



**105<sup>th</sup>  
Annual Report 2017-18**

THE  
VICTORIA MILLS  
LIMITED

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2017-2018  
THE VICTORIA MILLS LIMITED, MUMBAI  
ANNUAL REPORT WITH  
BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

**BOARD OF DIRECTORS :**

Mr. R. K. Shah (Chairman)  
Mr. Aditya Mangaldas (Managing Director)  
Mr. S. G. Vaidya  
Mrs. Mamta Mangaldas  
Ms. Gargi Mashruwala

**AUDITORS :**

Vasani & Thakkar  
Chartered Accountants

**REGISTERED OFFICE :**

Victoria House,  
Pandurang Budhkar Marg,  
Lower Parel, Mumbai 400 013.  
Tel: 24971192/93, Fax: 24971194  
email: vicmill2013@gmail.com,  
website:www.victoriamills.in  
CIN : L17110MH1913PLC000357

**REGISTRAR & SHARE TRANSFER AGENTS**

M/s. Link Intime India Pvt. Ltd.  
C-101, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West) Mumbai - 400083,  
Tel. No. : 91(22) 4918 6000  
Email : mumbai@linkintime.co.in  
Website : www.linkintime.co.in



## THE VICTORIA MILLS LIMITED

CIN: L17110MH1913PLC000357

Registered Office: Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai- 400013.  
Tel: 24971192/93, Fax: 24971194, E-mail: vicmill2013@gmail.com Website: www.victoriamills.in

### NOTICE

Notice is hereby given that the 105<sup>th</sup> Annual General Meeting ("AGM") of the members of THE VICTORIA MILLS LIMITED will be held as Scheduled below:

Day : Thursday  
Date : September 27, 2018  
Time : 11:00 A.M.  
Venue : Hall of Harmony, Nehru Centre,  
Dr. Annie Besant Road, Worli, Mumbai - 400018.

To transact the following businesses:

#### ORDINARY BUSINESS:

1. To consider and adopt the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 and the Reports of the Directors and Auditors thereon.
2. To Declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Rashmikant Shah (DIN 07111006) who retires by rotation and being eligible, offers himself for re-appointment and hence to pass, with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mr. Rashmikant Shah (holding DIN 07111006), a Non-Executive Non-independent Director of the Company, who is liable to retire by rotation at this Annual General Meeting of the Company, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation, though he has crossed the age of 75 years."

4. Ratification of Appointment of Statutory Auditor

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and pursuant to the recommendation of the Audit Committee and the Board of Directors and pursuant to the approval of the Members at the 104<sup>th</sup> Annual General Meeting, the Company hereby ratifies the appointment of M/s. Vasani & Thakkar, Chartered Accountants (ICAI Firm Registration No. 111296W) as the Statutory Auditors of the Company, to hold office till the conclusion of the 109<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022, at a remuneration as may be decided by the Board of Directors in consultation with the said Auditors."

#### SPECIAL BUSINESS

- 5) To consider and if thought fit, to pass following resolution as **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 or any modification or re-enactment thereof and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of

Directors and subject to approval the Central Government, if required, the consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Aditya Mangaldas (DIN: 00032233) as Managing Director of the Company for the period of three years w.e.f. 1st April 2018 and payment of remuneration not exceeding Rs. 84,00,000/- per annum for period of said three years including Basic Salary and other Perquisites, Bonus, Performance Incentives and other additional perquisites as recommended by the Nomination and Remuneration Committee and determined by the Board from time to time as per the rules of the Company.

**RESOLVED FURTHER THAT** in the event of no profit or the profits being inadequate in any financial year of the Company during the currency of tenure of Mr. Aditya Mangaldas, he shall be paid salary, allowances and perquisites not exceeding limits as set out in Schedule V to the Companies Act, 2013 or any modification or re-enactment thereof, unless otherwise approved by Central Government if any.

**RESOLVED FURTHER THAT** in case any of the aforesaid consents as may be applicable and if denied by the competent authority to the Payment of Remuneration to Mr. Aditya Mangaldas, the committee recommend to the Board to take every steps to get refund of the excess amount of Remuneration paid to Mr. Aditya Mangaldas.

The following perquisites however shall not be included in the computation of the ceiling on remuneration:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- (c) Encashment of leave at the end of the tenure.

**RESOLVED FURTHER THAT** Mr. Aditya Mangaldas shall be entitled to the re-imbursalment of all out of pocket expenses which may be incurred by him for and in the course of business of the Company.

**RESOLVED FURTHER THAT** draft agreement proposed to be entered into with the Managing Director should be on revised terms and stipulated that the same be placed before ensuing Annual General Meeting as Special Resolution and be executed after approval of the shareholder and necessary legal formalities be carried out"

- 6) To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mr. S. G. Vaidya (holding DIN 00220956), an Independent Director of the Company, be continued as an Independent Director of the Company to hold office for the balance period of his current tenure viz upto 12th August, 2019, though he has crossed the age of 75 years."

## NOTES:

**1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- 2) The instrument appointing the proxy (as per the format provided hereinafter), in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 3) Member / Proxy should bring the attendance slip duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
- 4) Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- 5) The Register of Members of the Company shall remain closed from the Wednesday, September 12, 2018 to Thursday, September 27, 2018(both days inclusive).
- 6) Payment of Dividend as recommended by the Directors, if approved at the meeting, will be made to those members whose names are on the Company's register of members on Tuesday, September 11, 2018 and those whose names appear as Beneficial Owner (in case shares in held in Demat) as at the close of the business hours on Tuesday September 11, 2018 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
- 7) Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide replies at the Meeting.
- 8) Since shares of the Company are traded on the Bombay Stock Exchange; compulsorily in demat mode, shareholders holding shares in physical mode are strongly advised to get their shares dematerialized.
- 9) The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly register their e-mail IDs to the RTA by sending an e-mail at [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in). The Annual Report of the Company and other documents proposed to be sent through e-mail would also be made available on the Company's website i.e. [www.victoriामills.in](http://www.victoriामills.in).

- 10) Members are requested to intimate to the company or Register and Transfer agent Viz. Link Intime India Private Limited, C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400083, changes if any, in their registered address quoting Folio Numbers or Client ID and DP ID numbers in all the correspondence.
- 11) Please encash your dividend warrants immediately on their receipt by you as pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 (“IEPF Rules”) notified by the Ministry of Corporate Affairs (MCA) dividends remaining unclaimed for seven years are required to be transferred to the Investor Education and Protection Fund (“the Fund”) established by the Central Government. Also, Shares with respect to above dividend needs to be transferred to the Fund.
- 12) Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their requests in Form SH-13 to the Registrar and Transfer Agent of the Company.
- 13) Pursuant to Section 107 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administrations) Rules, 2014, there will not be any voting by show of hands on any of the agenda items at the Meeting and the Company will conduct polling at the Meeting.
- 14) The Board of Directors has appointed Mr. Nilesh Shah, Practising Company Secretary (FCS No. 4554, CP No. 2631) as Scrutinizer for conducting the voting process in a fair and transparent manner.
- 15) The Scrutinizer shall submit his report, to the Chairman / Managing Director, on the votes cast in favour or against, if any, within a period of three working days from the date of conclusion of the e-voting period.
- 16) Please refer attendance slip for route map giving directions to the venue of the meeting.
- 17) The results declared along with the Consolidated Scrutinizer report shall be placed on the website of the Company [www.victoriामills.in](http://www.victoriामills.in). The results shall also be communicated to the Stock Exchange.
- 18) Pursuant to the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Directors proposed to be appointed/re-appointed are as under-

| Agenda Item No.                                   | 3                   | 5   |
|---|---------------------|---|
| Name of Director                                  | Mr. Rashmikant Shah | Mr. Aditya Mangaldas                                      |
| Director Identification Number (DIN)              | 07111006            | 00032233  |
| Date of Birth                                     | 07.02.1937          | 16.08.1963  |
| Qualification & Brief Profile including Expertise | Refer: Note-1       | Refer: Note-2   |
| Disclosure of relationship with other Director's  | Nil                 | Spouse of Mrs. Mamta Mangaldas, Director of the Company   |
| Directorships in other Listed Companies           | None                | 1. Morarjee Textiles Limited<br>2. Arrow Textiles Limited |



|  |     |  |
|--|-----|--|
| Memberships/<br>Chairmanship of Audit<br>and Stakeholders<br>Relationship<br>C o m m i t t e e s<br>across other Public<br>Companies | Nil | Member - Stakeholder<br>Relationship Committee<br>(The Victoria Mills<br>Limited) Member -<br>Stakeholder Relationship<br>Committee(Arrow Textiles<br>Limited)<br>Member - Audit Committee<br>(Morarjee Textiles Limited)<br>Member - Nomination and<br>Remuneration Committee<br>(Morarjee Textiles Limited)<br>Chairman - Audit Committee<br>(Arrow Textiles Limited)<br>Chairman - Nomination and<br>Remuneration Committee<br>(Arrow Textiles Limited) |
| Shareholding in The<br>Victoria Mills Ltd  | 1   | 43,317   |

**Note-1 Qualification, Brief profile and Expertise of Mr. Rashmikant K. Shah**

Mr. Rashmikant Shah is Qualified Company Secretary, Chartered accountant and L.L.B by profession, Mr. Rashmikant Shah was Past Company Secretary of The Victoria Mills Limited. Right now Mr. Rashmikant Shah is a Non- Executive Director and Chairman of the Company. Mr. Rashmikant Shah has been associated with The Victoria Mills Limited for last 56 Years.

**Note -2 Qualification, Brief profile and Expertise of Mr. Aditya Mangaldas**

- Mr. Aditya Mangaldas is a Mechanical Engineer from L. D. College of Engineering, Ahmedabad and has an MBA from Babson College, U.S.A.
- Mr. Aditya Mangaldas is responsible for overall business strategy and direction for the organization. As a Managing Director, he provides strategic direction to the Company.
- Mr. Aditya Mangaldas is actively involved in an organization involved in housing and caring for children with serious chronic diseases.

**19) E-Voting**

**Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or <http://www.victoriamills.in/> .

**The e-voting period commences on Monday, September 24, 2018 (9:00 am) and ends on Wednesday September 26, 2018 (5:00 pm).** During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date of Thursday, September 20, 2018.** Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the **cut-off date i.e. Thursday, September 20, 2018,** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rt.helpdesk@linkintime.co.in](mailto:rt.helpdesk@linkintime.co.in) .

The member(s) whose email ID is not registered with the Company/ Depository Participants(s,), may obtain a login ID and password for casting his/her vote by remote e-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting NSDL at the toll free no.: 1800-222-990 mentioning your demat account no/folio no.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

**The procedure to login to e-Voting website consists of two steps as detailed hereunder:**

**Step 1: Log-in to NSDL e-Voting system**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details will be as per details given below :
  - For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).
  - For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).
  - For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).
- Your password details are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

- c. How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail [nilesh@ngshah.com](mailto:nilesh@ngshah.com) to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.

Other information:

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsd.com> or contact NSDL at the following toll free no.: 1800-222-990.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

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

Mr. Nilesh Shah, Practising Company Secretary (FCS No. 4554, CP No. 2631) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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

The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.victoriamils.in](http://www.victoriamils.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**By Order of the Board of Directors**  
For The Victoria Mills Limited

Place: Mumbai  
Date: May 02, 2018

Registered Office:  
Victoria House,  
Pandurang Budhkar Marg,  
Lower Parel,  
Mumbai- 400 013

**Rashmikan Shah**  
**Chairman**  
(DIN: 07111006)



## Explanatory Statement

The following Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, ("the Act") sets out all material facts relating to the business mentioned in item no. 5 in the accompanying Notice of the Annual General Meeting.

### Item No. 3

Pursuant to the provisions of Companies Act, 2013, Mr. Rashmikant Shah, as non-independent director, retires by rotation at the 105<sup>th</sup> Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

SEBI has vide Notification dated 9<sup>th</sup> May, 2018 notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to amend certain provisions or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. One such amendment is insertion of new Sub-Regulation (1A) in Regulation 17 which stipulates that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a Special Resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person. The said amendment shall come into force with effect from 1<sup>st</sup> April, 2019.

Mr. Rashmikant Shah is aged 81 years therefore his re-appointment as a Non-Executive Non-Independent Director requires consent of the Members by way of a Special Resolution in view of the aforesaid amendment.

Mr. Rashmikant Shah is qualified Company Secretary, Chartered Accountant and L.L.B by profession, Mr. Rashmikant Shah was past Company Secretary of The Victoria Mills Limited. Mr. Rashmikant Shah is now a Non- Executive Director and Chairman of the Company. Mr. Rashmikant Shah has been associated with The Victoria Mills Limited for last 56 Years. He is active and keeps good health. Having regard to his qualifications, knowledge and experience, his re-appointment on the Board of the Company as a Non-Executive Non-Independent Director will be in the interest of the Company. Accordingly, the Board of Directors recommend passing of the Special Resolution at Item No. 3 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Rashmikant Shah is concerned or interested in the Resolution.

### Item No. 5

Mr. Aditya Mangaldas was re-appointed as Managing Director for period of 3 years w.e.f. 1st April, 2015 and hence the said terms of Appointment of Mr. Aditya Mangaldas comes to end on 31st March, 2018. Directors were of the opinion that in view of the improved working of the Company under able guidance and supervision of Mr. Aditya Mangaldas it is desirable to re-appoint him as Managing Director for period of 3 years on terms and conditions as may be suggested by the Nomination and Remuneration Committee consisting of two Independent Directors. It is also desirable to enter into Agreement with the Managing Director describing detail terms of appointment of Mr. Aditya Mangaldas to be effective from 1st April, 2018.

It is proposed to reappoint Mr. Aditya Mangaldas as Managing Director on terms as mentioned herein below:

| Year                      | 1.4.2018         | 1.4.2019         | 1.4.2020         |
|---------------------------|------------------|------------------|------------------|
| <b>Particulars</b>        |                  |                  |                  |
| Basic per month           | 3,50,000         | 4,00,000         | 4,50,000         |
| HRA                       | -                | -                | -                |
| Perquisite                | -                | -                | -                |
| Bonus                     | -                | -                | -                |
| Additional perquisites    | -                | -                | -                |
| <b>Yearly</b>             | <b>42,00,000</b> | <b>48,00,000</b> | <b>54,00,000</b> |
| <b>Not to be included</b> |                  |                  |                  |
| P.P.F.                    | 1,00,000         | 1,00,000         | 1,00,000         |
| Gratuity                  | 1,75,000         | 2,00,000         | 2,25,000         |
| Superannuation            | 5,17,860         | 5,91,840         | 6,65,820         |
| LTA                       | 3,50,000         | 4,00,000         | 4,50,000         |
| <b>Total</b>              | <b>53,42,860</b> | <b>60,91,840</b> | <b>68,40,820</b> |

### PART "A"

- (i) **Medical Reimbursement:** The reimbursement of medical expenses incurred by the Managing Director for self and family in accordance with the rules and regulations of the Company.
- (ii) **Leave Travel Concession:** Leave Travel Concession for the Managing Director and his family in a year in accordance with the Rules & Regulation of the Company.
- (iii) **Personal Accident Insurance:** Personal Accident Insurance of an amount of the annual premium of which does not exceed one month salary.
- (iv) **Club Fees:** Fees of Club subject to a maximum of two Clubs excluding Admission and Life Membership fees to the Managing Director.

### PART "B"

- (i) **Companies Contribution to Provident & Other Fund:** Companies Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 as per the rules of the Company.
- (ii) **Gratuity:** Gratuity payable at a rate not exceeding half a month's salary for each completed year of services.
- (iii) **Leave Encashment:** Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

### PART "C"

- (i) **Car:** The Company shall provide car with driver.
- (ii) **Telephone/ Internet:** Telephone/ Internet facility at the residence of the Mr. Aditya Mangaldas for use of company's business. Reimbursement of telephone bills/ Internet bills at residence and Mobile Phone with the condition that personal long distance calls should be logged and paid by him.
- (iii) **Leave:** Leave on full pay and allowance at the rate of one month for every eleven months of service.

The Company shall pay or reimburse the appointee for all the cost, charges, expenses that may be incurred by him for the purpose of the business of the Company.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable.

In the event of no profits or its profits are inadequate, the Company in any financial year of the Company during the currency of tenure of Mr. Aditya Mangaldas, he shall be paid salary, allowances and perquisites not exceeding limits as set out in Schedule V to the Companies Act, 2013 or any modification or re-enactment thereof, unless otherwise approved by Central Government.

The following perquisites however shall not be included in the computation of the ceiling on remuneration as stated above.

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- (c) Encashment of leave at the end of the tenure.

The Company has not made any default in repayment of any of its debt (including public deposits) or debentures in the past one year.

### STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE V

#### I: General Information:

1. **Nature of Industry:** The Company was in the business of manufacturing and trading of textile products. The Company also invests the surplus funds of the company in safe financial instruments so as to maximize returns. Due to recession in the textile industry, the Company has decided to diversify into real estate development.

2. **Financial Performance based on Given Indicators:** The financial data as per last audited Balance Sheet as on 31<sup>st</sup> March, 2018 are as under.

| Particular                             | For the Year ended<br>31.03.2018 (Rs.) |
|--|--|
| Income from Operation                  | 8,75,00,000                            |
| Other Income                           | 1,30,21,673                            |
| Total Income                           | 10,05,21,673                           |
| Net Profit Before Depreciation and Tax | 1,45,57,940                            |
| Depreciation                           | 2,32,652                               |
| Net Profit Before Tax                  | 1,43,25,288                            |
| Provision for Income Tax               | 36,13,892                              |
| Net Profit after Tax                   | 1,07,11,396                            |

3. **Export Performance and Net Foreign Exchange Collaborations:** The Company does not have foreign collaborations.
4. **Foreign Investments or Collaborators:** The Company has not made any investment in foreign body corporate or foreign entities. The Company do not have any foreign collaboration and has not received or invested any money towards foreign collaboration and hence no information to be provided in this respect.

## II: Information about the Appointee:

- 1) **Brief Profile of Appointee:** Mr. Aditya Mangaldas is the Managing Director of The Victoria Mills Ltd. He has been Managing Director of The Victoria Mills Limited since October, 1999. He has wide experience and has spent approximately 20 years in the textile industry.
- Mr. Aditya Mangaldas is a Mechanical Engineer from L. D. College of Engineering, Ahmedabad and has an MBA from Babson College, U.S.A.
  - Mr. Aditya Mangaldas is actively involved in an organization involved in housing and caring for children with serious chronic diseases.
  - Mr. Aditya Mangaldas is responsible for overall business strategy and direction for the organization. As Managing Director, he provides strategic direction to the Company.
- 2) **Past Remuneration:** In the past, Mr. Aditya Mangaldas was drawing remuneration of Rs.2,25,000 – 2,50,000/- 2,70,000/- Respectively per year from the Company.
- 3) **Recognition and Award received in past:** There is no reportable recognition / award received by Mr. Aditya Mangaldas, which is directly connected with the activities of the Company.
- 4) **Job Profile and Suitability:** Mr. Aditya Mangaldas is responsible for overall business strategy and direction for the organization.
- 5) **Comparative Remuneration in the Industry:** Remuneration as proposed to Mr. Aditya Mangaldas is provided herein above considering the nature of industry and specialty of services rendered by Mr. Aditya Mangaldas and also considering the complex role performed by him no comparative remuneration of industry available for information.
- 6) **Material Pecuniary Relationship:** Mr. Aditya Mangaldas has no other material pecuniary relationship, directly or indirectly with the Company or with the Managerial Personnel. However he is part of Promoter Group.

## III. Other information:

- 1) **Reason for inadequate Profit and measures taken for improvement:** With textile trading becoming unremunerative, the Company has entered into business of Real Estate – purchase, sale and development.

- 2) **Expected Increase in Profits in Measurable Terms:** Considering the proposed businesses, it is felt that company will perform better in diversified activity but it is not possible to ascertain and quantify the expected increase in profits in measurable at this stage. However Company expects sizeable growth in income and profitability in next 5 years.

The appointment can be terminated by either party by giving 3 months notice.

The above may also be treated as an abstract of the terms of appointment of the Managing Director as required under Section 190 of the Companies Act, 2013.

The Directors recommend to the shareholders the adoption of the above resolution as contained in the notice. The copy of appointment letter as given to Mr. Aditya Mangaldas will be available for inspection to the members at the Registered Office of the Company between 11.00 A.M. and 3.00 P.M. on any working day.

Mr. Aditya Mangaldas is deemed to be concerned or interested in the above resolution.

Mrs. Mamta Mangaldas, Director of the Company is also deemed to be concerned or interested in the above resolution being spouse of Mr. Aditya Mangaldas.

## Item No.6

At the 101<sup>st</sup> Annual General Meeting of the Members of the Company held on 23<sup>rd</sup> September 2014, Mr. S. G. Vaidya, an Independent Director was appointed as such to hold office for five consecutive years with effect from 13<sup>th</sup> August, 2014. Accordingly, his current tenure of appointment is valid upto 12<sup>th</sup> August, 2019.

SEBI has vide Notification dated 9<sup>th</sup> May, 2018 notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to amend certain provisions or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. One such amendment is insertion of new Sub-Regulation (1A) in Regulation 17 which stipulates that no listed entity shall appoint a person or continue the directorship of any person as a non-executive independent director who has attained the age of 75 years unless a Special Resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person. The said amendment shall come into force with effect from 1<sup>st</sup> April, 2019.

Mr. S. G. Vaidya is L.T.M. & B.Text by qualification. He has expertise in Technical & General Management. Mr. S. G. Vaidya has been associated with The Victoria Mills Limited for last 26 Years. He was appointed an Independent Director w.e.f. 13<sup>th</sup> August, 2014. He is active and keeps good health. In the opinion of the Board of Directors of the Company, he continues to fulfill the conditions specified in the Companies Act, 2013 for being an Independent Director. Having regard to his qualifications, knowledge and experience, his continuance on the Board of the Company as an Independent Director will be in the interest of the Company. Accordingly, the Board of Directors recommend passing of the Special Resolution at Item No.6 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. S. G. Vaidya is concerned or interested in the Resolution.

**By Order of the Board of Directors  
For The Victoria Mills Limited**

Place: Mumbai  
Date: May 02, 2018

Registered Office:  
Victoria House,  
Pandurang Budhkar Mar  
Lower Parel,  
Mumbai- 400 013

**Rashmikan Shah  
Chairman  
(DIN: 07111006)**





## BOARD'S REPORT 2017-18

Dear Shareholders,

Your Directors present their 105<sup>th</sup> Annual Report on the working of the Company with audited Statement of Accounts for the year ended March 31, 2018 and the report of the auditors thereon.

### 1. FINANCIAL RESULTS:

| Particular                             | 2017-2018<br>(Amount In<br>Rs.) | 2016-2017<br>(Amount In<br>Rs.) |
|--|---------------------------------|---------------------------------|
| Income from Operation                  | 8,75,00,000                     | 5,25,00,000                     |
| Other Income                           | 1,30,21,673                     | 1,08,77,765                     |
| Total Income                           | 10,05,21,673                    | 6,33,77,765                     |
| Net Profit Before Depreciation and Tax | 1,45,57,940                     | 1,04,77,874                     |
| Depreciation                           | 2,32,652                        | 1,56,349                        |
| Net Profit Before Tax                  | 1,43,25,288                     | 1,03,21,525                     |
| Provision for Income Tax               | 36,13,892                       | 32,50,000                       |
| Net Profit after Tax                   | 1,07,11,396                     | 70,71,525                       |

### 2. OPERATIONAL REVIEW:

Profit before depreciation and taxation was Rs. 1,45,57,940/- against Rs. 1,04,77,874/- in the previous year. After providing for depreciation and taxation of Rs. 2,32,652 and Rs. 36,13,892/- respectively, the net profit of the Company for the year under review was placed at Rs. 1,07,11,396/- against Rs. 70,71,525/- in the previous year.

### 3. SHARE CAPITAL:

The paid up Equity Share Capital of the company is Rs. 98.56 Lacs. During the year under review, the Company has neither issued any shares with differential voting rights nor granted any Stock Option nor any Sweat Equity Shares.

### 4. DIVIDEND:

Your Directors have pleasure in recommending for approval of the members at the Annual General Meeting a dividend of 50% (at par with previous year). The Dividend of 50%, if approved at the forth coming Annual General Meeting, will result in the out flow of Rs. 49,28,000/- to the company in addition to Rs. 10,03,225 /- by way of dividend distribution tax.

Further, pursuant to Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 read with Circular No. 4/2016 dated April 27, 2016 no provision has been made for Dividend in the Books of Accounts.

### 5. FINANCE:

Cash and cash equivalent as at March 31, 2018 was Rs. 33,11,451/- The Company continues to focus on adjusting management of its working capital receivable, purchases and other working capital parameters were kept under strict check through continuous monitoring.

### 6. DEPOSITS:

Your company has not accepted any deposits within the meaning of Section-73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company has neither granted any Loan or nor has given any guarantee.

However, the company had granted loan to its wholly owned subsidiary i.e. Victoria Land Private Limited for an amount not exceeding Rs.12 crores from time to time and on such terms and conditions including the terms of repayment as initially agreed from time to time vide its Board Resolution dated August 13, 2014. As on March 31, 2018 the outstanding loan is Rs. 90 lakhs.

The details of the investments made by the company is given in the notes to the financial statements.

### 8. INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, your Company transferred the unpaid/ unclaimed dividend amount to the Investor Education and Protection Fund in compliance with the provisions of Sections 124 and 125 of the Companies Act, 2013. In compliance with these provisions read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, your Company also transferred 1,745 shares to the Demat Account of the IEPF Authority, in respect of which dividend had remained unpaid/unclaimed for a consecutive period of 7 years.

### 9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

### 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Companies Act, 2013.

During the year, the tenure of Mr. Aditya Mangaldas as a Managing Director of the Company expired on 31<sup>st</sup> March 2018. The Board of Directors of the Company at its Meeting held on 14<sup>th</sup> February, 2018, subject to the approval of the shareholders, re-appointed of Mr. Aditya Mangaldas as a Managing Director for a further term of 3 (three) years with effect from 1 April 2018.

During the year under review Mr. Dhiraj Gupta had resigned from the position of Company Secretary w.e.f June 10, 2017 and Mr. Nikunj Kanabar was appointed as the Company Secretary and Compliance officer of the Company with effect from August 10, 2017.

All the Independent Directors of your company have given their declarations, that they meet the criteria of Independence as laid down under Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Rashmikan Shah (DIN: 07111006), Director of the Company is liable to retire by rotation and, being eligible, offers himself for re-appointment. Board recommends him re-appointment to the shareholders at the ensuing AGM.

### 11. BOARD EVALUATION:

During the year, pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had

adopted a formal mechanism for evaluating its own performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board.

