ended 31 March 2018 and 31 March 2017 are prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with relevant rules issued thereunder.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

3.01 Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

3.02 First-time adoption of Ind AS

Ind AS 101 requires that all Ind AS effective for the first Ind AS financial statements, be applied consistently and retrospectively for all fiscal years presented. However, this standard has some exception and exemption to this general requirement in specific cases. The application of relevant exception and exemption are:

Exceptions to retrospective application of other Ind AS

- (a) **Estimates:** An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error.
- (b) **Ind AS 109-Financial Instruments (Derecognition of previously recognised financial assets / financial liabilities):** An entity shall apply the derecognition requirements in Ind AS 109 in financial instruments prospectively for transactions occurring on or after the date of transition. The Company has applied the derecognition requirements prospectively.
- (c) **Ind AS 109-Financial Instruments (Classification and measurement financial assets) :** Classification and measurement shall be made on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured the financial assets on the date of transition.

Exemptions from retrospective application of Ind AS

- (a) **Ind AS 40 Investment Property :** If there is no change in the functional currency an entity may elect to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the date of transition.
- (b) **Ind AS 27 Separate financial statements:** An entity is required to account for its investments in subsidiaries, joint ventures and associates either:
 - (a) at cost; or
 - (b) in accordance with Ind AS 109. Such cost shall be cost as per Ind AS 27 or deemed cost. The deemed cost of such an investment shall be its fair value on the date of transition to Ind AS or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries at deemed cost being carrying value as previous GAAP.
- (c) **Ind AS 17 Leases:** An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes both land and building elements, an entity shall assess the operating lease. The Company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.
- (d) **Ind AS 109-Financial Instruments:** Ind AS 109 permits an entity to designate a financial liabilities and financial assets (meeting certain criteria) at fair value through profit or loss. A financial liability and financial asset shall be designated at fair value through profit or loss, on the basis of facts and circumstances that exist at the date of transition.



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

3.03 Use of estimates

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

Valuation of financial instruments
Valuation of derivative financial instruments
Useful life of property, plant and equipment
Useful life of investment property
Provisions
Recoverability of trade receivables

Summary of significant accounting policies

3.04 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.05 Fair value measurement

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions

Financial instruments (including those carried at amortised cost)

3.06 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods

Revenue from domestic sales is recognised when goods are delivered to the customer and the title of goods passes to the customers.

Interest and dividend income

The interest and dividends are recognised only when no uncertainty as to measurability or collectability exists. Interest on fixed deposits is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

3.07 Inventories:

- i) Quoted Inventories are valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.
- ii) Unquoted Inventories are valued at cost.

3.08 Foreign currency transactions and translation

- i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated in functional currency at closing rates of exchange at the reporting date.
- ii) Exchange differences arising on settlement or translation of monetary items recognised in statement of profit and loss.
- iii) The Company is primarily engaged in business of imports and exports of diamonds and jewellery. It has availed foreign currency denominated credit facilities for the purpose of its export and import business. As the Company enters into business transactions based on the prevailing exchange rate, forward premium and other related factors, the gain/(loss) on this account is considered to be an integral part of the operations of the Company in accordance with industry practice and to avoid distortion of operating performance.

3.09 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

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

Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

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

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

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

3.10 a) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss. The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration.

Depreciation and amortisation

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Useful life as per management
Plant and machinery	15 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years

Computer software is amortised over a period of 5 years.

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

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

3.11 Investment property

Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment properties measured initially at cost including related transitions cost and where applicable borrowing cost. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is incurred the carrying amount of replaced part is derecognised.

Investment properties other than land are depreciated using WDV method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 i.e. 60 years for office premises. Investment properties include:

- (i) Land
- (ii) Office premises.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.13 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

3.14 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.16 Financial instruments

Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

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

(a) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. However, the Company has borrowings at floating rates. Considering the impact of restatement of Effective interest rate, transaction cost is being amortised over the tenure of loan and borrowing.

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition

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

3.17 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

3.18 Employee Benefits

i) Defined contribution plans (Provident Fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

In accordance with applicable Indian Law, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lumpsum payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is yield at reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligation. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

3.19 Lease

Operating lease:

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments / revenue under operating leases are recognised as an expense / income on accrual basis in accordance with the respective lease agreements.