## 12. REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. This policy along with the criteria for determining the qualification, positive attributes, and independence of a director is available on the website of the Company viz. [www.victoriamilks.in](http://www.victoriamilks.in)

## 13. MEETINGS OF THE BOARD AND ITS COMMITTEES:

During the year under review, Four (4) Board Meetings, Four (4) Audit Committee meetings, Four (4) Stakeholders Relationship Committee meetings and Three (3) Nomination and Remuneration Committee meetings were held and the gap between two consecutive Board Meetings and Committee Meetings was within the limits prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 14. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:-

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- II. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review.
- III. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The directors have prepared the annual accounts on a going concern basis.
- V. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- VI. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

## 15. STATUTORY AUDITORS AND AUDIT REPORTS:

M/s. Vasani & Thakkar, Chartered Accountants, Mumbai (Firm's Registration No. 111296W) was appointed as the Statutory Auditors of the Company at its 104<sup>th</sup> Annual General Meeting from the conclusion of the said meeting until the conclusion of the 109<sup>th</sup> Annual General Meeting. Necessary resolution for ratification of the appointment of M/s. Vasani & Thakkar as the Statutory Auditors is included in the Notice of the Annual General Meeting.

The reports of the Statutory Auditors, Vasani & Thakkar, Chartered Accountants on the standalone and consolidated financial statements of the Company for the year 2018 form part of this Annual Report. The statutory auditors have submitted a unmodified opinion on the audit of financial statements for the year 2018 and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

## 16. SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT:

Pursuant to 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. Nilesh Shah and Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure-A".

## 17. CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report together with the Certificate received from the Practising Company Secretary of the Company regarding compliance with the requirements of Corporate Governance as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form an integral part of this Annual Report and is annexed herewith as "Annexure-B".

## 18. MANAGEMENT DISCUSSION ANALYSIS:

The detailed Management Discussion Analysis Report is annexed herewith as "Annexure-C".

## 19. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure-D" to this report.

## 20. PARTICULARS OF EMPLOYEES:

Disclosures with respect to remuneration required pursuant to Section 197 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is Annexed here as "Annexure-E" and will also be provided upon request in terms of Section 136 of the Act. The reports and accounts are being sent to the members and other entitled thereto. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

Further, the Company does not have any employee whose remuneration exceeds the limits prescribed in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 21. RELATED PARTY TRANSACTIONS:

The Related Party Transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant Related Party Transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.



The Company has framed a policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The details of Related Party Transactions entered by the Company are given in “Annexure-F” attached to this Report.

**22. SUBSIDIARY COMPANY:**

The Company has one wholly owned subsidiary Company i.e. Victoria Land Private Limited.

Disclosure pursuant to sub section (3) of section 129 read with Rules 5 of Companies (Accounts) Rules, 2014 is annexed to the Financial Statement.

**23. FOREIGN EXCHANGE EARNING AND OUT-GO:**

During the year under review, foreign exchange earnings and outgoings flow were as under-

|   | <b>FOREIGN EXCHANGE EARNING AND OUT GO</b> | <b>Current Year 2017-2018</b> | <b>Previous Year 2016-2017</b> |
|---|--|-------------------------------|--------------------------------|
| 1 | Earning in Foreign Exchange                | Nil                           | Nil                            |
| 2 | Outgoing in Foreign Exchange(Travelling)   | Nil                           | 1,47,929                       |

**24. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Company has a “Policy on Whistle Blower and Vigil Mechanism” to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

**25. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

As required by the company (Disclosure of particulars in the Report of the Board of Directors) Rules 1988, the relevant data pertaining to conservation of energy and technology absorption are given in the prescribed form as “Annexure-G” to this report.

As there was no manufacturing activity during the year, the information on conservation of energy and technology absorption is not applicable to your company.

**26. PREVENTION OF INSIDER TRADING:**

Your Company has adopted the “Code of Conduct on Prohibition of Insider Trading” and “Code of Conduct for Directors and Senior Management Personnel” for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by Insiders.

**27. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company has in place the “Policy on Prevention of Sexual Harassment at the Workplace” in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted Internal Complaints Committee (ICC) to redress the complaints received regarding sexual harassment. During the year under review, no complaints were received by the Committee for Redressal.

**28. SIGNIFICANT AND MATERIAL ORDERS:**

There were no significant and material orders passed by any Regulators or Courts or Tribunals during the year ended March 31, 2018 impacting the going concern status and company’s operations in future.

**29. ACKNOWLEDGEMENT:**

Your Company and its Directors wish to extend their sincere thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistance.

On behalf of the Board of Directors

**Rashmikant Shah**  
Chairman

(DIN: 07111006)

Place: Mumbai

Date: May 02, 2018

**“ANNEXURE-A” TO BOARD’S REPORT  
FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 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,  
**The Victoria Mills Limited**  
Victoria House,  
Pandurang Budhkar Marg,  
Lower Parel, Mumbai 400 013

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by “**The Victoria Mills Limited**” (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities 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 financial year ended 31st March, 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 and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management including Key Managerial Personnel's (KMP) of the Company and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31<sup>st</sup> March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (to the extent applicable to the Company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under – However the same is evaluated /restricted to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- (vi) As we have been given to understand that considering activities, there is no specific regulator subject to whose approval company can carry on / continue business operation. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws (in addition to the above mentioned Laws (i to v) as applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;



We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations/Guidelines as covered under MR-3 and hence no comment is provided in respect of the same:

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above and we have no material observation of instances of non Compliance in respect of the same.

**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.

We also report that adequate notice was 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 reasonable system exists for Board Members 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 and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other General Acts, Laws and Regulations applicable to the Company, we 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 year under report, the Company has not undertaken any major event / action having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Note: This Report is to be read along with attached Letter provided as "Annexure - A"

**For Nilesh Shah & Associates**  
Company Secretaries

Sd/-  
**(Nilesh Shah)**  
Partner  
FCS : 4554  
C.P. : 2631

Place: Mumbai  
Date: May 02, 2018

**'ANNEXURE A'**

To  
The Members,  
**The Victoria Mills Limited**  
Victoria House, Pandurang Budhkar Marg,  
Lower Parel, Mumbai 400 013

Dear Sir / Madam,

**Sub: 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 was considered appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) 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 and we rely on Auditors Independent Assessment on the same.
4. Where ever 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 process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Nilesh Shah & Associates**  
Company Secretaries

Sd/-  
**(Nilesh Shah)**  
Partner  
FCS : 4554  
C.P. : 2631

Place: Mumbai  
Date: May 02, 2018



## “ANNEXURE-B” TO BOARD’S REPORT CORPORATE GOVERNANCE REPORT

The Directors present the Company’s Report on Corporate Governance for the year ended March 31, 2018.

### (1) A BRIEF STATEMENT ON LISTED ENTITY’S PHILOSOPHY ON CODE OF GOVERNANCE.

We believe strongly in adopting and adhering to the best Corporate Governance practices and benchmarking ourselves against the industry’s best practices. It is the Company’s ongoing endeavour to achieve the highest levels of governance as a part of its responsibility towards its shareholders and stakeholders.

### (2) BOARD OF DIRECTORS:

#### (a) Composition and category of directors (e.g. promoter, executive, non-executive, independent non-executive, nominee director - institution represented and whether as lender or as equity investor);

The composition of the Board and category of Directors is given below:

| Category                               | Name of the Directors  | Designation       | No. of shares held (including joint shareholding) as on March 31, 2018 |
|--|------------------------|-------------------|--|
| Promoter                               | 1) Aditya H. Mangaldas | Managing Director | 43,317   |
| Non-Executive Non Independent Director | 2) Rashmikant K. Shah  | Chairperson       | 1  |
|  | 3) Mamta A. Mangaldas  | Director          | 3952   |
| Independent Directors                  | 4) Suresh G. Vaidya    | Director          | 31   |
|  | 5) Gargi Mashruwala    | Director          | 0  |

#### (b) Attendance of each director at the meeting of the board of directors and the last annual general meeting;

Details of attendance of each Director at the Board Meetings and last Annual General Meeting (AGM) and the number of Companies and Committees where he/she is a Director/Member/Chairman/ Chairperson, are given below:

| Name                | Category               | Relationship with other Directors | Attendance Particulars |        |                                | No of Directorship held in other public Companies (Other than The Victoria Mills Limited) | Committee Position in other companies (Other than The Victoria Mills Limited) |          |
|---------------------|------------------------|-----------------------------------|------------------------|--------|--------------------------------|---|---|----------|
|                     |                        |                                   | Board Meeting          |        | AGM held on September 27, 2017 |   | Member  | Chairman |
|                     |                        |                                   | Held                   | Attend |                                |   |   |          |
| Aditya H. Mangaldas | Managing Director      | Husband of Mrs. Mamta Mangaldas   | 4                      | 4      | Yes                            | 2   | 2   | 1        |
| Rashmikant K. Shah  | Non-Executive Director | None                              | 4                      | 3      | Yes                            | 0   | 0   | 0        |
| Mamta A. Mangaldas  | Non-Executive Director | Wife of Mr. Aditya H. Mangaldas   | 4                      | 3      | Yes                            | 0   | 0   | 0        |
| Suresh G. Vaidya    | Independent Director   | None                              | 4                      | 4      | Yes                            | 1   | 2   | 0        |
| Gargi Mashruwala    | Independent Director   | None                              | 4                      | 4      | Yes                            | 0   | 0   | 0        |

Notes : (i) Excludes directorships in Indian private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013.

(ii) Represents memberships/chairmanships of Audit Committee and Stakeholders Relationship Committee. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are directors.

#### (c) Number of meetings of the board of directors held and dates on which held.

Four (4) Board Meetings were held during the financial year 2017 – 2018 and the gap between two consecutive Board Meetings did not exceed one hundred and twenty days.

The dates on which the meetings were held are as follows:

| Sr. No. | Date of Meetings | Board Strength | No. of Directors Present |
|---------|------------------|----------------|--------------------------|
| 1       | 05/05/2017       | 5              | 5                        |
| 2       | 10/08/2017       | 5              | 5                        |
| 3       | 14/11/2017       | 5              | 4                        |
| 4       | 14/02/2018       | 5              | 4                        |

**(d) Web link where details of familiarisation programmes imparted to independent directors is disclosed.**

As required under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Board of Directors have framed a familiarization program for the Independent Directors, wherein they are acquainted with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

The said familiarization program is available on the website of the Company viz [www.victoriamils.in](http://www.victoriamils.in)

**(3) AUDIT COMMITTEE:****(a) Brief description of terms of reference;**

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under Part C of Schedule II with reference to Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under the provisions of Section 177 of the Companies Act, 2013.

**(b) Composition; Meetings and attendance during the year.**

| Name of the Directors | Designation | No. of meetings during the year |          |
|-----------------------|-------------|---------------------------------|----------|
|                       |             | Held                            | Attended |
| Gargi Mashruwala      | Chairperson | 4                               | 4        |
| Suresh G. Vaidya      | Member      | 4                               | 4        |
| Mamta A. Mangaldas    | Member      | 4                               | 3        |

**(4) NOMINATION AND REMUNERATION COMMITTEE:****(a) Brief description of terms of reference;**

The Committee determines the remuneration of the Executive Directors, Non -Executive Directors and Senior Management Personnel including Key Managerial Personnel. The terms of reference of the Nomination and Remuneration Committee are wide enough to cover the matters specified under Part D Schedule II with reference to Regulation 19(4) and 20(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under the provisions of Section 178 of the Companies Act, 2013.

**(b) Composition; Meetings and attendance during the year.**

| Name of the Directors | Designation | No. of meetings during the year |          |
|-----------------------|-------------|---------------------------------|----------|
|                       |             | Held                            | Attended |
| Gargi Mashruwala      | Chairperson | 3                               | 2        |
| Suresh G. Vaidya      | Member      | 3                               | 3        |
| Mamta A. Mangaldas    | Member      | 3                               | 2        |

**(5) REMUNERATION OF DIRECTORS:****(a) Remuneration paid to Non-Executive Directors of the company:**

The Non-executive Directors shall be entitled to receive remuneration by way of sitting fees within the specified limits under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, reimbursement of expenses for participation in the Board / Committee meetings and commission.

The details of sitting fees paid during the year 2017-2018 are given below:

| Name of the Directors | Designation       | Sitting Fees (Rs.) | Commission (Rs.) | Total (Rs.) |
|-----------------------|-------------------|--------------------|------------------|-------------|
| Aditya H. Mangaldas   | Managing Director | 0                  | -                | 0           |
| Rashmikant K. Shah    | Chairperson       | 30,000             | -                | 30,000      |
| Mamta A. Mangaldas    | Director          | 75,000             | -                | 75,000      |
| Suresh G. Vaidya      | Director          | 80,000             | -                | 80,000      |
| Gargi Mashruwala      | Director          | 75,000             | -                | 75,000      |

No stock options were granted to Non-Executive Directors during F.Y. 2017-18. The Independent Directors are not entitled for stock options.

**(b) Remuneration paid to the Executive Directors of the Company:**

The remuneration of Executive Director's is decided on the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors and shareholders. Any change in remuneration is also effected in the same manner and / or in the line with the applicable statutory approvals.

The remuneration package of the Executive Director comprises of salary, perquisites and allowances, contribution to provident fund and superannuation fund, and commission if any.





The details of remuneration paid to Executive Directors are summarized as under:

| Particulars of Remuneration | Mr. Aditya Mangaldas,<br>Managing Director |
|-----------------------------|--|
| Basic Salary                | 32,40,000                                  |
| Allowances                  | -  |
| Commission                  | -  |
| Perquisite                  | 8,82,298                                   |
| Paid Leave Encashment       | -  |
| Provident Fund              | -  |
| Superannuation Fund         | -  |
| <b>Total</b>                | <b>41,22,298</b>                           |

No stock options were granted to Executive Directors during F.Y. 2017-18.

**(6) STAKEHOLDERS GRIEVANCE COMMITTEE:**

**(a) Brief description of terms of reference:**

Stakeholders Grievance Committee has been constituted pursuant to the section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(b) Composition; Meetings and attendance during the year.**

| Name of the Directors                             | Designation | No. of meetings during the year |          |
|---|-------------|---------------------------------|----------|
|   |             | Held                            | Attended |
| Mamta A. Mangaldas<br>(Non-executive Director)    | Chairperson | 4                               | 4        |
| Aditya H. Mangaldas<br>(M.D.- Executive Director) | Member      | 4                               | 4        |

**(c) Compliance Officer.**

|                                       |   |
|---------------------------------------|---|
| <b>Name of the Compliance Officer</b> | Mr. Nikunj Kanabar  |
| <b>Address</b>                        | Victoria House, Pandurang Budhkar marg, Lower Parel, Mumbai - 400013. |
| <b>Telephone Number</b>               | +91 (22) 24971192 / 93  |
| <b>E-mail ID</b>                      | <a href="mailto:vicmill2013@gmail.com">vicmill2013@gmail.com</a>      |

**(d) Details of Shareholders' Complaints**

| Complaints Pending as on<br>01/04/2017 | Complaints Received during<br>the year | Complaints Resolved<br>During the year | Complaints Pending as<br>on 31/03/2018 |
|--|--|--|--|
| 0                                      | 0                                      | 0                                      | 0                                      |

**(7) INDEPENDENT DIRECTORS' MEETINGS:**

**(a) Performance evaluation criteria for independent directors.**

- Evaluation of the performance of the Non – Independent Directors and Board of Directors as a whole;
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of the Executive and Non – Executive Directors;
- Evaluation of the quality, content and timeline of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.

**(b) Composition**

- Mr. Suresh Vaidya**
- Ms. Gargi Mashruwala**

- (c)** Last Independent Director's meeting was held on November 14, 2017. As per Secretarial Standards -1 an Independent Directors needs to hold a meeting in each calendar year. Accordingly, next meeting will be conducted in November, 2018.

**(8) GENERAL BODY MEETINGS****(a) Location and time, where Annual General Meeting (AGM) for the last 3 years were held is given below :**

| Financial Year | AGM                   | Date               | Time     | Location  |
|----------------|-----------------------|--------------------|----------|---|
| 2014- 2015     | 102 <sup>nd</sup> AGM | September 22, 2015 | 11:00 AM | At Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400 018 |
| 2015- 2016     | 103 <sup>rd</sup> AGM | September 27, 2016 | 11:00 AM | At Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400 018 |
| 2016-2017      | 104 <sup>th</sup> AGM | September 27, 2017 | 11:00 AM | At Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400 018 |

**(b) Special Resolution passed in the previous Annual General Meeting (AGM)**

| Financial Year | Special Resolution No. | Resolution Particulars  |
|----------------|------------------------|---|
| 2014- 2015     | 5                      | Re-appointment of Mr. Aditya Mangaldas as Managing Director of the Company for Three Year   |
|                | 6                      | Appointment of Mr. Rashmikant K. Shah (Additional Director) as Director of the Company  |
|                | 7                      | To make Investment/ Disinvestment as may be decided by the Board in shares and securities of any Company/ Body Corporate or in the Mutual fund, PMS Scheme upto Rs. 75,00,00,000/- (Rupees Seventy Five Crores Only) p.a. |
| 2015-2016      | -                      | No Special Resolution   |
| 2016-2017      | 5                      | Appointment of Ms. Gargi Mashruwala as Independent Director of the Company  |

**(c) Postal Ballot**

There was no Postal Ballot held in the year 2017-2018.

**(9) MEANS OF COMMUNICATION:**

The quarterly results and annual results are published in Free Press Journal and Navshakti and simultaneously posted on the Company's website ([www.victoriamils.in](http://www.victoriamils.in)) and is also sent to the BSE.

The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

**(10) GENERAL SHAREHOLDER INFORMATION:****(a) 105<sup>th</sup> Annual General Meeting**

| Date                         | Time       | Venue  |
|------------------------------|------------|--|
| Thursday, September 27, 2018 | 11:00 A.M. | At Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400018 |

**(b) Financial Calendar for the Year 2017 -2018:**

|                            |   |
|----------------------------|---|
| <b>Financial year</b>      | April 1, 2017 to March 31, 2018   |
| <b>Book Closure Dates</b>  | The Register of Members of the Company shall remain closed from the Wednesday, September 12, 2018 to Thursday, September 27, 2018 (both days inclusive).  |
| <b>Payment of Dividend</b> | Payment of Dividend as recommended by the Directors, if approved at the meeting, will be made to those members whose names are on the Company's register of members on Tuesday, September 11, 2018. and those whose names appear as Beneficial Owner (in case shares in held in Demat) as at the close of the business hours on Tuesday, September 11, 2018 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited for this purpose. |

**Financial reporting for the quarter ending (tentative and subject to change)**

|   |                                  |
|---|----------------------------------|
| June 30, 2018   | By August 14, 2018               |
| September 30, 2018  | By November 14, 2018             |
| December 31, 2018   | By February 14, 2018             |
| Year ending March 31, 2019                                | By May 30, 2019, Audited Results |
| Annual General Meeting for the year ending March 31, 2019 | By September 30, 2019            |



(c) Listing of Equity Shares on Stock Exchanges and Stock Code

|                             |   |
|-----------------------------|---|
| <b>Name of the Exchange</b> | Bombay Stock Exchange,<br>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023 |
| <b>Stock Code/ID</b>        | 503349  |
| <b>Stock Code Name</b>      | VICTMILL  |
| <b>Group / Index</b>        | X   |
| <b>ISIN</b>                 | INE203D01016  |

The Company has been regular in paying the Annual Listing Fees to the Stock Exchange. Listing fees for the year 2018 -2019 has also been paid within the due date.

(d) Market Price Data

The high / low of the market price of the shares of the Company is given below:

Sources: BSE

(e) Company Stock Performance v/s S&P BSE Sensex

| Month  | VICTORIA MILLS LIMITED |          | BSE SENSEX |           |
|--------|------------------------|----------|------------|-----------|
|        | High                   | Low      | High       | Low       |
| Apr 17 | 3,456.00               | 3,000.00 | 30,184.22  | 29,241.48 |
| May 17 | 3,380.00               | 2,901.00 | 31,255.28  | 29,804.12 |
| Jun 17 | 3,080.00               | 2,827.00 | 31,522.87  | 30,680.66 |
| Jul 17 | 4,990.00               | 2,915.00 | 32,672.66  | 31,017.11 |
| Aug 17 | 4,246.20               | 3,370.00 | 32,686.48  | 31,128.02 |
| Sep 17 | 4,315.00               | 3,460.00 | 32,524.11  | 31,081.83 |
| Oct 17 | 3,799.00               | 3,500.25 | 33,340.17  | 31,440.48 |
| Nov 17 | 4,005.00               | 3,510.00 | 33,865.95  | 32,683.59 |
| Dec 17 | 4,010.00               | 3,561.20 | 34,137.97  | 32,565.16 |
| Jan 18 | 4,545.00               | 3,610.00 | 36,443.98  | 33,703.37 |
| Feb 18 | 4,139.00               | 3,300.00 | 36,256.83  | 33,482.81 |
| Mar 18 | 3,700.00               | 3,215.50 | 34,278.63  | 32,483.84 |

(f) Distribution of Shareholding as on March 31, 2018

| Slab of Shareholding | No of Share-holders | % of Share-holders | Total Shares | % of Amount |
|----------------------|---------------------|--------------------|--------------|-------------|
| 1-500                | 3722                | 99.71              | 39731        | 40.31       |
| 501-1000             | 2                   | 0.05               | 1426         | 1.44        |
| 1001- 2000           | 3                   | 0.08               | 4034         | 4.10        |
| 2001-3000            | 1                   | 0.03               | 2752         | 2.79        |
| 3001-4000            | 1                   | 0.03               | 3952         | 4.01        |
| 5001-10000           | 3                   | 0.08               | 16682        | 16.93       |
| 10001 & Above        | 1                   | 0.03               | 29983        | 30.42       |
| <b>Total</b>         | <b>3733</b>         | <b>100</b>         | <b>98560</b> | <b>100</b>  |

## (g) Shareholding Pattern as on March 31, 2018

| Category of Shareholders           | Shareholding as on 31.03.2018 |                   |
|------------------------------------|-------------------------------|-------------------|
|                                    | Total                         | % of Total shares |
| <b>(A) Promoters</b>               |                               |                   |
| a) Individual                      | 48,350                        | 49.06             |
| b) Bodies Corp.                    | 6,100                         | 6.19              |
| c) Any Other ...Relatives          | 4                             | 0.00              |
| <b>Sub-total (A):-</b>             | <b>54,454</b>                 | <b>55.25</b>      |
| <b>(B) Public Shareholding</b>     |                               |                   |
| a) Banks/ Financial Institutions   | 124                           | 0.13              |
| b) State Govt.(s)                  | 1                             | 0.00              |
| <b>Sub-total (B):-</b>             | <b>125</b>                    | <b>0.13</b>       |
| <b>(C) Non-Institutions</b>        |                               |                   |
| a) Bodies Corporate                | 2,577                         | 2.61              |
| b) Individuals                     | 36,787                        | 37.32             |
| c) Others...                       |                               |                   |
| IEPF                               | 1,745                         | 1.77              |
| Hindu Undivided Family             | 2,197                         | 2.23              |
| Non Resident Indians (Non Repat)   | 107                           | 0.11              |
| NRI Repatriation                   | 295                           | 0.30              |
| Clearing Member                    | 273                           | 0.28              |
| <b>Sub-Total (C):-</b>             | <b>43,981</b>                 | <b>44.62</b>      |
| <b>GRAND TOTAL (A)+( B )+( C )</b> | <b>98,560</b>                 | <b>100</b>        |

## (h) Registrar &amp; Share Transfer Agent

Link Intime India Private Limited has been appointed as one point agency for dealing with Shareholders. Shareholders' correspondence should be addressed to the Company's Share Transfer Agent at the address mentioned herein below:

| Address:   | Telephone      | E-mail:   |
|--|----------------|---|
| M/s. Link Intime India Pvt Ltd, C-101,<br>1st Floor, 247 Park, Lal Bahadur Shastri Marg,<br>Vikhroli (West) Mumbai 400083, | 91(22)49186000 | <b>Email-id:</b> <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a><br><b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> |

## (i) Share Transfers System (Physical Form)

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's equity shares to a Stakeholders Relationship Committee comprising of Mrs. Mamta Mangaldas, Mr. Aditya Mangaldas. The share certificates in physical form are generally processed and returned within 15 days from the date of receipt, if the documents are clear in all respects.

## (j) Dematerialisation of Shares and Liquidity

As on March 31, 2018, 93,091 Equity Shares representing 94.45 % of the Company's paid-up Equity Share Capital have been dematerialized.

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by Securities and Exchange Board of India. 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 the Share Transfer Agent of the Company. Upon receipt of the request and share certificates, the Share Transfer Agent will verify the same. Upon verification, the Share Transfer Agent will request National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) to confirm the demat request. The demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In respect of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Share Transfer Agent. The Share Transfer Agent then requests NSDL and CDSL to confirm the same. Approval of the Company is sought and equivalent number 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.



**(k) Site Location**

Near Mandwa Jetty, Alibag, Raigad, Maharashtra.

**(l) Investor Correspondence**

Shareholders can contact the following Official for Secretarial matters of the Company:

| Name               | E-mail ID  | Telephone No  | Correspondence address   |
|--------------------|--|---|--|
| Mr. Nikunj Kanabar | <a href="mailto:vicmill2013@gmail.com">vicmill2013@gmail.com</a> | +91 (22) 24971192 / 93<br>+91 (22) 2497 1194<br>(Fax) | Victoria House,<br>Pandurang Budhkar marg,<br>Lower Parel,<br>Mumbai - 400013. |

**(11) OTHER DISCLOSURES:**

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

The transactions between the Company and the Directors and Companies in which the directors are interested are disclosed in Note No. B(xiv) to Notes to the Accounts in the Annual Report in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large.

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

There were no instances of non-compliance by the Company, nor have any additional penalties, strictures etc. been imposed by the Stock Exchanges or the Securities exchange Board of India, or any other Statutory Authority during the last three years on any matter related to capital markets.

**(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

The Company has a vigil mechanism for Directors and Employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism. In all cases, Directors and Employees have direct access to the Chairman of the Audit Committee. Further no personnel have been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on Company's website i.e [www.victoriamills.in](http://www.victoriamills.in)

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all the requirements of the LODR Regulations including the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulations (2) of regulation 46.

The Company has complied with all the Mandatory Requirements and some of the Non-mandatory Requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015

**(e) Web link where policy for determining 'material' subsidiaries and policy on dealing with related party transactions is disclosed;**

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, the Company has formulated a policy on Related Party Transactions and policy on Material Subsidiaries. The same have been uploaded on the website of the Company ([www.victoriamills.in](http://www.victoriamills.in))

On behalf of the Board of Directors

Rashmikant Shah  
Chairman  
(DIN: 07111006)

Place: Mumbai  
Date: May 02, 2018

**“ANNEXURE-C” TO BOARD’S REPORT**

**MANAGEMENT DISCUSSION ANALYSIS REPORT**

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The commercial real estate sector stayed relatively weak in 2017-18. Reduction in new commercial and luxury home developments, decline in leasing activity, lack of appreciation in capital values, compression in yields and lease rentals across major Indian cities were a few factors that impacted overall performance.