3.20 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

4 a) Property, Plant and Equipment

Particulars	Computer Hardware	Furniture & Fixture	Air Condition	Computer	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
As at 1 April 2016	1,25,781	16,800	43,200	47,429	2,33,210
Additions	-	-	-	-	-
Deductions/Adjustments	-	-	-	-	-
As at 31 March 2017	1,25,781	16,800	43,200	47,429	2,33,210
Additions	-	-	-	-	-
Deductions/Adjustments	-	-	-	-	-
As at 31 March 2018	1,25,781	16,800	43,200	47,429	2,33,210
Depreciation/amortisation Up to 1 April 2016	1,05,964	4,411	14,269	25,771	1,50,415
For the year	12,516	3,208	5,237	13,680	34,641
Deductions/Adjustments	-	-	-	-	-
Up to 31 March 2017	1,18,480	7,619	19,506	39,451	1,85,056
For the year	4,610	2,377	4,290	5,040	16,317
Deductions/Adjustments	-	-	-	-	-
Up to 31 March 2018	1,23,090	9,996	23,796	44,491	2,01,373
Net Block					
At 31 March 2016	19,817	12,389	28,931	21,658	82,795
At 31 March 2017	7,301	9,181	23,694	7,978	48,154
At 31 March 2018	2,691	6,804	19,404	2,938	31,837

Note :

- The Company used carrying amount as per previous GAAP as on 1 April 2016 in its opening Ind AS statement of financial position as deemed cost for an item of property, plant and equipment.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

5 Income Tax Asset / Liability (Net)

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Current Tax Assets / (Liability) (Net)			
TDS Receivable (A.Y. 2018-19)	8,96,684	-	-
Provision for tax	1,852	2,66,753	2,63,318
TOTAL	8,94,832	(2,66,753)	(2,63,318)

6 Inventories

Particulars	As at 31 March 2018			As at 31 March 2017			As at 1 April 2016		
	Quantity Nos.	Rate Per Share	Value	Quantity Nos.	Rate Per Share	Value	Quantity Nos.	Rate Per Share	Value
QUOTED SHARES									
Aihav Enterprises Limited	50000	0.68	34,000	-	-	-	-	-	-
Crescent Leasing Limited	80000	44.10	35,28,000	-	-	-	-	-	-
Jri Industries Ltd	63893	1.05	67,087	63,893	1.75	1,11,813	63,893	9.56	6,10,817
Ojas	500000	2.97	14,85,000	4,88,684	1.86	9,08,952	4,88,684	22	1,07,75,482
Prabhat Telecom (India) Limited	191500	207.35	3,97,07,525	-	-	-	-	-	-
TOTAL(A)	8,85,393		4,48,21,612	5,52,577		10,20,765	5,52,577		1,13,86,299
UNQUOTED SHARES									
Agradooti Vanija Private Limited	61260	100	61,26,000	21,910	100	21,91,000	-	-	-
Access Vyapar Private Limited	-	-	-	20,000	100	20,00,000	-	-	-
Alcoa Trading Private Limited	16460	500	82,30,000	15,000	500	75,00,000	-	-	-
Anuska Vanija Private Limited	13000	500	65,00,000	11,000	500	55,00,000	-	-	-
Glacier Trading Private Limited	28000	250	70,00,000	20,000	250	50,00,000	-	-	-
Beau Mont Tradeoom Private Limited	13000	500	65,00,000	3,000	500	15,00,000	-	-	-
Joyguru Commotrade Private Limited	-	-	-	10,000	500	50,00,000	-	-	-
Cincom Trading Private Limited	5280	500	26,40,000	-	-	-	-	-	-
Jubilant Fintex Private Limited	1000	100	1,00,000	-	-	-	-	-	-
Kathakali Vincom Private Limited	7200	500	36,00,000	-	-	-	-	-	-
Larica Trading Pvt Ltd	11815	500	59,07,500	-	-	-	-	-	-
Sudarshan Builder Private Limited	75	100	7,500	-	-	-	-	-	-
TOTAL(B)	1,57,090		4,66,11,000	1,00,910		2,86,91,000	-		-
Steel	-	-	-	34,349	27	9,11,966	34,349	27	9,11,966
TOTAL(C)	-		-	34,349		9,11,966	34,349		9,11,966
GRAND TOTAL(A+B+C)	8,85,393		9,14,32,613	5,86,926		3,06,23,731	5,86,926		1,22,98,265

Note : - The Management has provided the Inventory Certificate certifying inventory value and movement of stocks for the above mentioned movements of unquoted shares.

7 Trade Receivables

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
(Unsecured, considered good)			
Trade Receivables	4,66,732	2,24,76,060	5,30,52,470
Receivables from Related Party	-	-	38,20,40,804
Total	4,66,732	2,24,76,060	43,50,93,274

***The Company has obtained balance confirmation from few of the parties, for rest of the parties, it is under process to receive and subsequent reconciliation and adjustment required, if any.

8 Cash and Cash Equivalents

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Balances with banks-in current Accounts	93,000	94,216	2,32,080
Cash on hand	26,55,160	2,21,219	1,94,252
Total	27,48,160	3,15,435	4,26,332



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

9 Loans -current

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Unsecured, Considered good Loans to Others			
Loans and Advances to Corporate and Non Corporate	12,01,28,806	15,97,78,883	13,35,10,729
Total	12,01,28,806	15,97,78,883	13,35,10,729

***Refer No 28 for Details Regarding Interest Bearing and Non Interest Bearing.

***The Company has provided Loans and Advances amounting to Rs. 6,09,54,080 to Corporate and Non corporate as mentioned above, however interest income not booked on such loans and advances.

The Company has obtained balance confirmation from few parties to whom above mentioned loans and advances has been granted, for rest of the parties, it is under process to receive and subsequent reconciliation and adjustment if any required.

10 Other financial assets

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Security Deposit	-	15,580	1,15,579
Total	-	15,580	1,15,579

11 Other Current assets

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Advances to vendors	1,27,00,000	2,85,55,342	5,99,37,708
Balances with Government tax authorities	25,93,983	-	-
Total	1,52,93,983	2,85,55,342	5,99,37,708

*** Advances given to vendors during the previous years however no such business activities has been undertaken with the parties during the year and ledger balance confirmation is still under process to receive for the above mentioned advances.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

12 Equity Share Capital

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Authorised:			
5,00,00,000 (as at 31 March 2017: 5,00,00,000 ; as at 1 April 2016: 5,00,00,000) Equity shares of Rs.1 each (as at 31 March 2017: Rs.1 each ; as at 31 March 2016: Rs.1 each) (refer note (d))	5,00,00,000	5,00,00,000	5,00,00,000
	-	-	-
Issued, subscribed and paid up:			
36240000 (as at 31 March 2017: 36240000; as at 1st April 2016: 36240000) Equity shares of Rs.1 each (as at 31 March 2017: Rs.1 each ; as at 1st April 2016: Rs.1 each) fully paid up (refer note (d))	3,62,40,000	3,62,40,000	3,62,40,000
Add: Forfeited shares (amount originally paid-up)	-	-	-
Total Equity	3,62,40,000	3,62,40,000	3,62,40,000

a) Details of reconciliation of the number of shares outstanding:

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	Rs.	No. of shares	Rs.	No. of shares	Rs.
Equity Shares:						
Shares outstanding at the beginning of the year (refer note (d) below)	3,62,40,000	3,62,40,000	3,62,40,000	3,62,40,000	3,62,40,000	36,24,00,000
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares cancelled on consolidation	-	-	-	-	-	-
Shares outstanding at the end of the year	3,62,40,000	3,62,40,000	3,62,40,000	3,62,40,000	3,62,40,000	36,24,00,000

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shares in the company held by each shareholder holding more than 5 percent:

Name of Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	No. of shares	%	No. of shares	%	No. of shares	%
N/A						

d) The Company has neither issued any shares for consideration other than cash or as bonus shares nor any shares issued had been bought back by the Company during the last five years.



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972
Notes to the Ind AS financial statements for the year ended 31 March 2018

13 Other Equity

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Equity instruments through other comprehensive income			
Balance as per last financial statement	-	-	-
Addition during the year (net of tax)	-	-	-
Transfer to retained earning realised (gain)/Loss	-	-	-
Closing balances	-	-	-
Retained earnings			
Balance as at beginning of the year	17,97,03,549	17,96,50,619	17,91,29,747
Add : Deferred tax liability on fixed assets transferred			-
Add : Profit for the year	6,137	52,931	5,20,872
Prior year tax adjustment	-	-	-
	17,97,09,686	17,97,03,550	17,96,50,619
Total	17,97,09,686	17,97,03,550	17,96,50,619
Total	17,97,09,686	17,97,03,550	17,96,50,619