**OPPORTUNITIES AND THREATS**

The company’s business focuses is on designing and developing high-end and premium residential and leisure properties. The company has carved a niche for itself in the luxury segment by differentiating itself by building ready to move in Luxury Villas.

**BUSINESS OVERVIEW**

The Company constructs luxury villas in Alibaug. Each villa has a different design. Alibaug continues to be favourite second home destination for people living in Mumbai. The Company remains committed to timely completion and delivery of projects.

**OUTLOOK**

We hope to sell the two ready villas in FY-2018/19. We expect FY-2018 to be the start of growth year for the Indian economy as a whole in view of various measures being taken by the government. The government is starting Ro-Ro Services from Bombay to Alibaug this year which will enable Connectivity by boat even in the Monsoons. This is likely to increase interest in Alibaug as a second home destination. We plan to start construction of two new villas this year.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has proper and adequate systems of internal controls. Regular internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that adequate systems are in place.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The turnover and other income of the Company during the year is Rs.10,05,21,673/- as against Rs.6,33,77,765/- in the previous year. The profit from operations before depreciation and tax is Rs.1,45,57,940/- as against Rs.1,04,77,874/- in the previous year. The net profit after depreciation, taxation is Rs. 1,07,11,396 /- as against Rs. 70,71,525/-in the previous year. This was discussed at the meeting.

**CAUTIONARY STATEMENT**

Statements made herein describing the Company’s expectations or predictions are forward-looking statements. The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company’s performance include market conditions, input costs, govt. regulations, economic developments.

**On behalf of the Board of Directors**

Place: Mumbai  
Date: May 02, 2018

**Rashmikant Shah**  
**Chairman**  
(DIN: 07111006)



## “Annexure-D” to Board’s Report

Form No. MGT – 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS :

|     |  |   |  |
|-----|--|---|--|
| i   | CIN  | : | L17110MH1913PLC000357  |
| ii  | Registration Date                                  | : | 31/01/1913   |
| iii | Name of the Company                                | : | The Victoria Mills Limited   |
| iv  | Category /Sub-Category of the Company              | : | Company having share Capital   |
| v   | Address of the Registered office & contact details | : | <b>Registered Office Address:</b><br>Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013<br><b>Contact Details:</b> +91 (22) 24971192 / 93                         |
| vi  | Whether listed Company                             | : | Yes  |
| vii | Details of Registrar and Transfer Agent            | : | <b>M/s. Link Intime India Pvt. Ltd.</b><br>C-101, 1st Floor, 247 Park, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083<br><b>Contact Details :</b> (22) 49186000 |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main products/services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1       | Property Development                           | 45201                           | 87.05%                             |

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company  | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares held | Applicable section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1       | Victoria Land Pvt. Ltd.<br>Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013 | U45202MH2009PTC197073 | Subsidiary                     | 100%             | 2 (87)             |

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

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

| Sr. No.    | Category of Shareholders                                     | Shareholding at the beginning of the year - 2017 |          |              |                   | Shareholding at the end of the year - 2018 |          |              |                   | % Change during the year |
|------------|--|--|----------|--------------|-------------------|--|----------|--------------|-------------------|--------------------------|
|            |  | Demat  | Physical | Total        | % of Total Shares | Demat                                      | Physical | Total        | % of Total Shares |                          |
| <b>(A)</b> | <b>Shareholding of Promoter and Promoter Group</b>           |  |          |              |                   |  |          |              |                   |                          |
| <b>[1]</b> | <b>Indian</b>  |  |          |              |                   |  |          |              |                   |                          |
| (a)        | Individuals / Hindu Undivided Family                         | 48354  | 0        | 48354        | 49.06             | 48354                                      | 0        | 48354        | 49.06             | 0                        |
| (b)        | Central Government / State Government(s)                     | 0  | 0        | 0            | 0                 | 0  | 0        | 0            | 0                 | 0                        |
| (c)        | Financial Institutions / Banks                               | 0  | 0        | 0            | 0                 | 0  | 0        | 0            | 0                 | 0                        |
| (d)        | Any Other (Specify)  |  |          |              |                   |  |          |              |                   |                          |
|            | Body Corporate   | 6100   | 0        | 6100         | 6.19              | 6100                                       | 0        | 6100         | 6.19              | 0                        |
|            | <b>Sub Total (A)(1)</b>                                      | <b>54454</b>                                     | <b>0</b> | <b>54454</b> | <b>55.25</b>      | <b>54454</b>                               | <b>0</b> | <b>54454</b> | <b>55.25</b>      | <b>0</b>                 |
| <b>[2]</b> | <b>Foreign</b>   |  |          |              |                   |  |          |              |                   |                          |
| (a)        | Individuals (Non-Resident Individuals / Foreign Individuals) | 0  | 0        | 0            | 0                 | 0  | 0        | 0            | 0                 | 0                        |
| (b)        | Government   | 0  | 0        | 0            | 0                 | 0  | 0        | 0            | 0                 | 0                        |
| (c)        | Institutions   | 0  | 0        | 0            | 0                 | 0  | 0        | 0            | 0                 | 0                        |
| (d)        | Foreign Portfolio Investor                                   | 0  | 0        | 0            | 0                 | 0  | 0        | 0            | 0                 | 0                        |

| Sr. No.    | Category of Shareholders   | Shareholding at the beginning of the year - 2017 |             |              |                   | Shareholding at the end of the year - 2018 |             |              |                   | % Change during the year |
|------------|--|--|-------------|--------------|-------------------|--|-------------|--------------|-------------------|--------------------------|
|            |  | Demat  | Physical    | Total        | % of Total Shares | Demat                                      | Physical    | Total        | % of Total Shares |                          |
| (e)        | Any Other (Specify)  |  |             |              |                   |  |             |              |                   |                          |
|            | <b>Sub Total (A)(2)</b>  | <b>0</b>   | <b>0</b>    | <b>0</b>     | <b>0</b>          | <b>0</b>                                   | <b>0</b>    | <b>0</b>     | <b>0</b>          | <b>0</b>                 |
|            | <b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>            | <b>54454</b>                                     | <b>0</b>    | <b>54454</b> | <b>55.25</b>      | <b>54454</b>                               | <b>0</b>    | <b>54454</b> | <b>55.25</b>      | <b>0</b>                 |
| <b>(B)</b> | <b>Public Shareholding</b>   |  |             |              |                   |  |             |              |                   |                          |
| <b>[1]</b> | <b>Institutions</b>  |  |             |              |                   |  |             |              |                   |                          |
| (a)        | Mutual Funds / UTI   | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (b)        | Venture Capital Funds  | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (c)        | Alternate Investment Funds   | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (d)        | Foreign Venture Capital Investors  | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (e)        | Foreign Portfolio Investor   | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (f)        | Financial Institutions / Banks   | 11   | 113         | 124          | 0.1258            | 11   | 113         | 124          | 0.1258            | 0                        |
| (g)        | Insurance Companies  | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (h)        | Provident Funds/ Pension Funds   | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (i)        | Any Other (Specify)  |  |             |              |                   |  |             |              |                   |                          |
|            | <b>Sub Total (B)(1)</b>  | <b>11</b>  | <b>113</b>  | <b>124</b>   | <b>0.1258</b>     | <b>11</b>                                  | <b>113</b>  | <b>124</b>   | <b>0.1258</b>     | <b>0</b>                 |
| <b>[2]</b> | <b>Central Government/ State Government(s)/ President of India</b>                   |  |             |              |                   |  |             |              |                   |                          |
|            | Central Government / State Government(s)   | 0  | 1           | 1            | 0.001             | 0  | 1           | 1            | 0.001             | 0                        |
|            | <b>Sub Total (B)(2)</b>  | <b>0</b>   | <b>1</b>    | <b>1</b>     | <b>0.001</b>      | <b>0</b>                                   | <b>1</b>    | <b>1</b>     | <b>0.001</b>      | <b>0</b>                 |
| <b>[3]</b> | <b>Non-Institutions</b>  |  |             |              |                   |  |             |              |                   |                          |
| (a)        | Individuals  |  |             |              |                   |  |             |              |                   |                          |
| (i)        | Individual shareholders holding nominal share capital upto Rs. 1 lakh.               | 30650  | 6458        | 37108        | 37.6502           | 30900                                      | 4679        | 35579        | 36.0988           | -1.5514                  |
| (ii)       | Individual shareholders holding nominal share capital in excess of Rs. 1 lakh        | 1208   | 0           | 1208         | 1.2256            | 1208                                       | 0           | 1208         | 1.2256            | 0                        |
| (b)        | NBFCs registered with RBI  | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (c)        | Employee Trusts  | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (d)        | Overseas Depositories(holding DRs) (balancing figure)                                | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| (e)        | Any Other (Specify)  |  |             |              |                   |  |             |              |                   |                          |
|            | IEPF   | 0  | 0           | 0            | 0                 | 1745                                       | 0           | 1745         | 1.7705            | 1.7705                   |
|            | Trusts   | 17   | 0           | 17           | 0.0172            | 0  | 0           | 0            | 0                 | -0.0172                  |
|            | Hindu Undivided Family   | 2629   | 0           | 2629         | 2.6674            | 2197                                       | 0           | 2197         | 2.2291            | -0.4383                  |
|            | Non Resident Indians (Non Repat)   | 58   | 0           | 58           | 0.0588            | 107  | 0           | 107          | 0.1086            | 0.0498                   |
|            | Non Resident Indians (Repat)   | 297  | 0           | 297          | 0.3013            | 295  | 0           | 295          | 0.2993            | -0.002                   |
|            | Clearing Member  | 155  | 0           | 155          | 0.1573            | 273  | 0           | 273          | 0.277             | 0.1197                   |
|            | Bodies Corporate   | 1776   | 733         | 2509         | 2.5457            | 1901                                       | 676         | 2577         | 2.6147            | 0.069                    |
|            | <b>Sub Total (B)(3)</b>  | <b>36790</b>                                     | <b>7191</b> | <b>43981</b> | <b>44.6235</b>    | <b>38626</b>                               | <b>5355</b> | <b>43981</b> | <b>44.6236</b>    | <b>0</b>                 |
|            | <b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>                             | <b>36801</b>                                     | <b>7305</b> | <b>44106</b> | <b>44.7503</b>    | <b>38637</b>                               | <b>5469</b> | <b>44106</b> | <b>44.7504</b>    | <b>0</b>                 |
|            | <b>Total (A)+(B)</b>   | <b>91255</b>                                     | <b>7305</b> | <b>98560</b> | <b>100</b>        | <b>93091</b>                               | <b>5469</b> | <b>98560</b> | <b>100</b>        | <b>0</b>                 |
| <b>(C)</b> | <b>Non Promoter - Non Public</b>   |  |             |              |                   |  |             |              |                   |                          |
| [1]        | Custodian/DR Holder  | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
| [2]        | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0  | 0           | 0            | 0                 | 0  | 0           | 0            | 0                 | 0                        |
|            | <b>Total (A)+(B)+(C)</b>   | <b>91255</b>                                     | <b>7305</b> | <b>98560</b> | <b>100</b>        | <b>93091</b>                               | <b>5469</b> | <b>98560</b> | <b>100</b>        | <b>0</b>                 |





(ii) Shareholding of Promoters

| Sr. No. | Shareholders Name             | Shareholding at the beginning of the year - 2017 |                                  |   | Shareholding at the end of the year - 2018 |                                  |   | % change in shareholding during the year |
|---------|-------------------------------|--|----------------------------------|---|--|----------------------------------|---|--|
|         |                               | No. of Shares Held                               | % of total Shares of the company | % of Shares Pledged /encumbered to total shares | No. of Shares Held                         | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |  |
| 1       | Aditya Harshavadan Mangaldas  | 43317  | 43.9499                          | 0   | 43317                                      | 43.9499                          | 0   | 0  |
| 2       | Bromelia Trading LLP          | 6100   | 6.1891                           | 0   | 6100                                       | 6.1891                           | 0   | 0  |
| 3       | Mamta Aditya Mangaldas        | 3952   | 4.0097                           | 0   | 3952                                       | 4.0097                           | 0   | 0  |
| 4       | Devyani Harshavadan Mangaldas | 1081   | 1.0968                           | 0   | 1081                                       | 1.0968                           | 0   | 0  |
| 5       | Kishore Rasiklal Dalal        | 1  | 0.001                            | 0   | 1  | 0.001                            | 0   | 0  |
| 6       | Shreya Kishore Dalal          | 1  | 0.001                            | 0   | 1  | 0.001                            | 0   | 0  |
| 7       | Sunil Kishore Dalal           | 1  | 0.001                            | 0   | 1  | 0.001                            | 0   | 0  |
| 8       | Mamta Sunil Dalal             | 1  | 0.001                            | 0   | 1  | 0.001                            | 0   | 0  |
|         | <b>Total</b>                  | <b>54454</b>                                     | <b>55.2496</b>                   | <b>0</b>  | <b>54454</b>                               | <b>55.2496</b>                   | <b>0</b>  | <b>0</b>                                 |

**Note:** Bromelia Trading LLP, Mr. Kishore Dalal, Mr. Sunil Dalal, Mrs. Shreya Dalal and Mrs. Mamta Dalal are not the direct promoter of the Company. Their names has been mentioned as they are relative of Mr. Aditya Mangaldas and Mrs. Mamta Mangaldas and we are considering them in the promoter group.

(iii) Change in Promoters' Shareholding

| Sr No. | Name & Type of Transaction    | Shareholding at the beginning of the year - 2017 |                                  | Transactions during the year |               | Cumulative Shareholding at the end of the year - 2018 |                                  |
|--------|-------------------------------|--|----------------------------------|------------------------------|---------------|---|----------------------------------|
|        |                               | No. Of shares held                               | % Of total shares of the company | Date of transaction          | No. of shares | No of shares held                                     | % of total shares of the company |
| 1      | ADITYA HARSHAVADAN MANGALDAS  | 43317  | 43.9499                          | -                            | -             | 43317   | 43.9499                          |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>43317</b>  | <b>43.9499</b>                   |
| 2      | BROMELIA TRADING LLP          | 6100   | 6.1891                           | -                            | -             | 6100  | 6.1891                           |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>6100</b>   | <b>6.1891</b>                    |
| 3      | MAMTA ADITYA MANGALDAS        | 3952   | 4.0097                           | -                            | -             | 3952  | 4.0097                           |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>3952</b>   | <b>4.0097</b>                    |
| 4      | DEVYANI HARSHAVADAN MANGALDAS | 1081   | 1.0968                           | -                            | -             | 1081  | 1.0968                           |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>1081</b>   | <b>1.0968</b>                    |
| 5      | KISHORE RASIKLAL DALAL        | 1  | 0.001                            | -                            | -             | 1   | 0.001                            |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>1</b>  | <b>0.001</b>                     |
| 6      | SHREYA KISHORE DALAL          | 1  | 0.001                            | -                            | -             | 1   | 0.001                            |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>1</b>  | <b>0.001</b>                     |
| 7      | SUNIL KISHORE DALAL           | 1  | 0.001                            | -                            | -             | 1   | 0.001                            |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>1</b>  | <b>0.001</b>                     |
| 8      | MAMTA SUNIL DALAL             | 1  | 0.001                            | -                            | -             | 1   | 0.001                            |
|        | <b>AT THE END OF THE YEAR</b> |  |                                  |                              |               | <b>1</b>  | <b>0.001</b>                     |

Note:

1. Paid up Share Capital of the Company (Face Value Rs. 100.00) at the end of the year is 98560 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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

| Sr. No. | Name & Type of Transaction        | Shareholding at the beginning of the year - 2017 |                                  | Transactions during the year |               | Cumulative Shareholding at the end of the year - 2018 |                                  |
|---------|-----------------------------------|--|----------------------------------|------------------------------|---------------|---|----------------------------------|
|         |                                   | NO.OF SHARES HELD                                | % OF TOTAL SHARES OF THE COMPANY | DATE OF TRANSACTION          | NO. OF SHARES | NO OF SHARES HELD                                     | % OF TOTAL SHARES OF THE COMPANY |
| 1       | SANJEEV RAGHUBANS KANWAR          | 1208   | 1.23                             |                              |               | 1208  | 1.23                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>1208</b>   | <b>1.23</b>                      |
| 2       | SHAH LILAM VIJAY                  | 901  | 0.91                             |                              |               | 901   | 0.91                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>901</b>  | <b>0.91</b>                      |
| 3       | ANJANABEN MANANBHAI LALBHAI       | 600  | 0.61                             |                              |               | 600   | 0.61                             |
|         | Transfer                          |  |                                  | 21 Apr 2017                  | -100          | 500   | 0.51                             |
|         | Transfer                          |  |                                  | 28 Apr 2017                  | 100           | 600   | 0.61                             |
|         | Transfer                          |  |                                  | 14 Jul 2017                  | -400          | 200   | 0.20                             |
|         | Transfer                          |  |                                  | 21 Jul 2017                  | 100           | 300   | 0.30                             |
|         | Transfer                          |  |                                  | 04 Aug 2017                  | -25           | 275   | 0.28                             |
|         | Transfer                          |  |                                  | 11 Aug 2017                  | 25            | 300   | 0.30                             |
|         | Transfer                          |  |                                  | 06 Oct 2017                  | 100           | 400   | 0.41                             |
|         | Transfer                          |  |                                  | 13 Oct 2017                  | 50            | 450   | 0.46                             |
|         | Transfer                          |  |                                  | 03 Nov 2017                  | 50            | 500   | 0.51                             |
|         | Transfer                          |  |                                  | 01 Dec 2017                  | 150           | 650   | 0.66                             |
|         | Transfer                          |  |                                  | 15 Dec 2017                  | -150          | 500   | 0.51                             |
|         | Transfer                          |  |                                  | 05 Jan 2018                  | -100          | 400   | 0.41                             |
|         | Transfer                          |  |                                  | 31 Mar 2018                  | 100           | 500   | 0.51                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>500</b>  | <b>0.51</b>                      |
| 4       | MUNJI (INDIA) LTD.                | 525  | 0.53                             |                              |               | 525   | 0.53                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>525</b>  | <b>0.53</b>                      |
| 5       | CHANDRIKA BHARAT SHAH             | 469  | 0.48                             |                              |               | 469   | 0.48                             |
|         | Transfer                          |  |                                  | 15 Dec 2017                  | 7             | 476   | 0.48                             |
|         | Transfer                          |  |                                  | 22 Dec 2017                  | 5             | 481   | 0.49                             |
|         | Transfer                          |  |                                  | 19 Jan 2018                  | 2             | 483   | 0.49                             |
|         | Transfer                          |  |                                  | 02 Feb 2018                  | 5             | 488   | 0.50                             |
|         | Transfer                          |  |                                  | 09 Feb 2018                  | 3             | 491   | 0.50                             |
|         | Transfer                          |  |                                  | 23 Mar 2018                  | 4             | 495   | 0.50                             |
|         | Transfer                          |  |                                  | 31 Mar 2018                  | 3             | 498   | 0.51                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>498</b>  | <b>0.51</b>                      |
| 6       | VSL SECURITIES PRIVATE LIMITED    | 499  | 0.51                             |                              |               | 499   | 0.51                             |
|         | Transfer                          |  |                                  | 23 Feb 2018                  | -14           | 485   | 0.49                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>485</b>  | <b>0.49</b>                      |
| 7       | JEET HOLDINGS                     | 400  | 0.41                             |                              |               | 400   | 0.41                             |
|         | Transfer                          |  |                                  | 14 Apr 2017                  | -150          | 250   | 0.25                             |
|         | Transfer                          |  |                                  | 21 Apr 2017                  | 100           | 350   | 0.36                             |
|         | Transfer                          |  |                                  | 28 Apr 2017                  | 50            | 400   | 0.41                             |
|         | Transfer                          |  |                                  | 14 Jul 2017                  | -400          | 0   | 0.00                             |
|         | Transfer                          |  |                                  | 15 Dec 2017                  | 200           | 200   | 0.20                             |
|         | Transfer                          |  |                                  | 05 Jan 2018                  | -100          | 100   | 0.10                             |
|         | Transfer                          |  |                                  | 26 Jan 2018                  | 175           | 275   | 0.28                             |
|         | Transfer                          |  |                                  | 02 Feb 2018                  | 25            | 300   | 0.30                             |
|         | Transfer                          |  |                                  | 02 Mar 2018                  | 100           | 400   | 0.41                             |
|         | Transfer                          |  |                                  | 23 Mar 2018                  | 50            | 450   | 0.46                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>450</b>  | <b>0.46</b>                      |
| 8       | RUPALL CHAUDHRY                   | 424  | 0.43                             |                              |               | 424   | 0.43                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>424</b>  | <b>0.43</b>                      |
| 9       | NATVERLAL MOHANLAL SHAH           | 326  | 0.33                             |                              |               | 326   | 0.33                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>326</b>  | <b>0.33</b>                      |
| 10      | PREM CHAND AGARWAL & SONS (HUF) . | 316  | 0.32                             |                              |               | 316   | 0.32                             |
|         | <b>AT THE END OF THE YEAR</b>     |  |                                  |                              |               | <b>316</b>  | <b>0.32</b>                      |

Note:

1. Paid up Share Capital of the Company (Face Value Rs. 100.00) at the end of the year is 98560 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.



(v) Shareholding of Directors and Key Managerial Personnel:

| Sr No. | Director & KMP Name | Shareholding  |                                  | Date | Increase/ (Decrease) in Shareholding | Reason | Cumulative shareholding during the year (01.04.2017 to 31.03.2018) |                                  |
|--------|---------------------|---|----------------------------------|------|--------------------------------------|--------|--|----------------------------------|
|        |                     | No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018) | % of total shares of the Company |      |                                      |        | No. of Shares  | % of total shares of the Company |
| 1      | Aditya Mangaldas    | 43317   | 43.96                            | -    | -                                    | -      | 43317  | 43.96                            |
| 2      | Mamta Mangaldas     | 3952  | 4.01                             | -    | -                                    | -      | 3952   | 4.01                             |
| 3      | S. G. Vaidya        | 31  | 0.03                             | -    | -                                    | -      | 31   | 0.03                             |
| 4      | Rashmikant Shah     | 1   | 0.00                             | -    | -                                    | -      | 1  | 0.00                             |
| 5      | A. S. Bengali       | 1   | 0.00                             | -    | -                                    | -      | 1  | 0.00                             |
| 6      | Dhiraj Gupta        | -   | -                                | -    | -                                    | -      | -  | -                                |
| 7      | Nikunj Kanabar      | -   | -                                | -    | -                                    | -      | -  | -                                |

V. INDEBTEDNESS

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

|   | Secured Loans excluding deposits | Unsecured Loans | Deposit | Total Indebtedness |
|---|----------------------------------|-----------------|---------|--------------------|
| Indebtedness at the beginning of financial year<br>(i) Principal Amount<br>(ii) Interest due but not paid<br>(iii) Interest accrued but not due | No indebtedness during the year  |                 |         |                    |
| Total (i+ii+iii)  |                                  |                 |         |                    |
| Change in Indebtedness during the financial year<br>• Addition<br>• Reduction   | No indebtedness during the year  |                 |         |                    |
| Net Change  |                                  |                 |         |                    |
| Indebtedness at the end of the financial year<br>(i) Principal Amount<br>(ii) Interest due but not paid<br>(iii) Interest accrued but not due   | No indebtedness during the year  |                 |         |                    |
| Total (i+ii+iii)  | -                                | -               | -       | -                  |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager            |  | Total Amount Rs.           |
|---------|---|------------------------------------|--|----------------------------|
|         |   | Aditya Mangaldas Managing Director |  |                            |
| 1.      | Gross Salary<br>a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961<br>b) Value of perquisites u/s 17(2) Income-Tax Act, 1961<br>c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | 32,40,000<br>8,82,298<br>-         |  | 32,40,000<br>8,82,298<br>- |
| 2.      | Stock Option  | -                                  |  | -                          |
| 3.      | Sweat Equity  | -                                  |  | -                          |
| 4.      | Commission<br>- as a % of profit<br>- others, specify...  | -                                  |  | -                          |
| 5.      | Others, please specify  | -                                  |  | -                          |
|         | <b>Total (A)</b>  | 41,22,298                          |  | 41,22,298                  |
|         | Ceiling as per the Act  | -                                  |  | -                          |

## B. Remuneration to other directors:

## 1. Independent Directors

| Sl. No. | Particulars of Remuneration  | Name of Directors    |                      | Total Amount Rs.       |
|---------|--|----------------------|----------------------|------------------------|
|         |  | S. G. Vaidya         | Gargi Mashruwala     |                        |
|         | • Fee for attending board/committee meetings<br>• Commission<br>• Others, please specify | 80,000<br>NIL<br>NIL | 75,000<br>NIL<br>NIL | 1,55,000<br>NIL<br>NIL |
|         | <b>Total (1)</b>   | <b>80,000</b>        | <b>75,000</b>        | <b>1,55,000</b>        |

## 2. Non-Executive Directors

| Sl. No. | Particulars of Remuneration  | Name of Directors    |                      | Total Amount Rs.       |
|---------|--|----------------------|----------------------|------------------------|
|         |  | Mamta Mangaldas      | Rashmikant Shah      |                        |
|         | • Fee for attending board/committee meetings<br>• Commission<br>• Others, please specify | 75,000<br>NIL<br>NIL | 30,000<br>NIL<br>NIL | 1,05,000<br>NIL<br>NIL |
|         | <b>Total (2)</b>   | <b>75,000</b>        | <b>30,000</b>        | <b>1,05,000</b>        |
|         | <b>Total Managerial Remuneration Total (B) = (1+2)</b>                                   |                      | <b>2,60,000</b>      | <b>2,60,000</b>        |
|         | <b>Overall Ceiling as per the Act</b>  |                      | -                    | -                      |



C. Remuneration to key managerial personnel other than MD/Manager/WTD

| Sl. No. | Particulars of Remuneration  | Name of Key Managerial Personnel |                                   |                                     |  |                  |
|---------|--|----------------------------------|-----------------------------------|-------------------------------------|--|------------------|
|         |  | CEO                              | Company Secretary<br>Dhiraj Gupta | Company Secretary<br>Nikunj Kanabar | Chief Financial Officer<br>Asgar S Bengali | Total Amount Rs. |
| 1.      | Gross Salary   |                                  |                                   |                                     |  |                  |
|         | a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | -                                | 64,200                            | 2,68,000                            | 4,75,200                                   | 8,07,400         |
|         | b) Value of perquisites u/s 17(2) Income-Tax Act, 1961                             | -                                | -                                 | 30,000                              | 75,900                                     | 1,05,900         |
|         | c) Profits in lieu of salary under section 17(3) Income tax Act, 1961              | -                                | -                                 | -                                   | -  | -                |
| 2.      | Stock Option   | -                                | -                                 | -                                   | -  | -                |
| 3.      | Sweat Equity   | -                                | -                                 | -                                   | -  | -                |
| 4.      | Commission   |                                  |                                   |                                     |  |                  |
|         | - as a % of profit   | -                                | -                                 | -                                   | -  | -                |
|         | - others, specify...   | -                                | -                                 | -                                   | -  | -                |
| 5.      | Others, please specify   | -                                | -                                 | -                                   | -  | -                |
|         | <b>Total (C)</b>   | -                                | <b>64,200</b>                     | <b>2,98,000</b>                     | <b>5,51,100</b>                            | <b>9,13,300</b>  |

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) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|-----------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                            |                                   |
| Penalty                             | -                            | -                 | -  | -                          | -                                 |
| Punishment                          | -                            | -                 | -  | -                          | -                                 |
| Compounding                         | -                            | -                 | -  | -                          | -                                 |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                            |                                   |
| Penalty                             | -                            | -                 | -  | -                          | -                                 |
| Punishment                          | -                            | -                 | -  | -                          | -                                 |
| Compounding                         | -                            | -                 | -  | -                          | -                                 |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                            |                                   |
| <b>Penalty</b>                      | -                            | -                 | -  | -                          | -                                 |
| <b>Punishment</b>                   | -                            | -                 | -  | -                          | -                                 |
| <b>Compounding</b>                  | -                            | -                 | -  | -                          | -                                 |

On behalf of the Board of Directors

Place: Mumbai  
Date: May 02, 2018

Rashmikant Shah  
Chairman  
(DIN: 07111006)

**“ANNEXURE-E” TO BOARD’S REPORT****DISCLOSURES ON REMUNERATION**

Pursuant to Section 134 (3) (q) and Section 197 of the Companies Act, 2013 read with Rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 for the year ended March 31, 2018 in respect of the employees are as under-

**(A) Ratio of remuneration of Executive Director to the median employees-**

| Sr. No. | Name                 | Designation       | Ratio   |
|---------|----------------------|-------------------|---------|
| 1       | Mr. Aditya Mangaldas | Managing Director | 12.55:1 |

**(B) Percentage increase in remuneration of each director, CFO, CEO, CS or Manager, if any-**

| Sr. No. | Name                 | Designation             | Percentage of Increase in Remuneration |
|---------|----------------------|-------------------------|--|
| 1       | Mr. Aditya Mangaldas | Managing Director       | 10.80                                  |
| 2       | Mr. Asgar Bengali    | Chief Financial Officer | 10.90                                  |
| 3       | Mr. Dhiraj Gupta     | Company Secretary       | Not Applicable                         |
| 4       | Mr. Nikunj Kanabar   | Company Secretary       | Not Applicable                         |

The Non-Executive Directors and Independent Directors are paid only Sitting Fees, details of which are available in Corporate Governance Report.