14 Deferred tax Assets/ (liabilities)- Net

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Deferred tax liabilities			
Related to Fixed Asset	-	-	21,282
Others	-	-	-
	-	-	21,282
Deferred tax assets			
Related to Fixed Asset	3,099	2,301	-
	3,099	2,301	-
Total	3,099	2,301	21,282

15 Trade Payables

	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Financial Liabilities at amortised cost			
Sundry Creditors for Goods	1,50,35,023	60,70,855	41,31,35,882
Total	1,50,35,023	60,70,855	41,31,35,882

***The Company has obtained balance confirmation from few of the parties, for rest of the parties, it is under process to receive and subsequent reconciliation and adjustment required, if any.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

16 Other Current Liabilities

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Advances from customers	-	1,95,34,328	1,10,34,328
Statutory dues payable	15,353	-	8,000
Total	15,353	1,95,34,328	1,10,42,328

17 Provisions

Particulars	As at 31 March 2017 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Provision for Expenses	-	-	11,11,253
Total	-	-	11,11,253

ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

18 Revenue From Operations

Particulars	Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Sales of raw materials / finished goods / traded goods:		
Sales Textile	25,94,240	50,00,468
Sales Equity	3,86,27,464	2,98,00,000
Sales Steel	2,42,000	-
Total	4,14,63,704	3,48,00,468

19 Other Income

Particulars	Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Interest income:		
Interest on ICD	90,17,755	1,08,62,769
Sundry Balances Written Back	9,47,131	-
Total	99,64,886	1,08,62,769



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

20 Cost of Raw Materials Consumed

Particulars	Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Purchase		
Purchase Textile	33,77,512	48,88,379
Purchase Equity	10,83,21,885	5,84,91,000
Total	11,16,99,397	6,33,79,379

21 Changes In Inventories of Finished Goods/Traded Goods and Work-In-Progress

Particulars	Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Changes in inventories of finished goods / traded goods		
Opening stock of finished goods / traded goods	3,06,23,731	1,22,98,265
Less: Closing stock of finished goods / traded goods	9,14,32,613	3,06,23,731
Total	(6,08,08,882)	(1,83,25,466)



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

22 Employee Benefits Expense

Particulars	Current Year 2017-18 (Rs.)	Previous Year 2016-17 (Rs.)
Salary Bonus & Allowances	-	78,384
Staff Welfare Expenses	24,000	1,505
Directors Remuneration	2,20,000	30,000
Directors Sitting Fees	-	20,000
Out of Pocket Expenses to Director	-	10,000
Total	2,44,000	1,39,889

23 Other Expenses

Particulars	Current Year 2017-18 (Rs.)	Current Year 2016-17 (Rs.)
Auditor's remuneration: - for Statutory Audit	30,000	30,000
Advertisement	-	3,436
Bank Charges	10,284	1,993
Conveyance Expenses	1,20,000	-
Exchange Charges	23,049	-
Legal and professional fees	35,000	27,500
Processing Charges	10,609	-
Rent	-	48,000
Sundry Balances Written off	-	2,77,841
Telephone & Mobile Expenses	-	1,000
Miscellaneous Expenses	38,374	3,047
Total	2,67,315	3,92,817

24 Finance Cost

Particulars	Current Year 2017-18 (Rs.)	Current Year 2016-17 (Rs.)
Interest on Delay Payment of VAT	3,252	-
Total	3,252	-



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

25 Segmental Information

In accordance with IND AS 108 "Operating segment" - The Company used to present the segment information identified by the Company to allocate resources to the segment and assess their performance.

Segment performance is evaluated on the basis on profit and loss.

Summary of the segment information as follows:

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)
Segment Revenue		
Sales and Income from operations		
Trading of Textiles	25,94,240	50,00,468
Trading of Steel	2,42,000	-
Trading of Equity Shares	3,86,27,464	2,98,00,000
	4,14,63,704	3,48,00,468

26 Financial Instruments

Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of 31 March 2018 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and Cash Equivalents	27,48,160	-	-	27,48,160	27,48,160
Trade Receivables	4,66,732	-	-	4,66,732	4,66,732
Loans	12,01,28,806	-	-	12,01,28,806	12,01,28,806
	12,33,43,698	-	-	12,33,43,698	12,33,43,698
Liabilities:					
Trade and other payables	1,50,35,023	-	-	1,50,35,023	1,50,35,023
	1,50,35,023	-	-	1,50,35,023	1,50,35,023

Financial Instrument by Category

The carrying value and fair value of financial instrument by categories as of 31 March 2017 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and Cash Equivalents	3,15,435	-	-	3,15,435	3,15,435
Trade Receivables	2,24,76,060	-	-	2,24,76,060	2,24,76,060
Loans	15,97,78,883	-	-	15,97,78,883	15,97,78,883
	18,25,70,378	-	-	18,25,70,378	18,25,70,378
Liabilities:					
Trade and other payables	60,70,855	-	-	60,70,855	60,70,855
	60,70,855	-	-	60,70,855	60,70,855

27 Financial Risk Management Objectives and Policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Carrying Amount of Financial Assets and Liabilities:

The following table summarises the carrying amount of financial assets and liabilities recorded at the year end categories:

Particulars	As at 31 March 18 (Rs.)	As at 31 March 17 (Rs.)	As at 1st April 16 (Rs.)
Financial assets			
Cash and cash equivalent	27,48,160	3,15,435	4,26,332
Trade receivables	4,66,732	2,24,76,060	43,50,93,274
Loans	12,01,28,806	15,97,78,883	13,35,10,729
At end of the year	12,33,43,698	18,25,70,378	56,90,30,335
Financial liabilities			
Trade payables	1,50,35,023	60,70,855	41,31,35,882
At end of the year	1,50,35,023	60,70,855	41,31,35,882

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial instruments and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings.

Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model

Particulars	As at 31 March 18 (Rs.)	As at 31 March 17 (Rs.)	As at 1st April 16 (Rs.)
Financial assets			
Cash and cash equivalent	27,48,160	3,15,435	4,26,332
Trade receivables	4,66,732	2,24,76,060	43,50,93,274
Loans	12,01,28,806	15,97,78,883	13,35,10,729
At end of the year	12,33,43,698	18,25,70,378	56,90,30,335

In the opinion of management, trade receivable, Financial assets, Cash and cash equivalent, Balance with Bank, Loans and other financial assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

The Company has not recognised any loss allowance as the Company expect that there is no credit loss on trade receivables.



ARIHANT MULTI COMMERCIAL LIMITED
CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

28 Interest Rate Risk

The following table analyse the breakdown of the financial assets by type of interest rate:

Particulars	As at 31 March 18 (Rs.)	As at 31 March 17 (Rs.)
Financial assets		
Non Interest bearing		
- Non Corporate	3,45,62,432	3,49,47,432
- Corporate	2,63,91,648	2,43,91,648
Interest bearing		
- Non Corporate	3,58,52,792	3,68,92,873
- Corporate	3,70,21,933	7,45,46,930

***The Company has provided Loans and Advances amounting to Rs. 6,09,54,080 to Corporate and Non corporate as mentioned above, however interest income not booked on such loans and advances.

The Company has obtained balance confirmation from few parties to whom above mentioned loans and advances has been granted, for rest of the parties, it is under process to receive and subsequent reconciliation and adjustment if any required.

29 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31 March 18 (Rs.)	As at 31 March 17 (Rs.)	As at 1st April 16 (Rs.)
Trade payables	1,50,35,023	60,70,855	41,31,35,882
Other financial liabilities	-	-	-
Less: cash and cash equivalents	27,48,160	3,15,435	4,26,332
Net debt (a)	1,77,83,183	63,86,290	41,35,62,214
Total equity			
Total member's capital	21,59,49,686	21,59,43,550	21,58,90,619
Capital and net debt (b)	23,37,32,869	22,23,29,840	62,94,52,833
Gearing ratio (%) (a/b)*100	7.61	2.87	65.70

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

30 Income Tax

The major components of Income Tax Expense for the years are:

Particulars	As at 31 March 2018	As at 31 March 2017
Current income tax:		
Current income tax charge	1,852	12,630
Adjustments in respect of previous year	-	-
MAT credit entitlement	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(798)	(23,583)
Income tax expense reported in the statement of profit or loss	1,054	(10,953)

A Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before Income taxes is summarized as follow:

Particulars	As at 31 March 2018	As at 31 March 2017
Profit before income tax	7,191	41,977
Rate of Income tax	25.75%	30.90%
Computed expected tax expenses	1,852	12,971
Depreciation As per Companies Act 2013	16,317	34,641
Depreciation As per Income Tax Act	(11,731)	(30,337)
Income tax expense reported in the statement of profit or loss	6,438	17,275