**(C) The percentage increase in the median remuneration of employees in the Financial Year: 10%.****(D) No. of permanent employees on the rolls of the Company as on March 31, 2018: 6 Employees****(E) Average Percentile increase already made in the salaries of the employees other than the managerial personnel in last financial year and comparison with percentile increase in the managerial remuneration:**

The Average Increase in Managerial Remuneration was 10.80 % and that of employees and other than Managerial Personnel was 10%.

**(F) Affirmation that the remuneration is as per Remuneration Policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

**On behalf of the Board of Directors**

Place: Mumbai  
Date: May 02, 2018

**Rashmikant Shah**  
**Chairman**  
(DIN: 07111006)



**“ANNEXURE-F” TO BOARD’S REPORT  
RELATED PARTY TRANSACTIONS**

| Sr. No. | Nature of Transaction                          | Subsidiary | Associates | Key Management Personnel | Total     |
|---------|--|------------|------------|--------------------------|-----------|
| 1.      | Loans given during the year                    | 10,00,000  | -          | -                        | 10,00,000 |
| 2.      | Interest received on loan to subsidiary        | 7,55,185   | -          | -                        | 7,55,185  |
| 3.      | Outstanding balance receivable as on 31.3.2018 | 90,00,000  | -          | -                        | 90,00,000 |

Name of the related parties and relationship:

**A) Subsidiary**

Victoria Land Private Limited

**B) Key Management Personnel**

|   | Name                 | Designation             | 2017-2018 (Rs.) |
|---|----------------------|-------------------------|-----------------|
| 1 | Mr. Aditya Mangaldas | Managing Director       | 41,22,298       |
| 2 | Mr. Asgar S. Bengali | Chief Financial Officer | 5,51,100        |
| 3 | Mr. Dhiraj Gupta     | Company Secretary       | 64,200          |
| 4 | Mr. Nikunj Kanabar   | Company Secretary       | 2,98,000        |

**On behalf of the Board of Directors**

Place: Mumbai  
Date: May 02, 2018

**Rashmikant Shah**  
**Chairman**  
(DIN: 07111006)

**“ANNEXURE-G” TO BOARD’S REPORT**  
**CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

**PARTICULARS REGARDING CONSERVATION OF ENERGY.**

Not applicable since there was no manufacturing activity during the year.

| A. | Power & Fuel Consumption            | Current Year<br>2017-2018 | Previous Year<br>2016-2017 |
|----|-------------------------------------|---------------------------|----------------------------|
| 1  | Electricity                         |                           |                            |
|    | A. Purchased                        |                           |                            |
|    | Units                               | Nil                       | Nil                        |
|    | Total amount Rs                     | Nil                       | Nil                        |
|    | Rate/Unit Rs.                       | Nil                       | Nil                        |
|    | B. Own Generation :                 |                           |                            |
|    | i. Through diesel generator         | Nil                       | Nil                        |
|    | Diesel KL                           | Nil                       | Nil                        |
|    | Unit                                | Nil                       | Nil                        |
|    | Oil                                 | Nil                       | Nil                        |
|    | Cost/Unit Rs.                       | Nil                       | Nil                        |
|    | ii. Through steam turbine/generator |                           |                            |
|    | Unit                                | Nil                       | Nil                        |
|    | Unit per litre of fuel              | Nil                       | Nil                        |
|    | Oil/gas                             | Nil                       | Nil                        |
|    | Cost per unit                       | Nil                       | Nil                        |
| 2  | Coal (Specify quality & where used) |                           |                            |
|    | Quantity (tonnes)                   | Nil                       | Nil                        |
|    | Total cost avg. rate                | Nil                       | Nil                        |
| 3  | Furnace Oil/LSHS                    |                           |                            |
|    | Quantity (KL)                       | Nil                       | Nil                        |
|    | Total Cost                          | Nil                       | Nil                        |
|    | Avg. Rate Rs ./KL                   | Nil                       | Nil                        |
| 4  | Other /internal generation          | Nil                       | Nil                        |

| B. | Consumption per unit of Standard | Standard | Current Year<br>2017-2018 | Previous Year<br>2016-2017 |
|----|----------------------------------|----------|---------------------------|----------------------------|
| 1. | Cloth produced (Kg.)             | -        | -                         | -                          |
| 2. | Electricity Rs/kg.               | -        | -                         | -                          |
| 3. | Furnace Oil/LSHS/Rs./kg          | -        | -                         | -                          |

**PARTICULARS REGARDING TECHNOLOGY ABSORPTION.**

Not applicable since there was no manufacturing activity during the year.

On behalf of the Board of Directors

Place: Mumbai  
Date: May 02, 2018Rashmikant Shah  
Chairman  
(DIN: 07111006)





## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
**The Victoria Mills Limited**  
Mumbai.

We have examined the compliance of conditions of Corporate Governance by “**The Victoria Mills Limited**” (the ‘Company’), for the financial year ended on 31<sup>st</sup> March, 2018, as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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 Nilesh Shah & Associates**  
Company Secretaries

Sd/-  
**(Nilesh Shah)**  
Partner  
FCS : 4554  
C.P. : 2631

Place: Mumbai  
Date: May 02, 2018

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## COMPLIANCE WITH CODE OF CONDUCT

**Declaration by the Managing Director under Regulation 34 Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.**

To Members of  
The Victoria Mills Limited

**Declaration by the Managing Director under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

I, Aditya Mangaldas, Managing Director of The Victoria Mills Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, for the year ended March 31, 2018.

For, **The Victoria Mills Limited**

Place: Mumbai  
Date: May 02, 2018

**Aditya H. Mangaldas**  
Managing Director

## MANAGING DIRECTOR AND CFO CERTIFICATION

We have undersigned in our respective capacities as Managing Director and Chief Financial Officer of The Victoria Mills Limited to the best of our knowledge and belief certify that:

- A.** We have reviewed the financial statements and cash flow statement for the year ended March 31, 2018 and to the best of our knowledge and belief:
- 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.** We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2018 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 we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D.** We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
- I. There has not been any significant change in internal control over financial reporting during the year under reference;
  - II. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - III. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For, **The Victoria Mills Limited**

For, **The Victoria Mills Limited**

Place: Mumbai  
Date: May 02, 2018

**Aditya Mangaldas**  
Managing Director

**Asgar Bengali**  
Chief Financial Officer

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## CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

[Pursuant to Regulation 33(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,  
The Board of Director,  
**The Victoria Mills Ltd**

Pursuant to Sub-Regulation (2) of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby certify that the Financial Results of the Company for the Financial Year ended March 31, 2018 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

For, **The Victoria Mills Limited**

For, **The Victoria Mills Limited**

Place: Mumbai  
Date: May 02, 2018

**Aditya Mangaldas**  
Managing Director

**Asgar Bengali**  
Chief Financial Officer



## INDEPENDENT AUDITOR'S REPORT

### To the Members of THE VICTORIA MILLS LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **THE VICTORIA MILLS LIMITED** ('the Company'), which comprises Balance Sheet as at 31<sup>st</sup> March, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act of the state of affairs of the Company (financial position) as at 31<sup>st</sup> March 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Other Matter

The comparative financial information for the year ended 31<sup>st</sup> March, 2017 and the transition date opening balance sheet as at 1<sup>st</sup> April

2016 prepared in accordance with Ind AS and included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2016, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the previous auditors, whose reports dated 5<sup>th</sup> May 2017 and 24<sup>th</sup> May 2016, respectively, expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclose in the Annexure A, a statement on matters specified in paragraph 3 & 4 of the said order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone financial statements dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) In our opinion, there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company
  - f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a directors in terms of section 164(2) of the Act.
  - g) We have also audited the internal financial controls over financial reporting of the Company as on 31<sup>st</sup> March 2018, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 02<sup>nd</sup> May 2018 as per Annexure B expressed unmodified opinion;
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. As informed to us the Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration Number 111296W

**R. N. Vasani**  
(Partner)

Membership No. 012217

Place: Mumbai  
Date: May 02, 2018

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of**

**THE VICTORIA MILLS LIMITED ('the Company') on the standalone financial statements for the year ended 31<sup>st</sup> March, 2018, we report that:**

- i. In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) Major part of fixed assets has been physically verified by the management at reasonable intervals; In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - c) The Company has sufficient evidence that it is the owner of the immovable property since 1937.
- ii. Inventory of the Company comprises of work in progress of Real Estate Development, which comprises of purchase of land and direct expenses on the project. Due to reasons stated above there is no question of physical verification and discrepancies notices on such verification.
- iii. The Company has granted a demand loan to the wholly owned subsidiary at the rate of 9% on the outstanding balance. In respect of the said loan, the maximum balance outstanding at anytime during the year is Rs.90,00,000/- and the year end balance is Rs. 90,00,000/-. The Company has recovered the entire interest on the loan amounting to Rs. 7,55,185/-.
- iv. The company has neither given any loans, guarantees, and security as mentioned in section 185 nor has made any investment as mentioned in section 186.
- v. The company has not accepted any deposit from the public.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- vii. According to the information and explanation given to us and on the basis of our examination of records in respect of statutory dues:
  - a) The company is regular in depositing undisputed statutory dues including income tax, sales tax, service tax, GST, profession tax and other material statutory dues applicable to it.
  - b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, sales tax, VAT, Service Tax, Cess and other material statutory dues in arrears /were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
- viii. The Company has not taken any loan from banks, financial institutions, Government or debenture holder.
- ix. The Company has not raised moneys by initial public offer or further public offer (including debt instrument) or term loans during the year. Accordingly paragraph 3(ix) of the order is not applicable
- x. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company hence this clause is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company has complied with the section 177 and 188 of the Act in respect of related party transactions, where applicable and details have been disclosed in the standalone financial statements based on applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence reporting under paragraph 3(xiv) is not applicable.
- xv. In our opinion and 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. Accordingly, reporting under paragraph 3(xv) is not applicable.
- xvi. 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 **VASANI & THAKKAR**

Chartered Accountants

Firm Registration Number 111296W

**R. N. Vasani**

(Partner)

Membership No. 012217

Place: Mumbai

Date: May 02, 2018



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of The Victoria Mills Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 (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 Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

For **VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration Number 111296W

**R. N. Vasani**  
(Partner)  
Membership No. 012217

Place: Mumbai  
Date: May 02, 2018

**BALANCE SHEET AS AT 31ST MARCH 2018**

|   | Notes<br>No | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|-------------|-------------------------------|-------------------------------|-------------------------------|
| <b>I ASSETS</b>   |             |                               |                               |                               |
| <b>1) Non-Current assets</b>                              |             |                               |                               |                               |
| a) Property, Plant and Equipment                          | 1           | 4,453,197                     | 2,542,885                     | 2,699,234                     |
| <b>b) Financial Assets</b>                                |             |                               |                               |                               |
| i) Investments  | 2           | 152,037,521                   | 113,555,856                   | 151,199,670                   |
| c) Other non-current assets                               | 3           | 3,192,259                     | 3,336,485                     | 5,281,425                     |
| <b>Total Non-Current assets</b>                           |             | <b>159,682,977</b>            | <b>119,435,226</b>            | <b>159,180,329</b>            |
| <b>2) Current Assets</b>                                  |             |                               |                               |                               |
| a) Inventories  | 4           | 130,548,215                   | 173,396,577                   | 134,771,630                   |
| <b>b) Financial Assets</b>                                |             |                               |                               |                               |
| i) Investments  | 5           | 93,827,318                    | 75,540,645                    | 51,460,680                    |
| ii) Trade Receivable                                      | 6           | -                             | -                             | -                             |
| iii) Cash and cash equivalents                            | 7           | 3,311,451                     | 2,413,591                     | 3,236,627                     |
| iv) Loans   | 8           | 9,000,000                     | 8,000,000                     | 6,500,000                     |
| c) Other Current Assets                                   | 9           | 1,029,267                     | 947,763                       | 2,864,839                     |
| <b>Total Current assets</b>                               |             | <b>237,716,251</b>            | <b>260,298,576</b>            | <b>198,833,776</b>            |
| <b>TOTAL</b>  |             | <b>397,399,229</b>            | <b>379,733,802</b>            | <b>358,014,105</b>            |
| <b>II EQUITY AND LIABILITIES</b>                          |             |                               |                               |                               |
| <b>1) Equity</b>  |             |                               |                               |                               |
| a) Equity Share Capital                                   | 10          | 9,856,000                     | 9,856,000                     | 9,856,000                     |
| b) Other Equity   | 11          | 362,785,221                   | 348,108,599                   | 327,165,666                   |
| <b>Total Equity</b>                                       |             | <b>372,641,221</b>            | <b>357,964,599</b>            | <b>337,021,666</b>            |
| <b>2) Liabilities</b>                                     |             |                               |                               |                               |
| <b>Non-current Liabilities</b>                            |             |                               |                               |                               |
| a) Provisions   | 12          | 5,997,520                     | 5,490,325                     | 6,506,708                     |
| b) Deferred Tax Liabilities (Net)                         | 13          | 75,000                        | 75,000                        | 75,000                        |
| c) Other Non current liabilities                          | 14          | 2,018,768                     | 2,018,768                     | 2,018,768                     |
| <b>Total Liabilities</b>                                  |             | <b>8,091,288</b>              | <b>7,584,093</b>              | <b>8,600,476</b>              |
| <b>3) Current Liabilities</b>                             |             |                               |                               |                               |
| <b>a) Financial Liabilities</b>                           |             |                               |                               |                               |
| i) Other financial liabilities                            | 15          | 15,686,422                    | 11,810,154                    | 12,391,963                    |
| b) Provisions   | 16          | 980,298                       | 2,374,956                     | -                             |
| <b>Total Current Liabilities</b>                          |             | <b>16,666,720</b>             | <b>14,185,110</b>             | <b>12,391,963</b>             |
| <b>TOTAL</b>  |             | <b>397,399,229</b>            | <b>379,733,802</b>            | <b>358,014,105</b>            |
| NOTES FORMING PART OF THE FINANCIAL STATEMENTS <b>A-C</b> |             |                               |                               |                               |

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. N. VASANI**  
Partner  
Membership No 12217

**NIKUNJ KANABAR**  
Company Secretary

**A. S. BENGALI**  
Chief Financial officer

**R. K. SHAH**  
DIN 07111006

**Chairman**

**ADITYA MANGALDAS**  
DIN 00032233

**Managing Director**

**S.G. VAIDYA**  
DIN 00220956

**MAMTA MANGALDAS**  
DIN 00021078

**Directors**

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018

|   | Notes No | 2017-2018<br>Rupees | 2016-2017<br>Rupees |
|---|----------|---------------------|---------------------|
| I) Revenue from Operations  | 17       | 87,500,000          | 52,500,000          |
| II) Other Income  | 18       | 13,021,673          | 10,877,765          |
| III) TOTAL REVENUE(I+II)  |          | <u>100,521,673</u>  | <u>63,377,765</u>   |
| IV) EXPENSES  |          |                     |                     |
| Cost of Materials Consumed  |          | 71,102,769          | 39,273,877          |
| Purchases of Stocks-in-Trade  |          | 42,848,363          | 38,624,948          |
| Changes in Inventories of Finished Goods                                    |          |                     |                     |
| Stock in trade & Work in Progress   |          | (42,848,363)        | (38,624,948)        |
| Employee Benefits Expenses  | 19       | 7,006,037           | 7,354,547           |
| Depreciation and Amortization Expenses                                      |          | 232,652             | 156,349             |
| Other Expenses  | 20       | 7,854,927           | 6,271,467           |
| TOTAL EXPENSES  |          | <u>86,196,385</u>   | <u>53,056,240</u>   |
| V) Profit before tax (III-IV)   |          | 14,325,288          | 10,321,525          |
| VI) Tax Expenses  |          |                     |                     |
| (1) Current Tax   |          | (4,000,000)         | (3,250,000)         |
| (2) Deferred Tax  |          | -                   | -                   |
| (3) Tax liability earlier period  |          | 386,108             | -                   |
| VII) Profit for the period (V-VI)   |          | <u>10,711,396</u>   | <u>7,071,525</u>    |
| VIII) Other Comprehensive Income  |          |                     |                     |
| Items that will not be reclassified to profit or loss                       |          |                     |                     |
| Remeasurement of defined benefit obligation                                 |          | (486,214)           | (1,233,573)         |
| Change in fair value of equity instruments designated as Fair Value Through |          | 10,382,664          | 15,104,979          |
| Other Comprehensive Income (net)  |          |                     |                     |
| Total other comprehensive income for the year                               |          | <u>9,896,450</u>    | <u>13,871,406</u>   |
| IX) Earnings per equity share:  |          |                     |                     |
| (1) Basic   |          | 108.68              | 71.75               |
| (2) Diluted   |          | 108.68              | 71.75               |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

A-C

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. N. VASANI**  
Partner  
Membership No 12217

**NIKUNJ KANABAR**  
Company Secretary

**A. S. BENGALI**  
Chief Financial officer

**R. K. SHAH**  
DIN 07111006

Chairman

**ADITYA MANGALDAS**  
DIN 00032233

Managing Director

**S. G. VAIDYA**  
DIN 00220956

**MAMTA MANGALDAS**  
DIN 00021078

Directors

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018

## CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

| Particulars   | 2017-2018          |                    | 2016-17             |                     |
|---|--------------------|--------------------|---------------------|---------------------|
|   | Rupees             | Rupees             | Rupees              | Rupees              |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                    |                    |                     |                     |
| <b>NET PROFIT/(LOSS) AFTER TAX &amp; EXTRA-ORDINARY ITEM</b>  |                    | <b>10,711,396</b>  |                     | <b>7,071,525</b>    |
| <b>Add:</b>   |                    |                    |                     |                     |
| a) Provision for Taxation (net)                               | 3,613,892          |                    | 3,250,000           |                     |
| b) Depreciation   | <u>232,652</u>     | <u>3,846,544</u>   | <u>156,349</u>      | <u>3,406,349</u>    |
|   |                    | <b>14,557,940</b>  |                     | <b>10,477,874</b>   |
| <b>Less:</b>  |                    |                    |                     |                     |
| a) Dividend Income  | 2,695,868          |                    | 3,037,636           |                     |
| b) Interest received on others                                | -                  |                    | 17,339              |                     |
| c) Interest received on Loan to Subsidiary                    | 755,185            |                    | 677,318             |                     |
| d) Adjustment for investment in Mutual Fund at FMV            | 3,253,094          |                    | 5,097,660           |                     |
| e) Excess Provision written back                              | -                  |                    | 900,000             |                     |
| f) Income from investment in bond                             | 1,325,574          |                    | -                   |                     |
| g) Re - measurement on employee benefit plans                 | 486,214            |                    | 1,233,573           |                     |
| h) Profit on Sale of Fixed Assets                             | <u>181,866</u>     |                    | <u>-</u>            |                     |
|   |                    | <b>8,697,801</b>   |                     | <b>10,963,526</b>   |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>         |                    | <b>5,860,139</b>   |                     | <b>(485,652)</b>    |
| <b>Add:</b>   |                    |                    |                     |                     |
| a) (Increase)/Decrease in Inventories                         | 42,848,362         |                    | (38,624,947)        |                     |
| b) (Increase)/Decrease in Current Assets                      | <u>(81,504)</u>    |                    | <u>2,362,016</u>    |                     |
| Less: Increase/(Decrease) in Trade & other Payables           |                    |                    |                     |                     |
| a) Increase/(Decrease) in Provisions(LT)                      | 507,195            |                    | -                   |                     |
| b) Increase/(Decrease) in other liabilities                   | 3,876,268          |                    | 34,426,764          |                     |
| c) Increase/(Decrease) in Provisions(ST)                      | <u>(1,394,658)</u> | <u>45,755,663</u>  | <u>-</u>            | <u>(1,836,167)</u>  |
|   |                    | <b>51,615,802</b>  |                     | <b>(2,321,819)</b>  |
| <b>Deduct:</b>  |                    |                    |                     |                     |
| Direct Taxes Paid/ Received                                   | <u>(3,469,666)</u> |                    | <u>(36,000,000)</u> |                     |
|   |                    | <b>(3,469,666)</b> |                     | <b>(36,000,000)</b> |
| <b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)</b> |                    | <b>48,146,136</b>  |                     | <b>(38,321,819)</b> |





| Particulars   | 2017-2018    |                     | 2016-17    |                   |
|---|--------------|---------------------|------------|-------------------|
|   | Rupees       | Rupees              | Rupees     | Rupees            |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                 |              |                     |            |                   |
| <b>INFLOW</b>   |              |                     |            |                   |
| a) Dividend Income  | 2,695,868    |                     | 3,032,556  |                   |
| b) Interest received on others                                | -            |                     | 17,339     |                   |
| c) Interest received on Loan to Subsidiary                    | 755,185      |                     | 677,318    |                   |
| d) Profit on Sale of Investments                              | 8,070,511    |                     | 11,178,665 |                   |
| e) Sale of Fixed Asset  | 255,000      |                     | -          |                   |
| f) Income from investment in bond                             | 1,325,574    |                     | -          |                   |
| g) Net Investments  | -            | 13,102,138          | 22,592,905 | 37,498,783        |
| <b>OUTFLOW :</b>  |              |                     |            |                   |
| a) Purchase of Fixed asset                                    | (2,216,098)  |                     | -          |                   |
| b) Net Investment (Non current)                               | (39,556,928) |                     | -          |                   |
| c) Net Investment (Current)                                   | (11,646,164) |                     | -          |                   |
| d) Loan to Subsidiary   | (1,000,000)  | (54,419,190)        | -          | -                 |
| <b>NET CASH INFLOW/(OUTFLOW) IN INVESTING ACTIVITIES(B)</b>   |              | <b>(41,317,052)</b> |            | <b>37,498,783</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                 |              |                     |            |                   |
| a) Dividened Paid (Including Dividened Distri Tax)            | (5,931,225)  |                     | -          |                   |
| <b>NET CASH INFLOW/(OUTFLOW)IN FINANCING ACTIVITIES (C)</b>   |              | <b>(5,931,225)</b>  |            | <b>-</b>          |
| <b>NET INCREASE/DECREASE IN CASH/CASH EQUIVALENTS (A+B+C)</b> |              | <b>897,860</b>      |            | <b>(823,036)</b>  |
| CASH AND CASH EQUIVALENTS AS AT                               |              |                     |            |                   |
| 31ST MARCH 2016   |              |                     | 3,236,627  |                   |
| 31ST MARCH 2017   | 2,413,591    |                     | 2,413,591  |                   |
| 31ST MARCH 2018   | 3,311,451    |                     | -          |                   |
| <b>NET CASH INFLOW/(OUTFLOW)</b>                              |              | <b>897,860</b>      |            | <b>(823,036)</b>  |

As per our report annexed herewith

For VASANI & THAKKAR  
Chartered Accountants  
Firm Registration No 111296W

R. N. VASANI  
Partner  
Membership No 12217

NIKUNJ KANABAR  
Company Secretary

A. S. BENGALI  
Chief Financial officer

R. K.SHAH  
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Chairman

ADITYA MANGALDAS  
DIN 00032233

Managing Director

S.G.VAIDYA  
DIN 00220956

MAMTA MANGALDAS  
DIN 00021078

Directors

GARGI MASHRUWALA  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018 & MARCH 2017

**A. EQUITY SHARE CAPITAL****ISSUED & SUBSCRIBED**

98,560 Equity Shares of Rs.100/- each fully paid up.

|  |           |           |
|--|-----------|-----------|
|  | 9,856,000 | 9,856,000 |
|  | 9,856,000 | 9,856,000 |

**RECONCILIATION OF NUMBER OF SHARES****Equity Shares**

|                        | Nos.   | Nos.   |
|------------------------|--------|--------|
| Opening Balance        | 98,560 | 98,560 |
| Issued during the year | -      | -      |
| Closing balance        | 98,560 | 98,560 |