Applicable statutory tax rate for financial year 2017-18 is 25.75% (Previous year 2016-17 is 30.90%)

The Gross movement in the current income tax asset/(Liability) for the year ended March 31, 2018 and March 31, 2017 is as follows

Particulars	As at 31 March 2018	As at 31 March 2017
Net current income tax asset/(liability) at the beginning	-	-
Income tax paid	8,96,684	-
Current tax expenses	-1,852	-
Net current income tax asset/(liability) at the end	8,94,832	-



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

31 Estimates

The estimates at 31 March 2017 and at 31 March 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

32 Balances in the accounts of Trade Receivables, Loans and Advances, Trade Payables and Other Current Liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

33 There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)-36 'Impairment of Assets.

34 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Current Year 2017-18 (Rs.)	Current Year 2016-17 (Rs.)
Profit attributable to equity holders for basic earnings (Rs.)	6,137	52,932
Weighted average number of equity shares for basic and diluted earning per share	3,62,40,000	3,62,40,000
Face value per share	1	1
Basic earning per share	0.00	0.00
Diluted earning per share	0.00	0.00

35 The Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated February 16, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS would replace the existing Indian GAAP prescribed under section 133 of The Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. For Arihant Multi Commercial Limited, Ind AS would be applicable for the accounting period beginning April 1, 2017, with a transition date of April 1, 2016.

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.

A. Reconciliation of Balance Sheet for the year ended 31st March, 2018

The transition from Indian GAAP to Ind AS has not had a material impact on the Balance Sheet

B. Reconciliation of equity

The transition from Indian GAAP to Ind AS has not had a material impact on the Equity

C. Reconciliation of profit and loss for the year ended 31st March, 2018

The transition from Indian GAAP to Ind AS has not had a material impact on the Profit & Loss

D Reconciliation of cash flow for the year ended 31st March 2018

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Notes:

1 Deferred tax

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. In addition, the various transitional adjustments lead to temporary differences.

2 Other Comprehensive Income

Under Indian GAAP, the Company has not presented other comprehensive income separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS.



ARIHANT MULTI COMMERCIAL LIMITED

CIN : L51909MH1982PLC028972

Notes to the Ind AS financial statements for the year ended 31 March 2018

36 Related Party Transaction

i. Related Party Disclosures

Related party relationships:	Current Year	Previous Year	Previous Year
Particulars	2017-2018	2016-2017	2015-2016
Key managerial personnel	Deepak Sitaram Bansal Pawankumar Kapil Singh	Deepak Sitaram Bansal Ranjeet Kumar Modi (upto 13/05/2016)	Deepak Sitaram Bansal Ranjeet Kumar Modi
	Rajesh Savadiya Rajen Valia Jaydeep Matieda	Priya M. Pareek Mahesh Parihar Karishma Rituraj Kaku (upto 13/05/2016)	Priya M. Pareek Mahesh Parihar Karishma Rituraj Kaku
	Priya Mahesh Pareek	Jaydeep Surendra Singh (upto 13/05/2016)	Jaydeep Surendra Singh
	Firoz Pathan	Paraveenkumar Kapil Singh (upto 13/05/2016)	Paraveenkumar Kapil Singh

Notes:

1. The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

2. The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

ii. Transactions with related parties:

Particulars	Current Year	Previous Year	Previous Year
	2017-2018	2016-2017	2015-2016
	(Rs.)	(Rs.)	(Rs.)
Remuneration			
Deepak Sitaram Bansal	1,00,000	50,000	-
Pawankumar Kapil Singh	1,20,000	-	-
Total	2,20,000	50,000	-

37 Events after the end of the reporting year

No subsequent event has been observed which may required an adjustment to the statement of financial position.

38 In the opinion of the Director, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

39 Previous year's figures have been re- grouped / re-classified, wherever necessary to confirm to the current year's presentation

Signatures to Notes 1 to 39

For Maheshwari and Co.

Chartered Accountants

Firm No: 105834W

For and on behalf of the Board of Directors of

Arihant Multi Commercial Limited

Pawan Gattani

(Partner)

Membership No. : 144734

Deepak Bansal

(Managing Director)

(DIN: 00272675)

Firoz Pathan

(Director)

(DIN : 07780227)

Place : Mumbai

Date : May 29, 2018

Priya Mahesh Pareek

(CFO)