**B. OTHER EQUITY**

| Particulars                               | General Reserve   | Retained Earnings  | Item of other comprehensive income |
|---|-------------------|--------------------|------------------------------------|
| <b>Balance as at April 1, 2016</b>        | <b>41,535,000</b> | <b>285,630,668</b> | -                                  |
| Add: Transfer from retained earnings      | 1,200,000         | (1,200,000)        | -                                  |
| Add: Profit for the year                  | -                 | 7,071,525          | -                                  |
| Add: Other Comprehensive Income           | -                 | -                  | 13,871,406                         |
| Less: OCI transferred to retained earning | -                 | 13,871,406         | (13,871,406)                       |
| <b>Balance as at March 31, 2017</b>       | <b>42,735,000</b> | <b>305,373,599</b> | -                                  |
| Add: Transfer from retained earnings      | 1,500,000         | (1,500,000)        | -                                  |
| Add: Profit for the year                  | -                 | 10,711,396         | -                                  |
| Add: Other Comprehensive Income           | -                 | -                  | 9,896,450                          |
| Less: OCI transferred to retained earning | -                 | 9,896,450          | (9,896,450)                        |
| Less: Dividend (incl tax)                 | -                 | (5,931,225)        | -                                  |
| <b>Balance as at March 31, 2018</b>       | <b>44,235,000</b> | <b>318,550,221</b> | -                                  |

## NOTES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2018

**NOTE 1: PROPERTY, PLANT & EQUIPMENT**

(Amt in Rs)

| Sr. No. | Description                   | Gross Block on 1.4.2017 | Addition         | Deductions       | Gross Block on 31.3.2018 | Total Depr. upto 1.4.2017 | Curr. Year Depr. | Depr Wr Back     | Total Depr. upto 31.3.2018 | Net Block on 31.3.2018 | Net Block on 31.3.2017 |
|---------|-------------------------------|-------------------------|------------------|------------------|--------------------------|---------------------------|------------------|------------------|----------------------------|------------------------|------------------------|
|         |                               | Rs.                     | Rs.              | Rs.              | Rs.                      | Rs.                       | Rs.              | Rs.              | Rs.                        | Rs.                    | Rs.                    |
| 1       | Land                          | 118                     | -                | -                | 118                      | -                         | -                | -                | -                          | 118                    | 118                    |
| 2       | Building                      | 3,910,831               | -                | -                | 3,910,831                | 1,511,351                 | 45,915           | -                | 1,557,266                  | 2,353,565              | 2,399,480              |
| 3       | Plant & Machinery (Computers) | 919,115                 | -                | -                | 919,115                  | 919,114                   | -                | -                | 919,114                    | 1                      | 1                      |
| 4       | Electric Installation         | 1,806,898               | -                | -                | 1,806,898                | 1,806,897                 | -                | -                | 1,806,897                  | 1                      | 1                      |
| 5       | Furniture & Fixture           | 975,370                 | -                | -                | 975,370                  | 975,369                   | -                | -                | 975,369                    | 1                      | 1                      |
| 6       | Vehicles                      | 2,865,592               | 2,216,098        | 1,462,682        | 3,619,008                | 2,722,308                 | 186,737          | 1,389,548        | 1,519,497                  | 2,099,511              | 143,284                |
|         | <b>Total</b>                  | <b>10,477,924</b>       | <b>2,216,098</b> | <b>1,462,682</b> | <b>11,231,340</b>        | <b>7,935,039</b>          | <b>232,652</b>   | <b>1,389,548</b> | <b>6,778,143</b>           | <b>4,453,197</b>       | <b>2,542,885</b>       |
|         | As at 31-03-2017              | 10477924                | 0                | 0                | 10477924                 | 7778690                   | 156349           | 0                | 7935039                    | 2542885                | 2699234                |
|         | As at 01-04-2016              | 10985971                | 0                | 508047           | 10477924                 | 7966924                   | 253835           | 442069           | 7778690                    | 2699234                | 3019047                |



|  |              | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|--------------|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-2 INVESTMENTS - NON CURRENT INVESTMENT CARRIED AT COST</b>   |              |                               |                               |                               |
| <b>1 INVESTMENTS IN SHARES (UNQUOTED)</b>  |              |                               |                               |                               |
|  | Shares       |                               |                               |                               |
| Victoria Land Private Ltd  | 1,000        | 100,000                       | 100,000                       | 100,000                       |
| Rs 100/- each Fully Paid ( A Subsidiary Company)   |              |                               |                               |                               |
| <b>INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT &amp; LOSS</b>  |              |                               |                               |                               |
| <b>2 INVESTMENT IN MUTUAL FUNDS</b>  |              |                               |                               |                               |
|  | Units        |                               |                               |                               |
| Liquid Bees  | 16,952.7250  | 16,952,326                    | 3,250                         | 58,471                        |
| Ambit Alpha Fund-Scheme 1  | -            | 12,974,127                    | -                             | -                             |
| Birla Sun Life Cash Manager  | 7,240.4882   | 3,023,299                     | 1,221,363                     | 8,795,858                     |
| Birla Sun Life Short Term Opportunity Fund   | 79,411.8980  | 2,291,454                     | 2,154,731                     | 1,969,050                     |
| Canara Robeco Floating Rate Fund   | -            | -                             | 2,049,120                     | 1,896,077                     |
| DSP Blackrock India Enhanced Equity Fund   | 200,000.0000 | 22,748,000                    | 21,296,000                    | -                             |
| HDFC Cash Management Fund  | 75,920.7810  | 80,818,871                    | 64,201,261                    | 75,184,164                    |
| HDFC Short Term Opportunities Fund   | 116,155.5820 | 2,227,248                     | 2,089,407                     | 1,918,879                     |
| ICICI Prudential Income Opportunities Fund   | 181,880.7130 | 4,415,845                     | 4,184,748                     | 3,797,033                     |
| Kotak Bond Regular Plan  | -            | -                             | 3,982,436                     | 3,618,817                     |
| SBI Dynamic Bond Fund  | 200,527.9350 | 4,265,871                     | 4,130,454                     | 3,635,331                     |
| SBI Savings Fund   | -            | -                             | 2,043,700                     | 1,894,909                     |
| Sundaram Banking & PSU Debt Fund   | -            | -                             | 3,995,217                     | 3,723,245                     |
| UTI Short Term Fund  | 72,893.8870  | 2,220,479                     | 2,104,170                     | 1,923,473                     |
| ICICI Prudential Equity Arbitrage Fund   | -            | -                             | -                             | 20,836,484                    |
| IDFC Arbitrage Fund  | -            | -                             | -                             | 20,826,339                    |
| J.M. Arbitrage Advance Fund (Bonus)  | -            | -                             | -                             | 1,021,541                     |
| <b>TOTAL RUPEES</b>  |              | <b>152,037,521</b>            | <b>113,555,856</b>            | <b>151,199,670</b>            |
| <hr/>  |              |                               |                               |                               |
|  |              | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
| <b>NOTE-3 OTHER NON-CURRENT ASSETS</b>   |              |                               |                               |                               |
| (Unsecured, Considered Good)   |              |                               |                               |                               |
| a) Security Deposits ( Petrol , Telephone Etc)   |              | 31,000                        | 31,000                        | 31,000                        |
| b) Advance income-tax including tax deducted at source<br>(Net Of Provision of Rs 5,02,50,000/- Current year,<br>Rs 5,01,50,000/- Previous year) |              | 3,161,259                     | 3,305,485                     | 3,852,614                     |
| c) Other deposits  |              | -                             | -                             | 1,397,811                     |
|  |              | <b>3,192,259</b>              | <b>3,336,485</b>              | <b>5,281,425</b>              |
| <hr/>  |              |                               |                               |                               |
| <b>NOTE-4 INVENTORIES</b>  |              |                               |                               |                               |
| (As taken, valued & certified by the Management)   |              |                               |                               |                               |
| Property held as stock-in-trade  |              | 30,548,000                    | 43,211,600                    | 58,485,600                    |
| Work In Progress   |              | 100,000,215                   | 130,184,977                   | 76,286,030                    |
|  |              | <b>130,548,215</b>            | <b>173,396,577</b>            | <b>134,771,630</b>            |

|   |                 | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|-----------------|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-5 INVESTMENT CURRENT</b>                |                 |                               |                               |                               |
| <b>1 INVESTMENTS IN SHARES (QUOTED)</b>         |                 |                               |                               |                               |
| <b>NAME OF THE SECURITY</b>                     | <b>QUANTITY</b> | <b>FMV</b>                    | <b>FMV</b>                    | <b>FMV</b>                    |
| Aditya Birla Fashion & Retail Ltd               | -               | -                             | 275,302                       | 336,258                       |
| Aditya Birla Nuvo Ltd                           | -               | -                             | -                             | 371,138                       |
| Ador Fontech Ltd                                | 2185            | 231,064                       | 184,305                       | 196,213                       |
| Bajaj Corp Ltd                                  | 2953            | 1,394,407                     | 1,165,254                     | 1,138,824                     |
| Bajaj Finance Limited                           | -               | -                             | -                             | 4,801,936                     |
| Bayer Cropscience Ltd                           | 342             | 1,437,426                     | 1,331,712                     | 1,322,814                     |
| Centum Electronics Ltd                          | 2404            | 1,219,429                     | 1,322,289                     | 1,177,959                     |
| Colgate-Palmolive (India) Ltd                   | 914             | 966,007                       | -                             | -                             |
| Coromandel International Ltd                    | 1721            | 903,783                       | 536,694                       | -                             |
| Credit Rating Information Services Of India Ltd | 498             | 938,456                       | -                             | -                             |
| Cyient Ltd                                      | 2066            | 1,435,560                     | -                             | -                             |
| Divis Laboratories Ltd                          | 4289            | 4,673,598                     | 1,940,169                     | 1,909,027                     |
| EID Parry (I) Ltd                               | 6356            | 1,742,101                     | -                             | -                             |
| Fortis Healthcare Ltd                           | 10484           | 1,293,201                     | -                             | -                             |
| Glenmark Pharma Ltd                             | 1043            | 548,931                       | -                             | -                             |
| Gatway Distriparks Ltd                          | -               | -                             | -                             | 1,019,116                     |
| Globus Spirits Ltd                              | -               | -                             | 1,515,776                     | -                             |
| Goldman Sachs Mutual Fund                       | -               | -                             | 2,952,264                     | 2,078,720                     |
| Gujarat Pipavav Port Ltd                        | 20943           | 3,023,122                     | 1,651,131                     | 1,752,323                     |
| HDFC Bank Ltd                                   | 3651            | 6,897,814                     | 5,266,205                     | 3,910,878                     |
| Hero Motocorp Ltd                               | 368             | 1,304,744                     | 1,186,377                     | 938,945                       |
| ICICI Bank Ltd                                  | 19254           | 5,360,070                     | 3,621,697                     | 2,283,890                     |
| IDFC Bank Ltd                                   | 11538           | 546,324                       | 684,203                       | 157,102                       |
| IIFL Holdings Ltd                               | 1653            | 1,166,522                     | -                             | 131,542                       |
| Infosys Technologies Ltd                        | -               | -                             | 1,557,741                     | 1,858,592                     |
| Intellect Design Arena Ltd                      | 9178            | 1,517,123                     | 345,000                       | 677,550                       |
| Jubilant Foodworks Ltd                          | 1892            | 4,400,508                     | 2,095,106                     | -                             |
| KEC International Ltd                           | 2688            | 1,047,648                     | -                             | -                             |
| Karur Vysya Bank Ld                             | -               | -                             | -                             | 139,648                       |
| Kwality Ltd                                     | 22530           | 1,330,397                     | -                             | -                             |
| L&T Finance Holding Ltd                         | 27274           | 4,283,382                     | 3,366,975                     | -                             |
| LIC Housing Finance Ltd                         | 4344            | 2,324,692                     | 1,853,722                     | 1,476,594                     |
| Linde India Ltd                                 | 2469            | 1,079,570                     | -                             | -                             |
| Lupin Ltd                                       | 719             | 529,076                       | -                             | -                             |
| Laxmi Machine Works Ltd                         | -               | -                             | -                             | 710,398                       |
| MCX Of India Ltd                                | 2838            | 1,893,939                     | 3,419,932                     | 2,374,413                     |
| Mahindra & Mahindra Ltd                         | 4304            | 3,185,821                     | 2,276,488                     | 1,183,038                     |
| Mahindra Holidays & Resort India Ltd            | 7834            | 2,289,878                     | 2,243,801                     | 755,131                       |
| NMDC Ltd  | 6425            | 761,684                       | 1,710,335                     | 1,259,300                     |
| National Aluminium Company Ltd                  | 18867           | 1,253,712                     | 2,886,651                     | 1,490,493                     |
| Nestle India Ltd                                | 287             | 2,354,419                     | 1,917,347                     | 1,652,359                     |
| Nesco Ltd                                       | 6860            | 3,786,034                     | 3,226,670                     | -                             |
| Oracle Financial Services Software Ltd          | 38              | 142,323                       | 144,999                       | -                             |
| Power Grid Corporation Of India Ltd             | 18368           | 3,560,637                     | 3,622,170                     | 1,659,185                     |
| PTC India Ltd                                   | 19560           | 1,703,676                     | 1,817,124                     | 1,247,928                     |
| Pfizer Ltd                                      | -               | -                             | -                             | 573,483                       |
| Praj Industries Ltd                             | -               | -                             | -                             | 541,748                       |
| Sanofi India Ltd                                | 122             | 633,137                       | 573,760                       | -                             |
| Sundaram Fasteners Ltd                          | 14544           | 8,026,106                     | 5,684,522                     | 2,484,842                     |



|   |      | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|------|-------------------------------|-------------------------------|-------------------------------|
| T. D. Power System Ltd                                  | 4586 | 869,964                       | 1,060,513                     | 955,722                       |
| Take Solutions Ltd                                      | 4155 | 679,966                       | 524,361                       | -                             |
| Talwalkars Better Value Fitness Ltd                     | 3702 | 896,254                       | -                             | -                             |
| Talwalkars Lifestyles Ltd                               | 3702 | -                             | -                             | -                             |
| Tata Motors Ltd   | 6912 | 2,260,091                     | 1,905,477                     | 1,580,742                     |
| Tech Mahindra Ltd                                       | -    | -                             | 774,426                       | 801,133                       |
| The Great Eastern Shipping Co Ltd                       | 1347 | 444,779                       | 561,699                       | -                             |
| United Spirits Ltd                                      | 1029 | 3,220,410                     | 2,237,766                     | 629,849                       |
| VRL Logistics Ltd                                       | 7628 | 2,931,822                     | 2,373,834                     | -                             |
| Wipro Ltd   | 4758 | 1,337,712                     | 1,226,850                     | 1,381,846                     |
|   |      | <u>93,827,318</u>             | <u>73,040,645</u>             | <u>48,960,680</u>             |
| <b>Less : Provision for fall in Value</b>               |      | <u>-</u>                      | <u>-</u>                      | <u>-</u>                      |
|   |      | <u>93,827,318</u>             | <u>73,040,645</u>             | <u>48,960,680</u>             |
| <b>2 INVESTMENT IN DEBENTURE &amp; BONDS (UNQUOTED)</b> |      |                               |                               |                               |
| Zero Coupon Trent Ltd                                   |      | -                             | 2,500,000                     | 2,500,000                     |
|   |      | -                             | 2,500,000                     | 2,500,000                     |
| <b>TOTAL RUPEES</b>                                     |      | <u>93,827,318</u>             | <u>75,540,645</u>             | <u>51,460,680</u>             |

|                                    | Rupees | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|------------------------------------|--------|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-6 TRADE RECEIVABLE</b>     |        |                               |                               |                               |
| Considered Doubtful                |        | <u>12,851,328</u>             | <u>13,651,328</u>             | <u>14,451,328</u>             |
|                                    |        | <u>12,851,328</u>             | <u>13,651,328</u>             | <u>14,451,328</u>             |
| Less: Provision for doubtful debts |        | <u>12,851,328</u>             | <u>13,651,328</u>             | <u>14,451,328</u>             |
|                                    |        | <u>-</u>                      | <u>-</u>                      | <u>-</u>                      |
|                                    |        | <u>-</u>                      | <u>-</u>                      | <u>-</u>                      |

|   |  |                  |                  |                  |
|---|--|------------------|------------------|------------------|
| <b>NOTE-7 CASH AND CASH EQUIVALENTS</b> |  |                  |                  |                  |
| Cash on hand                            |  | 602              | 2680             | 7,853            |
| With scheduled Bank in :                |  |                  |                  |                  |
| Current Account                         |  | 1,898,649        | 1,075,111        | 1,292,574        |
| Unclaimed Dividend A/c                  |  | 1,412,200        | 1,335,800        | 1,936,200        |
|   |  | <u>3,310,849</u> | <u>2,410,911</u> | <u>3,228,774</u> |
|   |  | <u>3,311,451</u> | <u>2,413,591</u> | <u>3,236,627</u> |

|                              |  |                  |                  |                  |
|------------------------------|--|------------------|------------------|------------------|
| <b>NOTE-8 LOANS</b>          |  |                  |                  |                  |
| (Unsecured, Considered Good) |  |                  |                  |                  |
| To a Subsidiary Company      |  | 9,000,000        | 8,000,000        | 6,500,000        |
|                              |  | <u>9,000,000</u> | <u>8,000,000</u> | <u>6,500,000</u> |

|                                    | Rupees  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|------------------------------------|---------|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-9 OTHER CURRENT ASSETS</b> |         |                               |                               |                               |
| Prepaid Expenses                   | 304,939 |                               | 387,435                       | 349,839                       |
| Advance against expenses           | 432,500 |                               | 268,500                       | -                             |
| Accrued Leave & Licence Income     | 291,828 |                               | 291,828                       | 1,740,000                     |
| Advance to staff                   | -       |                               | -                             | 775,000                       |
|                                    |         | <b>1,029,267</b>              | <b>947,763</b>                | <b>2,864,839</b>              |
| Advances Considered Doubtful       | 900,000 |                               | 900,000                       | 1,000,000                     |
| Less: Provision                    | 900,000 |                               | 900,000                       | 1,000,000                     |
|                                    |         | <b>-</b>                      | <b>-</b>                      | <b>-</b>                      |

**NOTE 10 EQUITY SHARE CAPITAL****AUTHORISED**

|   |                   |            |            |
|---|-------------------|------------|------------|
| 2,00,000 Equity Shares of Rs.100/- each | <b>20,000,000</b> | 20,000,000 | 20,000,000 |
|   | <b>20,000,000</b> | 20,000,000 | 20,000,000 |

**ISSUED & SUBSCRIBED**

98,560 Equity Shares of Rs.100/- each fully paid up.

|  |                  |                  |                  |
|--|------------------|------------------|------------------|
|  | <b>9,856,000</b> | 9,856,000        | 9,856,000        |
|  | <b>9,856,000</b> | <b>9,856,000</b> | <b>9,856,000</b> |

**a) Reconciliation of number of shares**

| Equity Shares          | Nos.          | Nos.          | Nos.          |
|------------------------|---------------|---------------|---------------|
| Opening Balance        | <b>98,560</b> | 98,560        | 98,560        |
| Issued during the year | -             | -             | -             |
| Closing balance        | <b>98,560</b> | <b>98,560</b> | <b>98,560</b> |

**b) Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e., equity shares having face value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share.

The Board of Directors of the Company has proposed dividend of Rs. 50/- per equity share for the financial year 2017-18. The payment of dividend is subject to approval of the shareholders in the ensuing Annual General Meeting of the Company.

**c) Details of Shareholders holding more than 5% of equity share in the Company**

| Name of the Shareholder                      | No of Shares  | No of Shares | No of Shares |
|--|---------------|--------------|--------------|
| Shri Aditya Mangaldas                        | <b>43,317</b> | 43,317       | 43,317       |
|  | <b>43.95%</b> | 43.95%       | 43.95%       |
| Bromelia Trading LLP                         | <b>6,100</b>  | 6,100        | 6,100        |
| (Formerly Known As Bromelia Trading Pvt Ltd) | <b>6.19%</b>  | 6.19%        | 6.19%        |



|  | Rupees             | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|--------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE 11 OTHER EQUITY</b>  |                    |                               |                               |                               |
| <b>RESERVES &amp; SURPLUS</b>  |                    |                               |                               |                               |
| <b>A : General Reserve</b>   | <b>42,735,000</b>  |                               | 41,535,000                    | 29,285,000                    |
| Transfer from Profit & Loss A/c  | 1,500,000          |                               | 1,200,000                     | 12,250,000                    |
| <b>TOTAL</b>   |                    | <b>44,235,000</b>             | 42,735,000                    | 41,535,000                    |
| <b>B : Retained Earnings</b>   | <b>305,373,599</b> |                               | 285,630,668                   | 160,125,588                   |
| Add: Profit for the year   | 10,711,396         |                               | 7,071,525                     | 122,506,436                   |
|  |                    | <b>316,084,995</b>            | 292,702,193                   | 282,632,024                   |
| <br>   |                    |                               |                               |                               |
| Add: Transfer from OCI   | 9,896,450          |                               | 13,871,406                    | -                             |
| Add: Impact of Ind AS  | -                  |                               | -                             | 21,179,867                    |
| Less: Transfer To General Reserve  | 1,500,000          |                               | 1,200,000                     | 12,250,000                    |
| Less: Dividend   | 4,928,000          |                               | -                             | 4,928,000                     |
| Less: Tax On Dividend  | 1,003,225          |                               | -                             | 1,003,225                     |
|  |                    | <b>2,465,225</b>              | 12,671,406                    | 2,998,642                     |
|  |                    | <b>318,550,221</b>            | 305,373,599                   | 285,630,666                   |
| <br>   |                    |                               |                               |                               |
| <b>C: Other Comprehensive Income</b>   |                    |                               |                               |                               |
| Remeasurement of defined benefit obligation  | (486,214)          |                               | (1,233,573)                   | -                             |
| Change in fair value of equity instruments designated as Fair Value Through Other Comprehensive Income | 10,382,664         | 9,896,450                     | 15,104,979                    | -                             |
| Less: transferred to retained earning  |                    | (9,896,450)                   | (13,871,406)                  | -                             |
| <b>TOTAL</b>   |                    | <b>362,785,221</b>            | 348,108,599                   | 327,165,666                   |
| <br>   |                    |                               |                               |                               |
| <b>NOTE-12 PROVISIONS</b>  |                    |                               |                               |                               |
| a) Provision for Retirement Benefits   |                    |                               |                               |                               |
| Gratuity   | 3,605,013          |                               | 3,272,516                     | 3,953,912                     |
| Leave Encashment   | 2,392,507          |                               | 2,217,809                     | 2,552,796                     |
|  |                    | <b>5,997,520</b>              | 5,490,325                     | 6,506,708                     |
|  |                    | <b>5,997,520</b>              | 5,490,325                     | 6,506,708                     |
| <br>   |                    |                               |                               |                               |
| <b>NOTE-13 DEFERRED TAX LIABILITY</b>  |                    |                               |                               |                               |
| a) Deffered Tax Liabilities (Net)  |                    | <b>75,000</b>                 | 75,000                        | 75,000                        |
| <br>   |                    |                               |                               |                               |
| <b>NOTE-14 OTHER NON CURRENT LIABILITIES</b>   |                    |                               |                               |                               |
| a) Other Long Term Liabilities (Deposits etc)  |                    | <b>2,018,768</b>              | 2,018,768                     | 2,018,768                     |
| <br>   |                    |                               |                               |                               |
| <b>NOTE-15 OTHER FINANCIAL LIABILITIES</b>   |                    |                               |                               |                               |
| a) Unpaid expenses   |                    | <b>5,189,293</b>              | 1,389,425                     | 1,370,834                     |
| b) Unpaid Dividened  |                    | <b>1,412,200</b>              | 1,335,800                     | 1,936,200                     |
| c) Short term deposits   |                    | <b>9,084,929</b>              | 9,084,929                     | 9,084,929                     |
|  |                    | <b>15,686,422</b>             | 11,810,154                    | 12,391,963                    |
| <br>   |                    |                               |                               |                               |
| <b>NOTE-16 PROVISIONS</b>  |                    |                               |                               |                               |
| a) Provision for Retirement Benefits   |                    |                               |                               |                               |
| Gratuity   | 650,526.00         |                               | 1,538,148                     | -                             |
| Leave Encashment   | 329,772.00         |                               | 836,808                       | -                             |
|  |                    | <b>980,298</b>                | 2,374,956                     | -                             |

## NOTES FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT AS ON 31ST MARCH 2018

|  | 2017-2018<br>Rupees | 2016-2017<br>Rupees |
|--|---------------------|---------------------|
| <b>NOTE-17 REVENUE FROM OPERATIONS</b>                                     |                     |                     |
| <b>Operating revenue</b>   |                     |                     |
| Revenue from sale of constructed property                                  | 87,500,000          | 52,500,000          |
|  | <u>87,500,000</u>   | <u>52,500,000</u>   |
| <b>NOTE-18 OTHER INCOME</b>  |                     |                     |
| <b>Interest</b>  |                     |                     |
| On Others<br>(TAX DEDUCTED Rs 0/-Previous year Rs 2041/-)                  | -                   | 17,339              |
| On Loan to Subsidiary<br>(TAX DEDUCTED Rs 75520/-Previous year Rs 67732/-) | 755185              | 677318              |
| <b>Dividend</b>  | 2,695,868           | 3,037,636           |
| <b>Other non operating income</b>  |                     |                     |
| Royalty Received   | 9,903               | 17,100              |
| Profit on disposal of Property, plant and equipment (Net)                  | 181,866             | -                   |
| Income from investment in bond   | 1,325,574           | -                   |
| Profit on Redemption of Mutual Funds Units                                 | 379,903             | 1,337,230           |
| Gain on Mutual Fund Investment carried at Fair Value                       | 2,873,190           | 3,760,431           |
| Excess Provisions Written Back   | 800,000             | 900,000             |
| Miscellaneous Income   | 4,000,183           | 1,130,712           |
|  | <u>13,021,673</u>   | <u>10,877,765</u>   |
| <b>NOTE-19 EMPLOYEE BENEFITS EXPENSES</b>                                  |                     |                     |
| Salaries, Wages, & Bonus   | 7,006,037           | 7,232,776           |
| Contribution to provident and other funds                                  | -                   | 121,771             |
|  | <u>7,006,037</u>    | <u>7,354,547</u>    |
| <b>NOTE-20 OTHER EXPENSES</b>  |                     |                     |
| Motor car Expenses   | 451,908             | 546,386             |
| Stationery & Printing  | 146,269             | 100,940             |
| Travelling Expenses  | 363,141             | 454,677             |
| Telephone Expenses   | 179,853             | 178,464             |
| Legal & Professional   | 2,938,060           | 2,456,919           |
| Insurance  | 30,958              | 27,196              |
| Auditor's Remuneration   |                     |                     |
| i) Audit Fees  | 150,000             | 150,000             |
| ii) For taxation and other matters   | 324,400             | 499,600             |
| iii) Out of Pocket expenses  | 26,427              | 26,175              |
| Electricity  | 281,747             | 241,615             |
| Directors' Fees  | 260,000             | 265,000             |
| Building Maintenance Expenses  | 70,305              | 44,568              |
| Membership & Subscription  | 334,577             | 275,835             |
| Rates & Taxes  | 36,180              | 21,242              |
| Brokerage  | 1,312,500           | -                   |
| Miscellaneous Expenses   | 948,602             | 982,850             |
|  | <u>7,854,927</u>    | <u>6,271,467</u>    |





## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

### A. CORPORATE INFORMATION

The Victoria Mills Ltd ('the Company') is engaged primarily in the business of real estate development. The Company is public limited company incorporated and domiciled in India. Its registered office is situated at Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013.

The financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on May 02, 2018.

### B. SIGNIFICANT ACCOUNTING POLICIES

#### a) GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

For all the periods upto the year ended March 31, 2017, the Company had earlier prepared and presented its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP).

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note C.

#### b) BASIS OF PREPARATION

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

#### c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### i. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

##### ii. Property, plant and equipment

Property, plant and equipment are initially stated and recognised at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Property, plant and equipment are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

##### iii. Revenue recognition

The company is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

##### iv. Cost of revenue

Cost of real estate projects includes cost of land, development costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss in connection to the revenue recognized.

##### v. Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Minimum alternate tax ("MAT") credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period.

##### vi. Financial instruments

Initial recognition and measurement-Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement of financial assets and financial liabilities is described below:

Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Investments in equity instruments of subsidiaries are accounted for at cost.

Investments in other equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Financial liabilities subsequent to initial recognition, are measured at amortized cost using the effective interest method.

**vii. Valuation of Inventories:**

Properties held as stock in trade is valued at cost or market whichever is lower. Work-in-progress includes all direct expenditure pertaining to project and is valued at cost or realizable value whichever is lower.

**viii. Provisions and contingent liabilities**

A provision is recognized 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**ix. Impairment of assets**

As at the end of each accounting year, the company reviews the carrying amounts of its Property, Plant and Equipment and investments in subsidiary to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**x. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The company did not have any potentially dilutive securities in any of the years presented.

**Earning per equity Share**

|       |  | 2017-2018   | 2016-2017 |
|-------|--|-------------|-----------|
| (i)   | Net Profit after Tax (Rs.)                 | 1,07,11,396 | 70,71,525 |
| (ii)  | Number of Equity Shares of Rs.100/- each   | 98,560      | 98,560    |
| (iii) | Basic and Diluted Earnings per Share (Rs.) | 108.68      | 71.75     |

**xi. Financial Instruments By Category**

**Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

| Particulars                  | Level 1      | Level 2 | Level 3   |
|------------------------------|--------------|---------|-----------|
| 31-03-2018                   |              |         |           |
| Investments (Eq shares & MF) | 24,58,64,840 |         |           |
| Loan to Subsidiary           |              |         | 90,00,000 |
| 31-03-2017                   |              |         |           |
| Investments (Eq shares & MF) | 18,90,96,501 |         |           |
| Loan to Subsidiary           |              |         | 80,00,000 |
| 01-04-2016                   |              |         |           |
| Investments (Eq shares & MF) | 20,26,60,350 |         |           |
| Loan to Subsidiary           |              |         | 65,00,000 |



**xii. Segment Reporting :**

The Company is in the business of real estate development. In view of the above the company has only one identified reportable segment.

**xiii. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**xiv. Related Party Information :**

| Sr. No. | Nature of Transaction                          | Subsidiary | Total     |
|---------|--|------------|-----------|
| 1.      | Loans paid during the year                     | 10,00,000  | 10,00,000 |
| 2.      | Interest received on loan to subsidiary        | 7,55,185   | 7,55,185  |
| 3.      | Outstanding balance receivable as on 31.3.2018 | 90,00,000  |           |
|         | Previous Year                                  | 80,00,000  |           |

Name of the related parties and relationship:

**a) Subsidiary**

Victoria Land Pvt.Ltd.

**b) Key Management Personnel**

|   | Name                 | Designation             | Rs.       |
|---|----------------------|-------------------------|-----------|
| 1 | Mr. Aditya Mangaldas | Managing Director       | 41,22,298 |
| 2 | Mr. Asgar S.Bengali  | Chief Financial Officer | 5,51,100  |
| 3 | Mr. Nikunj Kanabar   | Company Secretary       | 2,98,000  |
| 4 | Mr. Dhiraj Gupta     | Company Secretary       | 64,200    |

**xv.** Unpaid/unclaimed dividend for the financial year ended 31.3.2010 is transferred to Investor education and protection fund during the year.

**xvi.** There are no dues to suppliers covered under Micro Small and Medium Enterprises Development Act, 2006.

**xvii. Financial risk management**

Risk management framework: The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze 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 Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**xviii. Employee benefits**

Gratuity and Leave encashment is provided on the basis of cost of benefits determined using Projected Unit Cost Method with actuarial valuation being carried out at each Balance sheet date. Superannuation Fund is contributed into Fund with LIC. Full provision for liability in this respect has been made in the accounts. Gratuity Disclosure statement-

|  | 2017-2018<br>Rs. | 2016-2017<br>Rs. |
|--|------------------|------------------|
| Present Value of Benefit Obligation at the beginning of the period                 | 48,10,664        | 39,53,912        |
| Interest Cost  | 3,47,330         | 3,10,382         |
| Current Service Cost   | 1,51,338         | 1,34,004         |
| Past Service Cost  | -                | -                |
| Liability Transferred in/Acquisitions  | -                | -                |
| (Liability Transferred Out/Divestments)  | -                | -                |
| (Gains)/Losses on Curtailment  | -                | -                |
| (Liabilities Extinguished on Settlement)   | -                | -                |
| (Benefit paid directly by the Employer)  | (9,29,295)       | -                |
| (Benefit paid from the Fund)   | -                | -                |
| The effect of changes in Foreign Exchange rates                                    | -                | -                |
| Actuarial (Gains)/Losses on Obligations – Due to change in Demographic Assumptions | -                | -                |
| Actuarial (Gains)/Losses on Obligations – Due to Change in Financial Assumptions   | (1,69,804)       | 1,53,315         |
| Actuarial (Gains)/Losses on Obligations – Due to Experience                        | 45,306           | 2,59,051         |
| Present Value of Benefit Obligation at the End of the Period                       | 42,55,539        | 48,10,664        |

**xix.** There are no capital and other commitments as at 31.3.2018.

**xx.** Previous year's figures are regrouped where necessary.

**C. EXPLANATION FOR TRANSITION TO IND AS.**

a) These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from financial statements prepared in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows is set-out in the following tables and notes:

b) Ind AS optional exemptions

**Deemed cost for property, plant and equipment, investment property and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

**Investment**

Ind AS 101 permits a first-time adopter to continue previous GAAP carrying value for investment in equity instrument of subsidiaries. Accordingly, the Company has elected to apply the said exemption.

**Initial recognition of a financial asset**

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial assets, as Fair Value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly, the Group has designated its investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

c) **Reconciliation between previous GAAP and Ind AS**

**i. Equity reconciliation**

| Sr. No. | Particulars                          | 31-03-2017   | 01-04-2016   |
|---------|--------------------------------------|--------------|--------------|
| 1       | As reported under previous GAAP      | 31,78,99,676 | 30,59,85,799 |
|         | Adjusted equity:-                    |              |              |
|         | Changes in fair value of investments | 3,02,08,923  | 2,11,79,867  |
|         | Equity under Ind AS                  | 34,81,08,599 | 32,71,65,666 |

**ii. Total comprehensive income reconciliation**

| Sr. No. | Particulars                          | 31-03-2017       |
|---------|--------------------------------------|------------------|
| 1       | As reported under previous GAAP      | 1,19,13,877      |
|         | Adjusted equity:-                    |                  |
|         | Changes in fair value of investments | (60,75,925)      |
|         | Employee Benefit                     | 12,33,573        |
|         | <b>Net profit as per Ind AS</b>      | <b>70,71,525</b> |
|         | Other Comprehensive Income           | 1,38,71,406      |
|         | Total comprehensive Income           | 2,09,42,931      |

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. N. VASANI**  
Partner  
Membership No 12217

**NIKUNJ KANABAR**  
Company Secretary

**A. S. BENGALI**  
Chief Financial officer

**R. K. SHAH**  
DIN 07111006

Chairman

**ADITYA MANGALDAS**  
DIN 00032233

Managing Director

**S.G. VAIDYA**  
DIN 00220956

**MAMTA MANGALDAS**  
DIN 00021078

Directors

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018



## FORM AOC-1

(Pursuant to first provision to sub section (3) of section 129 read with Rules 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries associates companies/joint venture

### PART - A SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| S. No. | Particulars   | Details                       |
|--------|---|-------------------------------|
| 1      | Name of the subsidiary  | Victoria Land Private Limited |
| 2      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | Nil                           |
| 3      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Rupees                        |
| 4      | Share capital   | 1,00,000/-                    |
| 5      | Reserves & surplus  | 1,30,36,631/-                 |
| 6      | Total assets  | 2,21,99,112/-                 |
| 7      | Total Liabilities   | 2,21,99,112/-                 |
| 8      | Investments   | Nil                           |
| 9      | Turnover  | Nil                           |
| 10     | Loss before taxation  | (19,02,455/-)                 |
| 11     | Provision for taxation(Tax Liability of Earlier year)   | Nil                           |
| 12     | Loss after taxation   | (19,02,455)                   |
| 13     | Proposed Dividend   | Nil                           |
| 14     | % of shareholding   | 100%                          |

### PART - B ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures There are no Associate Companies and Joint Ventures.

For The Victoria Mills Limited

**R. K.SHAH**  
DIN 07111006

**Chairman**

**ADITYA MANGALDAS**  
DIN 00032233

**Managing Director**

**NIKUNJ KANABAR**  
Company Secretary

**S.G.VAIDYA**  
DIN 00220956

**A. S. BENGALI**  
Chief Financial officer

**MAMTA MANGALDAS**  
DIN 00021078

**Directors**

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018

## BOARD'S REPORT 2017-18

### Dear Shareholders,

Your Directors present their 9<sup>th</sup> Annual Report on the working of the Company with audited Statement of Accounts for the year ended March 31, 2018 and the report of the auditors thereon.

#### 1. FINANCIAL RESULTS:

| PARTICULARS   | 2017-2018<br>(Amount In Rs.) | 2016-2017<br>(Amount In Rs.) |
|---|------------------------------|------------------------------|
| Profit/Loss for the year before providing for depreciation and taxation | (13,67,730)                  | 1,67,157                     |
| Less: Depreciation  | 5,34,725                     | 5,34,725                     |
| Tax expenses  | -                            | 3,36,510                     |
| <b>To Profit &amp; Loss for the year</b>                                | <b>(19,02,455)</b>           | <b>(7,04,078)</b>            |
| Add: To Balance of Profit/(Loss) carried forward from Previous Year     | 1,49,39,086                  | 1,56,43,164                  |
| <b>Balance</b>  | <b>1,30,36,631</b>           | <b>149,39,086</b>            |
| <b>Add: Interest on Loan paid in F.Y. 14-15 transferred to WIP</b>      | <b>-</b>                     | <b>-</b>                     |
| <b>Balance to be carried forward to next year</b>                       | <b>1,30,36,631</b>           | <b>1,49,39,086</b>           |

#### 2. OPERATIONAL REVIEW:

Profit/Loss before depreciation and taxation was Rs. (13,67,730)/- against profit of Rs. 1,67,157/- in the previous year. After providing for depreciation and taxation of Rs. 5,34,725/- and Rs. NIL /- respectively, the net loss of the Company for the year under review was placed at Rs. (19,02,455)/- against profit/ Loss of Rs. (7,04,078)/- in the previous year.

#### 3. SHARE CAPITAL:

The paid up Equity Share Capital of the company is Rs. 1.0 Lac. During the year under review, the Company has neither issued any shares with differential voting rights nor granted any Stock Option nor any Sweat Equity Shares.

#### 4. DIVIDEND:

As there no profit during the year, your Directors do not recommend payment of dividend for the financial year ended March 31, 2018.

#### 5. FINANCE:

Cash and cash equivalent as at March 31, 2018 was Rs.1,78,115/- The company continues to focus on adjusting management of its working capital. Receivable, purchases and other working capital parameters were kept under strict check through continuous monitoring.

#### 6. DEPOSITS:

Your company has not accepted any deposits within the meaning of Section-73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has been granted loan from its Holding Company i.e. The Victoria Mills Limited for an amount not exceeding

Rs. 12 Crores from time to time and on such terms and conditions including the terms of repayment as initially agreed from time to time.

#### 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mrs. Mamta Mangaldas, Director of the Company is liable to retire by rotation and, being eligible, offers herself for re-appointment. Board recommends her re-appointment to the shareholders at the ensuing AGM.

#### 9. MEETINGS OF THE BOARD:

During the year under review, Four (4) Board Meetings were held and the gap between two consecutive Board Meetings were within the limits prescribed under the Companies Act, 2013.

During the financial year 2017 – 2018, the Company held Four (4) Board meetings as under:

- 1) May 05, 2017;
- 2) August 10, 2017;
- 3) November 14, 2017;
- 4) February 14, 2018;

The following table gives details of composition of the Board, number of Board meetings held and attendance of the Directors in the Board meetings:

| Sr. No. | Name of the Director                            | Number of Board meetings held | Number of Board meetings attended |
|---------|---|-------------------------------|-----------------------------------|
| 1.      | Mr. Aditya Harshavadan Mangaldas (DIN:00032233) | 4                             | 4                                 |
| 2.      | Mrs. Mamta Aditya Mangaldas (DIN: 00021078)     | 4                             | 3                                 |
| 3.      | Ms. Gargi Mashruwala (DIN: 00032543)            | 4                             | 4                                 |

#### 10. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, the directors would like to state that:-

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3) (c), of the Companies Act, 2013:

- I. That in the preparation of the annual financial statement for the year ended March 31 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II. That such accounting policies as mentioned in Note-B of the Notes to the financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date.
- III. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- IV. That the annual financial statements have been prepared on a going concern basis;
- V. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**11. STATUTORY AUDITORS AND AUDIT REPORTS:**

At Annual General Meeting held on September 27, 2016, M/s. M. S. Parikh & Co., Chartered Accountants, Mumbai (Firm Registration Number – 107558W) was appointed the Statutory Auditors of the Company to hold office for a period of 5 years i.e. from the conclusion of Annual General Meeting held on September 27, 2016 until the conclusion of sixth Annual General Meeting to be held after September 27, 2016. The Board hereby recommend ratification of Appointment of M/s. M. S. Parikh & Co. as Statutory Auditor.

The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013.

**12. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure-A" to this report.

**13. PARTICULARS OF EMPLOYEES:**

The Company has not employed any individual whose remuneration fall within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**14. RELATED PARTY TRANSACTIONS:**

The Related Party Transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant Related Party Transactions entered into by your Company with the Promoters, Directors or other designated persons which may have a potential conflict with the interest of the Company at large.

The details of Related Party Transactions entered by the Company are as under-

| Sr. No. | Nature of Transaction                                  | Holding Company |
|---------|--|-----------------|
| 1.      | Loans repaid during the year to The Victoria Mills Ltd | Nil             |
| 2.      | Interest paid on loan to The Victoria Mills Ltd        | 7,55,185        |
| 3.      | Outstanding balance payable as on 31.3.2018            | 90,00,000       |

Name of the related parties and relationship: The Victoria Mills Ltd-**Holding Company**

**15. HOLDING COMPANY:**

The Company is wholly owned subsidiary company of The Victoria Mills Limited.

**16. FOREIGN EXCHANGE EARNING AND OUT-GO:**

During the year under review, foreign exchange earnings were and outgoings flow were as under-

|   | FOREIGN EXCHANGE EARNING AND OUT GO      | Current Year 2017-2018 | Previous Year 2016-2017 |
|---|--|------------------------|-------------------------|
| 1 | Earning in Foreign Exchange              | Nil                    | Nil                     |
| 2 | Outgoing in Foreign Exchange(Travelling) | Nil                    | Nil                     |

**17. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

There was no technology absorption and conservation of energy during the year under review. Hence the information as required under section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

**18. SIGNIFICANT AND MATERIAL ORDERS:**

There were no significant and material orders passed by any Regulators or Courts or Tribunals during the year ended March 31, 2018 impacting the going concern status and company's operations in future.

**19. ACKNOWLEDGEMENT:**

Your Directors take their opportunity to express their appreciation of the excellent co-operation received from the Government and Company's Bankers. Your Directors also acknowledge the unstinted assistance and support received from The Victoria Mills Limited, the holding Company.

**On behalf of the Board of Directors  
Victoria Land Pvt Ltd**

**Aditya Mangaldas  
Chairman  
(DIN: 00032233)**

Place: Mumbai  
Date: May 02, 2018

**“ANNEXURE-A” To DIRECTOR’S REPORT****Form No. MGT – 9**

## EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS :**

|     |  |   |   |
|-----|--|---|---|
| i   | CIN  | : | U45202MH2009PTC197073   |
| ii  | Registration Date                                  | : | 16/11/2009  |
| iii | Name of the Company                                | : | Victoria Land Private Limited   |
| iv  | Category /Sub-Category of the Company              | : | Company having share Capital  |
| v   | Address of the Registered office & contact details | : | <b>Registered Office Address:</b><br>Victoria House, Pandurang Budhkar Marg,<br>Lower Parel, Mumbai 400 013<br><b>Contact Details:</b> +91 (22) 24971192 / 93 |
| vi  | Whether listed Company                             | : | No  |
| vii | Details of Registrar and Transfer Agent            | : | N/A   |

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

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

| Sr. No. | Name and Description of main products/services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1       | Property Development                           | 45201                           | NIL                                |

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

| Sr. No. | Name and Address of the Company  | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares held | Applicable section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1       | The Victoria Mills Limited<br>Victoria House, Pandurang<br>Budhkar Marg, Lower Parel,<br>Mumbai 400013 | L17110MH1913PLC000357 | Holding                        | 100%             | 2 (87)             |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

| Category of Shareholders   | No. of Shares held at the beginning of the year |          |       |                   | No. of Shares held at the end of the year |          |       |                   | % Change during the year |
|----------------------------|---|----------|-------|-------------------|---|----------|-------|-------------------|--------------------------|
|                            | Demat   | Physical | Total | % of Total shares | Demat                                     | Physical | Total | % of Total shares |                          |
| <b>A. Promoters</b>        |   |          |       |                   |   |          |       |                   |                          |
| (1) Indian                 |   |          |       |                   |   |          |       |                   |                          |
| a) Individual/HUF          | 0   | 1        | 1     | 0.01              | 0   | 1        | 1     | 0.01              | 0.00                     |
| b) Central Govt.           | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| c) State Govt.             | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| d) Bodies Corp.            | 0   | 999      | 999   | 99.99             | 0   | 999      | 999   | 99.99             | 0.00                     |
| e) Banks/FI                | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| f) Any Other ....          | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| i) Relatives               | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| <b>Sub-total (A) (1):-</b> | 0   | 1000     | 1000  | 100.00            | 0   | 1000     | 1000  | 100.00            | 0.00                     |
| (2) Foreign                |   |          |       |                   |   |          |       |                   |                          |
| a) NRI Individuals         | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| b) Other Individuals       | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| c) Bodies Corp.            | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| d) Banks/FI                | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| e) Any Other .....         | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |
| <b>Sub-total (A) (2):-</b> | -   | -        | -     | -                 | -   | -        | -     | -                 | -                        |



| Category of Shareholders   | No. of Shares held at the beginning of the year |             |             |                   | No. of Shares held at the end of the year |             |             |                   | % Change during the year |
|--|---|-------------|-------------|-------------------|---|-------------|-------------|-------------------|--------------------------|
|  | Demat   | Physical    | Total       | % of Total shares | Demat                                     | Physical    | Total       | % of Total shares |                          |
| Total shareholding of Promoter (A) = (A) (1) + (A) (2)                             | 0   | 1000        | 1000        | 100.00            | 0   | 1000        | 1000        | 100.00            | 0.00                     |
| <b>B. Public Shareholding</b>  |   |             |             |                   |   |             |             |                   |                          |
| (1) Institutions   |   |             |             |                   |   |             |             |                   |                          |
| a) Mutual Funds/UTI  | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| b) Banks/ Financial Institutions   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| c) Central Govt.   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| d) State Govt.(s)  | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| e) Venture Capital Funds   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| f) Insurance Companies   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| g) Foreign Institutional Investors   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| h) Foreign Venture Capital Investors   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| i) Others (specify)  | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| Sub-total (B)(1):-   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| <b>2. Non-Institutions</b>   |   |             |             |                   |   |             |             |                   |                          |
| a) Bodies Corporate  | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| i) Indian  | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| ii) Overseas   | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| b) Individuals   |   |             |             |                   |   |             |             |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh           | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| c) Others...<br>NRI Individual and NRI Repatriation                                | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| Sub-Total (B) (2):-  | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| Total Public Shareholding (B) = (B)(1) + B(2)                                      | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| C. Shares held by Custodians for GDRs & ADRs                                       | -   | -           | -           | -                 | -   | -           | -           | -                 | -                        |
| <b>GRAND TOTAL (A)+( B)+( C )</b>  | <b>0</b>  | <b>1000</b> | <b>1000</b> | <b>100.00</b>     | <b>0</b>                                  | <b>1000</b> | <b>1000</b> | <b>100.00</b>     | <b>0.00</b>              |

(ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name                            | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in share holding during the year |
|---------|---|---|----------------------------------|---|-------------------------------------|----------------------------------|---|---|
|         |   | No. of Shares                             | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares |   |
| 1       | The Victoria Mills Limited                    | 999                                       | 99.99                            | -   | 999                                 | 99.99                            | -   | -   |
| 2       | The Victoria Mills Limited & Aditya Mangaldas | 1   | 0.01                             | -   | 1                                   | 0.01                             | -   | -   |
|         | <b>Total</b>                                  | <b>1000</b>                               | <b>100.00</b>                    | <b>-</b>  | <b>1000</b>                         | <b>100.00</b>                    | <b>-</b>  | <b>-</b>                                  |

# Annual Report 2017-18

## (iii) Change in Promoters' Shareholding (please specify if there is no change)

| Sr No. |   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. of Shares                             | % of total shares of the Company | No. Shares                              | % of total shares of the company |
|        | At the beginning of the year  | 1000                                      | 100.00                           | 1000                                    | 100.00                           |
|        | Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.): | No Change during the Year                 |                                  |   |                                  |
|        | At the End of the year  | 1000                                      | 100.00                           | 1000                                    | 100.00                           |

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs) (Not Applicable)

| Sr No. |   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. Shares                                | % of total shares of the company | No. of shares                           | % of total shares of the company |
|        | For Each of Top 10 Shareholders   |   |                                  |   |                                  |
|        | At the beginning of the year  | -   | -                                | -                                       | -                                |
|        | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.): | No Change during the Year                 |                                  |   |                                  |
|        | At the End of the year  | -   | -                                | -                                       | -                                |

## (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. Shares                                | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.     | Mr. Aditya Harshavadan Mangaldas  |   |                                  |   |                                  |
|        | At the beginning of the year  | 1   | 0.01                             | 1                                       | 0.01                             |
|        | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.): | No Change during the Year                 |                                  |   |                                  |
|        | At the End of the year (or on the date of separation, if separated during the year )  | 1   | 0.01                             | 1                                       | 0.01                             |

| Sr No. | For Each of the Directors and KMP   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. Shares                                | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 2.     | Mrs. Mamta Aditya Mangaldas   |   |                                  |   |                                  |
|        | At the beginning of the year  | 0   | 0.00                             | 0                                       | 0.00                             |
|        | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.): | No Change during the Year                 |                                  |   |                                  |
|        | At the End of the year (or on the date of separation, if separated during the year )  | 0   | 0.00                             | 0                                       | 0.00                             |

| Sr No. | For Each of the Directors and KMP  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|--|---|----------------------------------|---|----------------------------------|
|        |  | No. Shares                                | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 3.     | Ms. Gargi Mashruwala   |   |                                  |   |                                  |
|        | At the beginning of the year   | 0   | 0.00                             | 0                                       | 0.00                             |
|        | Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.): | No Change during the Year                 |                                  |   |                                  |
|        | At the End of the year (or on the date of separation, if separated during the year )   | 0   | 0.00                             | 0                                       | 0.00                             |

#### V. INDEBTEDNESS

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

|   | Secured Loans excluding deposits | Unsecured Loans  | Deposit | Total Indebtedness |
|---|----------------------------------|------------------|---------|--------------------|
| <b>Indebtedness at the beginning of financial year</b>  |                                  |                  |         |                    |
| (i) Principal Amount                                    | -                                | 80,00,000        | -       | 80,00,000          |
| (ii) Interest due but not paid                          | -                                | -                | -       | -                  |
| (iii) Interest accrued but not due                      | -                                | -                | -       | -                  |
| <b>Total (i+ii+iii)</b>                                 | -                                | <b>80,00,000</b> | -       | <b>80,00,000</b>   |
| <b>Change in Indebtedness during the financial year</b> |                                  |                  |         |                    |
| • Addition  | -                                | 10,00,000        | -       | 10,00,000          |
| • Reduction   | -                                | -                | -       | -                  |
| <b>Net Change</b>                                       | -                                | <b>10,00,000</b> | -       | <b>10,00,000</b>   |
| <b>Indebtedness at the end of the financial year</b>    |                                  |                  |         |                    |
| (i) Principal Amount                                    | -                                | 90,00,000        | -       | 90,00,000          |
| (ii) Interest due but not paid                          | -                                | -                | -       | -                  |
| (iii) Interest accrued but not due                      | -                                | -                | -       | -                  |
| <b>Total (i+ii+iii)</b>                                 | -                                | <b>90,00,000</b> | -       | <b>90,00,000</b>   |

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

##### A. Remuneration to Managing Director, Whole-time Directors and / or Manager(Not Applicable)

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager | Total Amount Rs. |
|---------|---|-------------------------|------------------|
| 1.      | <b>Gross Salary</b>   |                         |                  |
| a)      | Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | -                       | -                |
| 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<br>- as % of profit  | -                       | -                |
| 5.      | Others, please specify  | -                       | -                |
|         | <b>Total (A)</b>  | -                       | -                |
|         | <b>Ceiling as per the Act</b>   | -                       | -                |

##### B. Remuneration to other directors:

##### 1. Independent Directors

| Sl. No. | Particulars of Remuneration                  | Name of Directors       | Total         |
|---------|--|-------------------------|---------------|
|         |  | <b>Gargi Mashruwala</b> |               |
|         | • Fee for attending board/committee meetings | 20,000                  | <b>20,000</b> |
|         | • Commission                                 | -                       | -             |
|         | • Others, please specify                     | -                       | -             |
|         | <b>Total (1)</b>                             | <b>20,000</b>           | <b>20,000</b> |

# Annual Report 2017-18

## 2. Non-Executive Directors

| Sl. No. | Particulars of Remuneration                  | Name of Directors |                 | Total  |
|---------|--|-------------------|-----------------|--------|
|         |  | Aditya Mangaldas  | Mamta Mangaldas |        |
|         | • Fee for attending board/committee meetings | 20,000            | 15,000          | 35,000 |
|         | • Commission                                 | -                 | -               | -      |
|         | • Others, please specify                     | -                 | -               | -      |
|         | <b>Total (2)</b>                             | 20,000            | 15,000          | 35,000 |
|         | <b>Total (B) = (1+2)</b>                     | 55,000            |                 | 55,000 |
|         | <b>Total Managerial Remuneration</b>         | 55,000            |                 | 55,000 |
|         | <b>Overall Ceiling as per the Act</b>        | -                 |                 | -      |

## C. Remuneration to key managerial personnel other than MD/Manager/WTD(Not Applicable)

| Sl. No. | Particulars of Remuneration  | Key Managerial Personnel |                   |     | Total |
|---------|--|--------------------------|-------------------|-----|-------|
|         |  | CEO                      | Company Secretary | CFO |       |
| 1.      | <b>Gross Salary</b>  |                          |                   |     |       |
|         | a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | -                        | -                 | -   | -     |
|         | 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<br>- as % of profit   | -                        | -                 | -   | -     |
| 5.      | Others, please specify   | -                        | -                 | -   | -     |
|         | <b>Total (C)</b>   | -                        | -                 | -   | -     |

## 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) |
|--|------------------------------|-------------------|--|----------------------------|-----------------------------------|
| <b>A. COMPANY NONE</b>                   |                              |                   |  |                            |                                   |
| Penalty                                  | -                            | -                 | -  | -                          | -                                 |
| Punishment                               | -                            | -                 | -  | -                          | -                                 |
| Compounding                              | -                            | -                 | -  | -                          | -                                 |
| <b>B. DIRECTORS NONE</b>                 |                              |                   |  |                            |                                   |
| Penalty                                  | -                            | -                 | -  | -                          | -                                 |
| Punishment                               | -                            | -                 | -  | -                          | -                                 |
| Compounding                              | -                            | -                 | -  | -                          | -                                 |
| <b>C. OTHER OFFICERS IN DEFAULT NONE</b> |                              |                   |  |                            |                                   |
| Penalty                                  | -                            | -                 | -  | -                          | -                                 |
| Punishment                               | -                            | -                 | -  | -                          | -                                 |
| Compounding                              | -                            | -                 | -  | -                          | -                                 |

On behalf of the Board of Directors  
Victoria Land Pvt Ltd

Place: Mumbai  
Date: May 02, 2018

Aditya Mangaldas  
Chairman  
(DIN: 00032233)

## INDEPENDENT AUDITORS' REPORT (TO THE MEMBERS OF VICTORIA LAND PRIVATE LIMITED)

### TO THE MEMBERS OF VICTORIA LAND PRIVATE LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of Victoria Land Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

#### Auditor's Responsibility

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31<sup>st</sup> March, 2018, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has no pending litigations;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. Based on audit procedures and relying on the managements representation we report that the disclosure are in accordance with books of accounts maintained by the Company and as produced to us by the Management Refer Note 12(B).

For **M. S. PARIKH & CO.**  
Chartered Accountants  
Firm Registration Number 107558W

Place: Mumbai  
Date: May 02, 2018

**UMESH M. PARIKH**  
Partner  
Membership No. 34345

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

### Re : VICTORIA LAND PRIVATE LIMITED

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date,

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

(b) Major part of the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies were noticed on such verification.

(ii) There is no Inventory for the year.

Due to reasons stated above there is no question of physical verification and discrepancies noticed on such verification.

(iii) The Company had received a demand loan from its holding company at the rate of 9% on the outstanding balance. There were no terms of repayment. In respect of the said loan, the maximum balance outstanding at anytime during the year is Rs.90,00,000/- and the year end balance is Rs.90,00,000/-. The Company has paid the entire interest on the loan amounting to Rs.7,55,185/-.

(iv) The Company has not advanced any other loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the Order are not applicable.

(v) The Company has not accepted any deposits from the public to which the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and directions issued by R.B.I. would apply.

(vi) The Company is not engaged in production, processing, manufacturing or mining activities Therefore, the provisions of maintenance of cost records specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the order are not applicable.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(b) There are no income tax dispute and demand pending of the company.

(viii) The Company has not taken any loan from banks, financial institutions, Government or debenture holder.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans. Consequently, provisions of clause (ix) of paragraph 3 of the order are not applicable.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) To the best of our knowledge and belief and according to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the Order are not applicable.

(xiii) To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the Order are not applicable.

(xv) To the best of our knowledge and belief and 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.

(xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under section 451A of the Reserve Bank of India Act, 1934.

For **M. S. PARIKH & CO**  
Chartered Accountants  
Firm Registration Number 107558W

**UMESH M. PARIKH**

Partner

Membership No. 34345

Place: Mumbai  
Date: May 02, 2018

**ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VICTORIA LAND PRIVATE LIMITED**

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

We have audited the internal financial controls over financial reporting of **VICTORIA LAND PVT. LTD.** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on "the 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 (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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 **M. S. PARIKH & CO.**  
Chartered Accountants  
Firm Registration No. 107558W

**UMESH M. PARIKH**

Partner

Place: Mumbai  
Date: May 02, 2018

Membership No. 34345

## BALANCE SHEET AS AT 31ST MARCH 2018

|                                       | Notes<br>No | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---------------------------------------|-------------|-------------------------------|-------------------------------|-------------------------------|
| <b>I ASSETS</b>                       |             |                               |                               |                               |
| <b>1) Non-Current assets</b>          |             |                               |                               |                               |
| a) Property, Plant and Equipment      | 1           | 21,995,997                    | 22,530,722                    | 23,065,447                    |
| b) Other non-current assets           | 2           | 25,000                        | 25,000                        | 25,000                        |
| <b>Total Non-Current assets</b>       |             | <b>22,020,997</b>             | <b>22,555,722</b>             | <b>23,090,447</b>             |
| <b>2) CURRENT ASSETS</b>              |             |                               |                               |                               |
| <b>a) Financial Assets</b>            |             |                               |                               |                               |
| i) Cash & Cash Equivalents            | 3           | 178,115                       | 543,760                       | 271,903                       |
| <b>Total Current assets</b>           |             | <b>178,115</b>                | <b>543,760</b>                | <b>271,903</b>                |
| <b>TOTAL</b>                          |             | <b>22,199,112</b>             | <b>23,099,482</b>             | <b>23,362,350</b>             |
| <b>II EQUITY AND LIABILITIES</b>      |             |                               |                               |                               |
| <b>1) Equity</b>                      |             |                               |                               |                               |
| a) Equity Share Capital               | 4           | 100,000                       | 100,000                       | 100,000                       |
| b) Other Equity                       | 5           | 13,036,631                    | 14,939,086                    | 15,643,164                    |
| <b>Total Equity</b>                   |             | <b>13,136,631</b>             | <b>15,039,086</b>             | <b>15,743,164</b>             |
| <b>2) Liabilities</b>                 |             |                               |                               |                               |
| a) Deferred Tax Liabilities (Net)     | 6           | 34,018                        | 34,018                        | 34,018                        |
| <b>Total Liabilities</b>              |             | <b>34,018</b>                 | <b>34,018</b>                 | <b>34,018</b>                 |
| <b>3) Current Liabilities</b>         |             |                               |                               |                               |
| <b>a) Financial Liabilities</b>       |             |                               |                               |                               |
| i) Loan & other financial liabilities | 7           | 9,028,463                     | 8,026,378                     | 6,521,678                     |
| ii) Provision (tax)                   |             | -                             | -                             | 1,063,490                     |
|                                       |             | <b>9,028,463</b>              | <b>8,026,378</b>              | <b>7,585,168</b>              |
| <b>TOTAL</b>                          |             | <b>22,199,112</b>             | <b>23,099,482</b>             | <b>23,362,350</b>             |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS A-C

As per our report annexed herewith

**For M.S.Parikh & Co.**  
Chartered Accountants  
Firm Registration No 107558W

**U.M.PARIKH**  
Partner  
Membership No 34345

Place : Mumbai  
Dated: May 02, 2018

**ADITYA MANGALDAS**  
Chairman  
DIN 00032233

**MAMTA MANGALDAS**  
Director  
DIN 00021078

**GARGI MASHRUWALA**  
Director  
DIN 00032543



## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH 2018

|  | Notes<br>No | 2017-2018<br>Rupees | 2016-2017<br>Rupees |
|--|-------------|---------------------|---------------------|
| I) Revenue from Operations                     |             | -                   | -                   |
| II) Other Income                               | 8           | -                   | 2,227,869           |
| III) TOTAL REVENUE (I+II)                      |             | <u>-</u>            | <u>2,227,869</u>    |
| IV) EXPENSES                                   |             |                     |                     |
| Depreciation and Amortization Expenses         | 1           | 534,725             | 534,725             |
| Other Expenses                                 | 9           | 1,367,730           | 2,060,712           |
| TOTAL EXPENSES                                 |             | <u>1,902,455</u>    | <u>2,595,437</u>    |
| V) Profit before tax(III-IV)                   |             | (1,902,455)         | (367,568)           |
| VI) Tax Expenses                               |             |                     |                     |
| (1) Current Tax                                |             | -                   | -                   |
| (2) Deferred Tax                               |             | -                   | -                   |
| (3) Tax Liability of Earlier Year              |             | -                   | 336,510             |
| VII) Profit (Loss) for the period (V-VI)       |             | <u>(1,902,455)</u>  | <u>(704,078)</u>    |
| VIII) Earnings per equity share:               |             |                     |                     |
| (1) Basic                                      |             | (19.02)             | (7.04)              |
| (2) Diluted                                    |             | (19.02)             | (7.04)              |
| NOTES FORMING PART OF THE FINANCIAL STATEMENTS | A-C         |                     |                     |

As per our report annexed herewith

**For M.S.Parikh & Co.**  
Chartered Accountants  
Firm Registration No 107558W

**U.M.PARIKH**  
Partner  
Membership No 34345

Place : Mumbai  
Dated: May 02, 2018

**ADITYA MANGALDAS**  
Chairman  
DIN 00032233

**MAMTA MANGALDAS**  
Director  
DIN 00021078

**GARGI MASHRUWALA**  
Director  
DIN 00032543

## NOTES ANNEXED TO & FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2018

### NOTE 1 PROPERTY, PLANT AND EQUIPMENT

| Sr. No. | Description         | Gross Block on 1.4.2017 | Addition | Deductions | Gross Block on 31.3.2017 | Total Depr. upto 1.4.2017 | Curr. Year Depr. | Depr Wr Back | Total Depr. upto 31.3.2018 | Net Block on 31.3.2018 | Net Block on 31.3.2017 |
|---------|---------------------|-------------------------|----------|------------|--------------------------|---------------------------|------------------|--------------|----------------------------|------------------------|------------------------|
|         |                     | Rs.                     | Rs.      | Rs.        | Rs.                      | Rs.                       | Rs.              | Rs.          | Rs.                        | Rs.                    | Rs.                    |
| 1       | Land                | 20,144,600              | -        | -          | 20,144,600               | -                         | -                | -            | -                          | 20,144,600             | 20,144,600             |
| 2       | Computer            | 125,027                 | -        | -          | 125,027                  | 125,026                   | -                | -            | 125,026                    | 1                      | 1                      |
| 3       | Vehicles(yatch)     | 2,127,575               | -        | -          | 2,127,575                | 1,227,638                 | 113,365          | -            | 1,341,003                  | 786,572                | 899,937                |
| 4       | Vehicles(Motor Car) | 4,442,044               | -        | -          | 4,442,044                | 2,955,860                 | 421,360          | -            | 3,377,220                  | 1,064,824              | 1,486,184              |
|         | <b>Total</b>        | <b>26,839,246</b>       | <b>-</b> | <b>-</b>   | <b>26,839,246</b>        | <b>4,308,524</b>          | <b>534,725</b>   | <b>-</b>     | <b>4,843,249</b>           | <b>21,995,997</b>      | <b>22,530,722</b>      |
|         | 31-03-17            | 26,839,246              | -        | -          | 26,839,246               | 3,773,799                 | 534,725          | -            | 4,308,524                  | 22,530,722             | 23,065,447             |
|         | 31-03-16            | 26,839,246              | -        | -          | 26,839,246               | 3,239,074                 | 534,725          | -            | 3,773,799                  | 23,065,447             | 23,600,127             |

|  | As at 31-03-2018<br>Rupees | As at 31-03-2017<br>Rupees | As at 01-04-2016<br>Rupees |
|--|----------------------------|----------------------------|----------------------------|
|--|----------------------------|----------------------------|----------------------------|

### NOTE-2 OTHER NON-CURRENT ASSETS

(Unsecured , Considered Good)

Security Deposits (Petrol, Telephone Etc)

|  |               |        |        |
|--|---------------|--------|--------|
|  | <b>25,000</b> | 25,000 | 25,000 |
|  | <b>25,000</b> | 25,000 | 25,000 |

### NOTE-3 CURRENT FINANCIAL ASSETS

#### Cash & Cash Equivalentents

Cash on hand

|  |            |     |     |
|--|------------|-----|-----|
|  | <b>255</b> | 255 | 655 |
|--|------------|-----|-----|

With scheduled Bank in :

Current Account

|  |                |         |         |
|--|----------------|---------|---------|
|  | <b>177,860</b> | 543,505 | 271,248 |
|  | <b>178,115</b> | 543,760 | 271,903 |

### NOTE-4 EQUITY SHARE CAPITAL

#### AUTHORISED CAPITAL

1,000 Equity Shares of Rs.100/- each

|  |                |         |         |
|--|----------------|---------|---------|
|  | <b>100,000</b> | 100,000 | 100,000 |
|  | <b>100,000</b> | 100,000 | 100,000 |

#### a) ISSUED & SUBSCRIBED CAPITAL

1,000 Equity Shares of Rs.100/- each fully paid up

|  |                |         |         |
|--|----------------|---------|---------|
|  | <b>100,000</b> | 100,000 | 100,000 |
|  | <b>100,000</b> | 100,000 | 100,000 |

#### b) Details of Shareholders holding more than 5% Share in the Company

Name of the Shareholder

The Victoria Mills Ltd

|  | 31.3.2018<br>No. of shares | 31.3.2017<br>No. of shares | 01.4.2016<br>No. of shares |
|--|----------------------------|----------------------------|----------------------------|
|  | <b>1,000</b>               | 1,000                      | 1000                       |
|  | <b>100%</b>                | 100%                       | 100%                       |

#### c) Terms/rights attached to equity shares:

The Company has only one class of share capital, i.e., equity shares having face value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share.

|  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-5 OTHER EQUITY</b>                           |                               |                               |                               |
| <b>RESERVES &amp; SURPLUS</b>                        |                               |                               |                               |
| A: Retained Earnings                                 | 14,939,086                    | 15,643,164                    | 507,766                       |
| Add: Transferred to WIP 14-15                        | -                             | -                             | 7,312,845                     |
| Add/Less: Profit/ (Loss) for the year                | <u>(1,902,455)</u>            | <u>(704,078)</u>              | <u>7,822,553</u>              |
|  | <u><u>13,036,631</u></u>      | <u><u>14,939,086</u></u>      | <u><u>15,643,164</u></u>      |
| <b>NOTE-6 DEFERRED TAX LIABILITIES</b>               |                               |                               |                               |
| a) Deffered Tax Liabilities (Net)                    | <u>34,018</u>                 | <u>34,018</u>                 | <u>34,018</u>                 |
|  | <u><u>34,018</u></u>          | <u><u>34,018</u></u>          | <u><u>34,018</u></u>          |
| <b>NOTE-7 LOAN &amp; OTHER FINANCIAL LIABILITIES</b> |                               |                               |                               |
| a) Loan from Holding Company                         | 9,000,000                     | 8,000,000                     | 6,500,000                     |
| b) Other current Liabilities(Provision For Expenses) | 28,463                        | 26,378                        | 21,678                        |
|  | <u><u>9,028,463</u></u>       | <u><u>8,026,378</u></u>       | <u><u>6,521,678</u></u>       |

**NOTES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2018**

|  | 2017-2018<br>Rupees     | 2016-2017<br>Rupees     |
|--|-------------------------|-------------------------|
| <b>NOTE-8 OTHER INCOME</b>                 |                         |                         |
| Dividend                                   | -                       | -                       |
| Interest                                   | -                       | 34,515                  |
| Excess Provision Written Back              | -                       | 21,67,005               |
| Miscellaneous Income                       | -                       | 26,349                  |
| Profit on Redemption of Mutual Funds Units | -                       | -                       |
|  | <u><u>-</u></u>         | <u><u>22,27,869</u></u> |
| <b>NOTE-9 OTHER EXPENSES</b>               |                         |                         |
| Auditor's Remuneration                     |                         |                         |
| i) Audit Fees                              | 9,075                   | 8,625                   |
| ii) In Other Capacity (Tax Audit)          | -                       | 41,938                  |
| Car Expenses                               | 172,931                 | 92,091                  |
| Director Fees                              | 55,000                  | 60,000                  |
| Insurance                                  | 83,449                  | 61,838                  |
| Interest Paid On Loan                      | 755,185                 | 677,318                 |
| Miscellaneous Expenses                     | 122,165                 | 250,942                 |
| Legal & Professional Charges               | 90,200                  | 49,838                  |
| Telephone Expenses                         | 35,644                  | 26,872                  |
| Yatch Expenses                             | 44,081                  | 791,250                 |
|  | <u><u>1,367,730</u></u> | <u><u>2,060,712</u></u> |

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### A. CORPORATE INFORMATION

Victoria Land Private Limited ('the Company') is engaged primarily in the business of real estate development. The Company is a private limited company incorporated and domiciled in India. Its registered office is situated at Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013.

The financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on May 02, 2018.

### B. SIGNIFICANT ACCOUNTING POLICIES

#### a) GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

For all the periods upto the year ended March 31, 2017, the Company had earlier prepared and presented its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP).

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note C.

#### b) BASIS OF PREPARATION

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

#### c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### i. Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

##### ii. Property, plant and equipment

Property, plant and equipment are initially stated and recognised at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Property, plant and equipment are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

##### iii. Revenue recognition

The company is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

##### iv. Cost of revenue

Cost of real estate projects includes cost of land, development costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss in connection to the revenue recognized.

**v. Taxation**

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period.

**vi. Financial instruments**

Initial recognition and measurement: Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below:

Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Financial liabilities subsequent to initial recognition are measured at amortized cost using the effective interest method.

**vii. Provisions and contingent liabilities**

A provision is recognized 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**viii. Impairment of assets**

As at the end of each accounting year, the company reviews the carrying amounts of its Property, Plant & Equipment to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**ix. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The company did not have any potentially dilutive securities in any of the years presented.

## Earning per equity Share

|       |  | 2017-2018   | 2016-2017  |
|-------|--|-------------|------------|
| (i)   | Net loss Tax (Rs.)                         | (19,02,455) | (7,04,078) |
| (ii)  | Number of Equity Shares of Rs.100/- each   | 1,00,000    | 1,00,000   |
| (iii) | Basic and Diluted Earnings per Share (Rs.) | (19.02)     | (7.04)     |

## x. Financial Instruments By Category

### Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** unobservable inputs for the asset or liability.

## xi. Segment Reporting :

The Company is in the business of real estate development. In view of the above the company has only one identified reportable segment.

## xii. Related Party Information :

| Sr. No. | Nature of Transaction                       | Subsidiary | Total     |
|---------|---|------------|-----------|
| 1.      | Loans taken during the year                 | 10,00,000  | 10,00,000 |
| 2.      | Interest paid on loan to holding company    | 7,55,185   | 7,55,185  |
| 3.      | Outstanding balance payable as on 31.3.2018 | 90,00,000  |           |
|         | Previous Year                               | 80,00,000  |           |

Name of the related parties and relationship:

**Holding Company: The Victoria Mills Ltd.**

xiii. There are no dues to suppliers covered under Micro Small and Medium Enterprises Development Act, 2006.

## xiv. Financial risk management

Risk management framework: The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze 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 Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**C. EXPLANATION FOR TRANSITION TO IND AS.**

- a) These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition).
- b) Ind AS optional exemptions

**Deemed cost for property, plant and equipment, investment property and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

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As per our report annexed herewith

**For M.S.Parikh & Co.**  
Chartered Accountants  
Firm Registration No 107558W

**ADITYA MANGALDAS**  
Chairman  
DIN 00032233

**U.M.PARIKH**  
Partner  
Membership No 34345

**MAMTA MANGALDAS**  
Director  
DIN 00021078

Place : Mumbai  
Dated: May 02, 2018

**GARGI MASHRUWALA**  
Director  
DIN 00032543

CONSOLIDATED FINANCIAL STATEMENTS  
OF  
THE VICTORIA MILLS LIMITED





## INDEPENDENT AUDITOR'S REPORT

### To the Members of THE VICTORIA MILLS LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **THE VICTORIA MILLS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/ management of the subsidiary included in the Group are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting

and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit 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 these consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in paragraph 9 of the Other Matter is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated 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 including Ind AS specified under Section 133 of the Act of the consolidated state of affairs (consolidated financial position) of the Group, as at 31<sup>st</sup> March 2018, and their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

#### Other Matter

We did not audit the financial statements / financial information of its subsidiary Victoria Land Pvt. Ltd., whose financial statements / financial information reflect total assets of Rs. 2,21,99,112/- as at 31<sup>st</sup> March, 2018, total revenues of Rs. NIL and net cash outflow amounting to Rs. 3,65,645/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated

financial statements also include the Group's share of net loss of Rs. 19,02,455/- for the year ended 31<sup>st</sup> March, 2018. These financial statements / financial information have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor and the financial statements / financial information certified by the Management.

The comparative consolidated financial information for the year ended 31 March, 2017 and the transition date for consolidated opening balance sheet as at 1st April, 2016 prepared in accordance with Ind AS and included in these consolidated financial statements, are based on the previously issued statutory consolidated financial statements for the year ended 31st March, 2017 and 31st March, 2016, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the previous auditors, whose reports dated 5<sup>th</sup> May 2017 and 24<sup>th</sup> May 2016, respectively, expressed unmodified opinion on those consolidated financial statements, and have been adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiary, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

- c) The Consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> Mar 2018 and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies, is disqualified as on 31<sup>st</sup> March 2018 from being appointed as a directors 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 Group 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary :
  - i. As informed to us, the Group does not have any pending litigations which would impact its financial position.
  - ii. The Group did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For **VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration Number 111296W

**R. N. Vasani**  
(Partner)

Place: Mumbai  
Date: May 02, 2018

Membership No. 012217



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE VICTORIA MILLS LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company and its subsidiary as of and for the year ended on 31<sup>st</sup> March, 2018, we have audited the internal financial controls over financial reporting of The Victoria Mills Limited ("the Holding Company") and its subsidiary company, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company are 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 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 Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Other Matters

We did not audit the financial statements / financial information of its subsidiary Victoria Land Pvt. Ltd. These financial statements / financial information have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the internal financial controls of the subsidiary is based solely on the report of the other auditor.

### Opinion

In our opinion, the Holding Company and its subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Chartered Accountants India".

For **VASANI & THAKKAR**

Chartered Accountants

Firm Registration Number 111296W

**R. N. Vasani**

(Partner)

Place: Mumbai

Date: May 02, 2018

Membership No. 012217

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

|  | Notes No | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|----------|-------------------------------|-------------------------------|-------------------------------|
| <b>I ASSETS</b>                                |          |                               |                               |                               |
| <b>1) Non-Current assets</b>                   |          |                               |                               |                               |
| a) Property, Plant and Equipment               | 1        | 26,449,194                    | 25,073,607                    | 25,764,681                    |
| <b>b) Financial Assets</b>                     |          |                               |                               |                               |
| i) Investments                                 | 2        | 151,937,521                   | 113,455,856                   | 151,099,670                   |
| c) Other non-current assets                    | 3        | 3,217,259                     | 3,361,485                     | 5,306,425                     |
| <b>Total Non-Current assets</b>                |          | <b>181,603,974</b>            | <b>141,890,948</b>            | <b>182,170,776</b>            |
| <b>2) Current Assets</b>                       |          |                               |                               |                               |
| a) Inventories                                 | 4        | 130,548,215                   | 173,396,577                   | 134,771,630                   |
| <b>b) Financial Assets</b>                     |          |                               |                               |                               |
| i) Investments                                 | 5        | 93,827,318                    | 75,540,645                    | 51,460,680                    |
| ii) Trade Receivable                           | 6        | -                             | -                             | -                             |
| iii) Cash and cash equivalents                 | 7        | 3,489,566                     | 2,957,351                     | 3,508,530                     |
| c) Other Current Assets                        | 8        | 1,029,267                     | 947,763                       | 2,864,839                     |
| <b>Total Current assets</b>                    |          | <b>228,894,366</b>            | <b>252,842,336</b>            | <b>192,605,679</b>            |
| <b>TOTAL</b>                                   |          | <b>410,498,341</b>            | <b>394,733,284</b>            | <b>374,776,455</b>            |
| <b>II EQUITY AND LIABILITIES</b>               |          |                               |                               |                               |
| <b>1) Equity</b>                               |          |                               |                               |                               |
| a) Equity Share Capital                        | 9        | 9,856,000                     | 9,856,000                     | 9,856,000                     |
| b) Other Equity                                | 10       | 375,821,852                   | 363,047,685                   | 342,808,830                   |
| <b>Total Equity</b>                            |          | <b>385,677,852</b>            | <b>372,903,685</b>            | <b>352,664,830</b>            |
| <b>2) Liabilities</b>                          |          |                               |                               |                               |
| <b>Non-current Liabilities</b>                 |          |                               |                               |                               |
| a) Provisions                                  | 11       | 5,997,520                     | 5,490,325                     | 6,506,708                     |
| b) Deferred Tax Liabilities (Net)              | 12       | 109,018                       | 109,018                       | 109,018                       |
| c) Other Non current liabilities               | 13       | 2,018,768                     | 2,018,768                     | 2,018,768                     |
| <b>Total Liabilities</b>                       |          | <b>8,125,306</b>              | <b>7,618,111</b>              | <b>8,634,494</b>              |
| <b>3) Current Liabilities</b>                  |          |                               |                               |                               |
| <b>a) Financial Liabilities</b>                |          |                               |                               |                               |
| i) Other financial liabilities                 | 14       | 15,714,885                    | 11,836,532                    | 12,413,641                    |
| b) Provisions                                  | 15       | 980,298                       | 2,374,956                     | 1,063,490                     |
| <b>Total Current Liabilities</b>               |          | <b>16,695,183</b>             | <b>14,211,488</b>             | <b>13,477,131</b>             |
| <b>TOTAL</b>                                   |          | <b>410,498,341</b>            | <b>394,733,284</b>            | <b>374,776,455</b>            |
| NOTES FORMING PART OF THE FINANCIAL STATEMENTS |          | A-C                           |                               |                               |

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. N. VASANI**  
Partner  
Membership No 12217

**NIKUNJ KANABAR**  
Company Secretary

**A. S. BENGALI**  
Chief Financial officer

**R. K. SHAH**  
DIN 07111006

Chairman

**ADITYA MANGALDAS**  
DIN 00032233

Managing Director

**S.G. VAIDYA**  
DIN 00220956

**MAMTA MANGALDAS**  
DIN 00021078

} Directors

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018



**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

|  | Notes No | 2017-2018<br>Rupees | 2016-2017<br>Rupees |
|--|----------|---------------------|---------------------|
| I) Revenue from Operations   | 16       | 87,500,000          | 52,500,000          |
| II) Other Income   | 17       | 12,266,488          | 12,428,316          |
| III) TOTAL REVENUE(I+II)   |          | <u>99,766,488</u>   | <u>64,928,316</u>   |
| IV) EXPENSES   |          |                     |                     |
| Cost of Materials Consumed   |          | 71,102,769          | 39,273,877          |
| Purchases of Stocks-in-Trade   |          | 42,848,363          | 38,624,948          |
| Changes in Inventories of Finished Goods   |          | -                   | -                   |
| Stock in trade & Work in Progress  |          | (42,848,363)        | (38,624,948)        |
| Employee Benefits Expenses   | 18       | 7,006,037           | 7,354,547           |
| Depreciation and Amortization Expenses   |          | 767,377             | 691,074             |
| Other Expenses   | 19       | 8,467,472           | 7,654,861           |
| TOTAL EXPENSES   |          | <u>87,343,655</u>   | <u>54,974,359</u>   |
| V) Profit before tax (III-IV)  |          | 12,422,833          | 9,953,957           |
| VI) Tax Expenses   |          |                     |                     |
| (1) Current Tax  |          | (4,000,000)         | (3,250,000)         |
| (2) Tax of earlier years   |          | 386,108             | (336,510)           |
| VII) Profit for the period   |          | 8,808,941           | 6,367,447           |
| VIII) Other Comprehensive Income   |          |                     |                     |
| Items that will not be reclassified to profit or loss  |          |                     |                     |
| Remeasurement of defined benefit obligation  |          | (486,214)           | (1,233,573)         |
| Change in fair value of equity instruments designated irrevocably as Fair Value Through Other Comprehensive Income |          | 10,382,664          | 15,104,979          |
| Total other comprehensive income for the year  |          | 9,896,450           | 13,871,406          |
| IX) Earnings per equity share:   |          |                     |                     |
| (1) Basic  |          | 89.38               | 64.60               |
| (2) Diluted  |          | 89.38               | 64.60               |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

A-C

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. N. VASANI**  
Partner  
Membership No 12217

**NIKUNJ KANABAR**  
Company Secretary

**A. S. BENGALI**  
Chief Financial officer

**R. K. SHAH**  
DIN 07111006

Chairman

**ADITYA MANGALDAS**  
DIN 00032233

Managing Director

**S.G. VAIDYA**  
DIN 00220956

**MAMTA MANGALDAS**  
DIN 00021078

Directors

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated : May 02, 2018

## CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2018

| Particulars   | 2017-2018          |                    | 2016-17      |                  |
|---|--------------------|--------------------|--------------|------------------|
|   | Rupees             | Rupees             | Rupees       | Rupees           |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                    |                    |              |                  |
| <b>NET PROFIT/(LOSS) AFTER TAX &amp; EXTRA-ORDINARY ITEM</b>  |                    | <b>8,808,941</b>   |              | <b>6,367,447</b> |
| <b>Add:</b>   |                    |                    |              |                  |
| a) Provision for Taxation (net)                               | <b>3,613,892</b>   |                    | 3,250,000    |                  |
| b) Depreciation   | <b>767,377</b>     | <b>4,381,269</b>   | 691,074      | 3,941,074        |
|   |                    | <b>13,190,210</b>  |              | 10,308,521       |
| <b>Less:</b>  |                    |                    |              |                  |
| a) Dividend Income  | <b>2,695,868</b>   |                    | 3,037,636    |                  |
| b) Interest received on others                                | -                  |                    | 51,854       |                  |
| c) Adjustment for investment in Mutual Fund at FMV            | <b>3,253,101</b>   |                    | 5,097,660    |                  |
| d) Excess Provision written back                              | -                  |                    | 3,067,005    |                  |
| e) Income from investment in bond                             | <b>1,325,574</b>   |                    | -            |                  |
| f) Re - measurement on employee benefit plans                 | <b>486,214</b>     |                    | 1,233,573    |                  |
| g) Profit on Sale of Fixed Assets                             | <b>181,866</b>     |                    | -            |                  |
|   |                    | <b>7,942,623</b>   |              | 12,487,728       |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>         |                    | <b>5,247,587</b>   |              | (2,179,207)      |
| <b>Add:</b>   |                    |                    |              |                  |
| a) (Increase)/Decrease in Inventories                         | <b>42,848,362</b>  |                    | (38,624,947) |                  |
| b) (Increase)/ Decrease in Current Assets                     | <b>(81,504)</b>    |                    | 2,798,526    |                  |
| Less: Increase/(Decrease) in Trade & other Payables           |                    |                    |              |                  |
| a) Increase/(Decrease) in Provisions(LT)                      | <b>507,195</b>     |                    | -            |                  |
| b) Increase/(Decrease) in other liabilities                   | <b>3,878,361</b>   |                    | 40,498,469   |                  |
| c) Increase/(Decrease) in Provisions(ST)                      | <b>(1,394,658)</b> | <b>45,757,756</b>  | -            | 4,672,048        |
|   |                    | <b>51,005,343</b>  |              | 2,492,841        |
| <b>Deduct:</b>  |                    |                    |              |                  |
| Direct Taxes Paid/ Received                                   | <b>(3,469,666)</b> |                    | (39,900,000) |                  |
|   |                    | <b>(3,469,666)</b> |              | (39,900,000)     |
| <b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)</b> |                    | <b>47,535,677</b>  |              | (37,407,159)     |



| Particulars   | 2017-2018    |                     | 2016-17    |                   |
|---|--------------|---------------------|------------|-------------------|
|   | Rupees       | Rupees              | Rupees     | Rupees            |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                 |              |                     |            |                   |
| <b>INFLOW</b>   |              |                     |            |                   |
| a) Dividend Income  | 2,695,868    |                     | 3,032,556  |                   |
| b) Interest received on others                                | -            |                     | 51,854     |                   |
| c) Interest received on Loan to Subsidiary                    | -            |                     | -          |                   |
| d) Profit on Sale of Investments                              | 8,070,511    |                     | 11,178,665 |                   |
| e) Sale of Fixed Asset  | 255,000      |                     | -          |                   |
| f) Income from investment in bond                             | 1,325,574    |                     | -          |                   |
| g) Net Investments  | -            | 12,346,953          | 22,592,905 | 36,855,980        |
| <b>OUTFLOW :</b>  |              |                     |            |                   |
| a) Purchase of Fixed asset                                    | (2,216,098)  |                     | -          |                   |
| b) Net Investment (Non current)                               | (39,556,928) |                     | -          |                   |
| c) Net Investment (Current)                                   | (11,646,164) |                     | -          |                   |
|   |              | (53,419,190)        | -          | -                 |
| <b>NET CASH INFLOW/(OUTFLOW) IN INVESTING ACTIVITIES(B)</b>   |              | <b>(41,072,237)</b> |            | <b>36,855,980</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                 |              |                     |            |                   |
| a) Dividened Paid (Including Dividened Distri Tax)            | (5,931,225)  |                     | -          |                   |
| <b>NET CASH INFLOW/(OUTFLOW)IN FINANCING ACTIVITIES (C)</b>   |              | <b>(5,931,225)</b>  |            | <b>-</b>          |
| <b>NET INCREASE/DECREASE IN CASH/CASH EQUIVALENTS (A+B+C)</b> |              | <b>532,215</b>      |            | <b>(551,179)</b>  |
| CASH AND CASH EQUIVALENTS AS AT                               |              |                     |            |                   |
| 31ST MARCH 2016   |              |                     | 3,508,530  |                   |
| 31ST MARCH 2017   | 2,957,351    |                     | 2,957,351  |                   |
| 31ST MARCH 2018   | 3,489,566    |                     | -          |                   |
| <b>NET CASH INFLOW/(OUTFLOW)</b>                              |              | <b>532,215</b>      |            | <b>(551,179)</b>  |

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. K.SHAH**  
DIN 07111006

**Chairman**

**R. N. VASANI**  
Partner  
Membership No 12217

**ADITYA MANGALDAS**  
DIN 00032233

**Managing Director**

**NIKUNJ KANABAR**  
Company Secretary

**S.G.VAIDYA**  
DIN 00220956

**A. S. BENGALI**  
Chief Financial officer

**MAMTA MANGALDAS**  
DIN 00021078

**Directors**

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018 & MARCH 2017

### A. EQUITY SHARE CAPITAL

#### ISSUED & SUBSCRIBED

98,560 Equity Shares of Rs.100/- each fully paid up.

|                  |                  |
|------------------|------------------|
| <b>9,856,000</b> | 9,856,000        |
| <b>9,856,000</b> | <b>9,856,000</b> |

#### RECONCILIATION OF NUMBER OF SHARES

##### Equity Shares

|                        | Nos.          | Nos.          |
|------------------------|---------------|---------------|
| Opening Balance        | <b>98,560</b> | 98,560        |
| Issued during the year | -             | -             |
| Closing balance        | <b>98,560</b> | <b>98,560</b> |

### B. OTHER EQUITY

| Particulars                               | General Reserve   | Retained Earnings  | Item of other comprehensive income |
|---|-------------------|--------------------|------------------------------------|
| <b>Balance as at April 1, 2016</b>        | <b>41,535,000</b> | <b>301,273,832</b> | -                                  |
| Add: Transfer from retained earnings      | 1,200,000         | (1,200,000)        | -                                  |
| Add: Profit for the year                  | -                 | 6,367,447          | -                                  |
| Add: Other Comprehensive Income           | -                 | -                  | 13,871,406                         |
| Less: OCI transferred to retained earning | -                 | 13,871,406         | (13,871,406)                       |
| <b>Balance as at March 31, 2017</b>       | <b>42,735,000</b> | <b>320,312,685</b> | -                                  |
| Add: Transfer from retained earnings      | 1,500,000         | (1,500,000)        | -                                  |
| Add: Profit for the year                  | -                 | 8,808,941          | -                                  |
| Add: Other Comprehensive Income           | -                 | -                  | 9,896,450                          |
| Less: OCI transferred to retained earning | -                 | 9,896,450          | (9,896,450)                        |
| Less: Dividend (incl tax)                 | -                 | (5,931,225)        | -                                  |
| <b>Balance as at March 31, 2018</b>       | <b>44,235,000</b> | <b>331,586,852</b> | -                                  |

## NOTES ANNEXED TO & FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

### NOTE 1: PROPERTY, PLANT & EQUIPMENT

(Amt in Rs)

| Sr. No. | Description                   | Gross Block on 1.4.2017 | Addition         | Deductions       | Gross Block on 31.3.2018 | Total Depr. upto 1.4.2017 | Curr. Year Depr. | Depr Wr Back     | Total Depr. upto 31.3.2018 | Net Block on 31.3.2018 | Net Block on 31.3.2017 |
|---------|-------------------------------|-------------------------|------------------|------------------|--------------------------|---------------------------|------------------|------------------|----------------------------|------------------------|------------------------|
|         |                               | Rs.                     | Rs.              | Rs.              | Rs.                      | Rs.                       | Rs.              | Rs.              | Rs.                        | Rs.                    | Rs.                    |
| 1       | Land                          | 20,144,718              | -                | -                | 20,144,718               | -                         | -                | -                | -                          | 20,144,718             | 20,144,718             |
| 2       | Building                      | 3,910,831               | -                | -                | 3,910,831                | 1,511,351                 | 45,915           | -                | 1,557,266                  | 2,353,565              | 2,399,480              |
| 3       | Plant & Machinery (Computers) | 1,044,142               | -                | -                | 1,044,142                | 1,044,140                 | -                | -                | 1,044,140                  | 2                      | 2                      |
| 4       | Electric Installation         | 1,806,898               | -                | -                | 1,806,898                | 1,806,897                 | -                | -                | 1,806,897                  | 1                      | 1                      |
| 5       | Furniture & Fixture           | 975,370                 | -                | -                | 975,370                  | 975,369                   | -                | -                | 975,369                    | 1                      | 1                      |
| 6       | Vehicles (yatch)              | 2,127,575               | -                | -                | 2,127,575                | 1,227,638                 | 113,365          | -                | 1,341,003                  | 786,572                | 899,937                |
| 7       | Vehicles                      | 7,307,636               | 2,216,098        | 1,462,682        | 8,061,052                | 5,678,168                 | 608,097          | 1,389,548        | 4,896,717                  | 3,164,335              | 1,629,468              |
|         | <b>Total</b>                  | <b>37,317,170</b>       | <b>2,216,098</b> | <b>1,462,682</b> | <b>38,070,586</b>        | <b>12,243,563</b>         | <b>767,377</b>   | <b>1,389,548</b> | <b>11,621,392</b>          | <b>26,449,194</b>      | <b>25,073,607</b>      |
|         | 31-03-2017                    | 37,317,170              | -                | -                | 37,317,170               | 11,552,489                | 691,074          | -                | 12,243,563                 | 25,073,607             | 25,764,681             |
|         | 31-03-2016                    | 37,825,217              | -                | 508,047          | 37,317,170               | 11,205,998                | 788,560          | 445,069          | 11,552,489                 | 25,764,681             |                        |





|  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-2 INVESTMENTS - NON CURRENT</b>  |                               |                               |                               |
| <b>INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT &amp; LOSS</b>  |                               |                               |                               |
| <b>1 INVESTMENT IN MUTUAL FUNDS</b>  |                               |                               |                               |
|  | Units                         | FMV                           | FMV                           |
| Liquid Bees  | 16,952.73                     | <b>16,952,326</b>             | 3,250                         |
| Ambit Alpha Fund-Scheme 1  | -                             | <b>12,974,127</b>             | -                             |
| Birla Sun Life Cash Manager  | 7,240.49                      | <b>3,023,299</b>              | 1,221,363                     |
| Birla Sun Life Short Term Opportunity Fund   | 79,411.90                     | <b>2,291,454</b>              | 2,154,731                     |
| Canara Robeco Floating Rate Fund   | -                             | -                             | 2,049,120                     |
| DSP Blackrock India Enhanced Equity Fund   | 200,000.00                    | <b>22,748,000</b>             | 21,296,000                    |
| HDFC Cash Management Fund  | 75,920.78                     | <b>80,818,871</b>             | 64,201,261                    |
| HDFC Short Term Opportunities Fund   | 116,155.58                    | <b>2,227,248</b>              | 2,089,407                     |
| ICICI Prudential Income Opportunities Fund   | 181,880.71                    | <b>4,415,845</b>              | 4,184,748                     |
| Kotak Bond Regular Plan  | -                             | -                             | 3,982,436                     |
| SBI Dynamic Bond Fund  | 200,527.94                    | <b>4,265,871</b>              | 4,130,454                     |
| SBI Savings Fund   | -                             | -                             | 2,043,700                     |
| Sundaram Banking & PSU Debt Fund   | -                             | -                             | 3,995,217                     |
| UTI Short Term Fund  | 72,893.89                     | <b>2,220,479</b>              | 2,104,170                     |
| ICICI Prudential Equity Arbitrage Fund   | -                             | -                             | -                             |
| IDFC Arbitrage Fund  | -                             | -                             | -                             |
| J.M. Arbitrage Advance Fund (Bonus)  | -                             | -                             | -                             |
| <b>TOTAL RUPEES</b>  | <b>151,937,521</b>            | <b>113,455,856</b>            | <b>151,099,670</b>            |
|  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
| <b>NOTE-3 OTHER NON-CURRENT ASSETS</b>   |                               |                               |                               |
| (Unsecured, Considered Good)   |                               |                               |                               |
| a) Security Deposits ( Petrol , Telephone Etc)   | <b>56,000</b>                 | 56,000                        | 56,000                        |
| b) Advance income-tax including tax deducted at source<br>(Net Of Provision of Rs 50250000/- Current year,<br>Rs 50150000/- Previous year) | <b>3,161,259</b>              | 3,305,485                     | 3,852,614                     |
| c) Other Deposits  | -                             | -                             | 1,397,811                     |
|  | <b>3,217,259</b>              | <b>3,361,485</b>              | <b>5,306,425</b>              |
| <b>NOTE-4 INVENTORIES</b>  |                               |                               |                               |
| (As taken, valued & certified by the Management)   |                               |                               |                               |
| a) Property held as stock-in-trade   | <b>30,548,000</b>             | 43,211,600                    | 58,485,600                    |
| b) Work In Progress  | <b>100,000,215</b>            | 130,184,977                   | 76,286,030                    |
|  | <b>130,548,215</b>            | <b>173,396,577</b>            | <b>134,771,630</b>            |

|   |                 |            | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|-----------------|------------|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-5 INVESTMENTS - CURRENT</b>             |                 |            |                               |                               |                               |
| <b>1 INVESTMENTS IN SHARES (QUOTED)</b>         |                 |            |                               |                               |                               |
| <b>NAME OF THE SECURITY</b>                     | <b>QUANTITY</b> | <b>FMV</b> | <b>FMV</b>                    | <b>FMV</b>                    | <b>FMV</b>                    |
| Aditya Birla Fashion & Retail Ltd               | -               | -          | 275,302                       | 336,258                       |                               |
| Aditya Birla Nuvo Ltd                           | -               | -          | -                             | 371,138                       |                               |
| Ador Fontech Ltd                                | 2185            | 231,064    | 184,305                       | 196,213                       |                               |
| Bajaj Corp Ltd                                  | 2953            | 1,394,407  | 1,165,254                     | 1,138,824                     |                               |
| Bajaj Finance Limited                           | -               | -          | -                             | 4,801,936                     |                               |
| Bayer Cropscience Ltd                           | 342             | 1,437,426  | 1,331,712                     | 1,322,814                     |                               |
| Centum Electronics Ltd                          | 2404            | 1,219,429  | 1,322,289                     | 1,177,959                     |                               |
| Colgate-Palmolive (India) Ltd                   | 914             | 966,007    | -                             | -                             |                               |
| Coromandel International Ltd                    | 1721            | 903,783    | 536,694                       | -                             |                               |
| Credit Rating Information Services Of India Ltd | 498             | 938,456    | -                             | -                             |                               |
| Cyient Ltd                                      | 2066            | 1,435,560  | -                             | -                             |                               |
| Divis Laboratories Ltd                          | 4289            | 4,673,598  | 1,940,169                     | 1,909,027                     |                               |
| EID Parry (I) Ltd                               | 6356            | 1,742,101  | -                             | -                             |                               |
| Fortis Healthcare Ltd                           | 10484           | 1,293,201  | -                             | -                             |                               |
| Glenmark Pharma Ltd                             | 1043            | 548,931    | -                             | -                             |                               |
| Gatway Distriparks Ltd                          | -               | -          | -                             | 1,019,116                     |                               |
| Globus Spirits Ltd                              | -               | -          | 1,515,776                     | -                             |                               |
| Goldman Sachs Mutual Fund                       | -               | -          | 2,952,264                     | 2,078,720                     |                               |
| Gujarat Pipavav Port Ltd                        | 20943           | 3,023,122  | 1,651,131                     | 1,752,323                     |                               |
| HDFC Bank Ltd                                   | 3651            | 6,897,814  | 5,266,205                     | 3,910,878                     |                               |
| Hero Motocorp Ltd                               | 368             | 1,304,744  | 1,186,377                     | 938,945                       |                               |
| ICICI Bank Ltd                                  | 19254           | 5,360,070  | 3,621,697                     | 2,283,890                     |                               |
| IDFC Bank Ltd                                   | 11538           | 546,324    | 684,203                       | 157,102                       |                               |
| IIFL Holdings Ltd                               | 1653            | 1,166,522  | -                             | 131,542                       |                               |
| Infosys Technologies Ltd                        | -               | -          | 1,557,741                     | 1,858,592                     |                               |
| Intellect Design Arena Ltd                      | 9178            | 1,517,123  | 345,000                       | 677,550                       |                               |
| Jubilant Foodworks Ltd                          | 1892            | 4,400,508  | 2,095,106                     | -                             |                               |
| KEC International Ltd                           | 2688            | 1,047,648  | -                             | -                             |                               |
| Karur Vysya Bank Ltd                            | -               | -          | -                             | 139,648                       |                               |
| Kwality Ltd                                     | 22530           | 1,330,397  | -                             | -                             |                               |
| L&T Finance Holding Ltd                         | 27274           | 4,283,382  | 3,366,975                     | -                             |                               |
| LIC Housing Finance Ltd                         | 4344            | 2,324,692  | 1,853,722                     | 1,476,594                     |                               |
| Linde India Ltd                                 | 2469            | 1,079,570  | -                             | -                             |                               |
| Lupin Ltd                                       | 719             | 529,076    | -                             | -                             |                               |
| Laxmi Machine Works Ltd                         | -               | -          | -                             | 710,398                       |                               |
| MCX Of India Ltd                                | 2838            | 1,893,939  | 3,419,932                     | 2,374,413                     |                               |
| Mahindra & Mahindra Ltd                         | 4304            | 3,185,821  | 2,276,488                     | 1,183,038                     |                               |
| Mahindra Holidays & Resort India Ltd            | 7834            | 2,289,878  | 2,243,801                     | 755,131                       |                               |
| NMDC Ltd  | 6425            | 761,684    | 1,710,335                     | 1,259,300                     |                               |
| National Aluminium Company Ltd                  | 18867           | 1,253,712  | 2,886,651                     | 1,490,493                     |                               |
| Nestle India Ltd                                | 287             | 2,354,419  | 1,917,347                     | 1,652,359                     |                               |
| Nesco Ltd                                       | 6860            | 3,786,034  | 3,226,670                     | -                             |                               |
| Oracle Financial Services Software Ltd          | 38              | 142,323    | 144,999                       | -                             |                               |
| Power Grid Corporation Of India Ltd             | 18368           | 3,560,637  | 3,622,170                     | 1,659,185                     |                               |
| PTC India Ltd                                   | 19560           | 1,703,676  | 1,817,124                     | 1,247,928                     |                               |
| Pfizer Ltd                                      | -               | -          | -                             | 573,483                       |                               |
| Praj Industries Ltd                             | -               | -          | -                             | 541,748                       |                               |
| Sanofi India Ltd                                | 122             | 633,137    | 573,760                       | -                             |                               |
| Sundaram Fasteners Ltd                          | 14544           | 8,026,106  | 5,684,522                     | 2,484,842                     |                               |



|   |      | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|------|-------------------------------|-------------------------------|-------------------------------|
| T. D. Power System Ltd                                  | 4586 | 869,964                       | 1,060,513                     | 955,722                       |
| Take Solutions Ltd                                      | 4155 | 679,966                       | 524,361                       | -                             |
| Talwalkars Better Value Fitness Ltd                     | 3702 | 896,254                       | -                             | -                             |
| Talwalkars Lifestyles Ltd                               | 3702 | -                             | -                             | -                             |
| Tata Motors Ltd   | 6912 | 2,260,091                     | 1,905,477                     | 1,580,742                     |
| Tech Mahindra Ltd                                       | -    | -                             | 774,426                       | 801,133                       |
| The Great Eastern Shipping Co Ltd                       | 1347 | 444,779                       | 561,699                       | -                             |
| United Spirits Ltd                                      | 1029 | 3,220,410                     | 2,237,766                     | 629,849                       |
| VRL Logistics Ltd                                       | 7628 | 2,931,822                     | 2,373,834                     | -                             |
| Wipro Ltd   | 4758 | 1,337,712                     | 1,226,850                     | 1,381,846                     |
|   |      | <u>93,827,318</u>             | <u>73,040,645</u>             | <u>48,960,680</u>             |
| <b>Less : Provision for fall in Value</b>               |      | <u>-</u>                      | <u>-</u>                      | <u>-</u>                      |
|   |      | <u>93,827,318</u>             | <u>73,040,645</u>             | <u>48,960,680</u>             |
| <b>2 INVESTMENT IN DEBENTURE &amp; BONDS (UNQUOTED)</b> |      |                               |                               |                               |
| Zero Coupon Trent Ltd                                   |      | -                             | 2,500,000                     | 2,500,000                     |
| <b>TOTAL RUPEES</b>                                     |      | <u>93,827,318</u>             | <u>75,540,645</u>             | <u>51,460,680</u>             |

|   |  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|--|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-6 TRADE RECEIVABLE</b>          |  |                               |                               |                               |
| Considered Doubtful                     |  | 12,851,328                    | 13,651,328                    | 14,451,328                    |
| Less: Provision for doubtful debts      |  | 12,851,328                    | 13,651,328                    | 14,451,328                    |
|   |  | <u>-</u>                      | <u>-</u>                      | <u>-</u>                      |
| <b>NOTE-7 CASH AND CASH EQUIVALENTS</b> |  |                               |                               |                               |
| Cash on hand                            |  | 857                           | 2,935                         | 8,508                         |
| With scheduled Bank in :                |  |                               |                               |                               |
| Current Account                         |  | 2,076,509                     | 1,618,616                     | 1,563,822                     |
| Unclaimed Dividend A/c                  |  | 1,412,200                     | 1,335,800                     | 1,936,200                     |
|   |  | <u>3,489,566</u>              | <u>2,957,351</u>              | <u>3,508,530</u>              |
| <b>NOTE-8 OTHER CURRENT ASSETS</b>      |  |                               |                               |                               |
| Prepaid Expenses                        |  | 304,939                       | 387,435                       | 349,839                       |
| Advance against expenses                |  | 432,500                       | 268,500                       | -                             |
| Accrued Leave & Licence Income          |  | 291,828                       | 291,828                       | 1,740,000                     |
| Advance to staff                        |  | -                             | -                             | 775,000                       |
|   |  | <u>1,029,267</u>              | <u>947,763</u>                | <u>2,864,839</u>              |
| Advances Considered Doubtful            |  | 900,000                       | 900,000                       | 1,000,000                     |
| Less: Provision                         |  | 900,000                       | 900,000                       | 1,000,000                     |
|   |  | <u>-</u>                      | <u>-</u>                      | <u>-</u>                      |

|   | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|---|-------------------------------|-------------------------------|-------------------------------|
| <b>NOTE-9 EQUITY SHARE CAPITAL</b>  |                               |                               |                               |
| <b>AUTHORISED</b>   |                               |                               |                               |
| 2,00,000 Equity Shares of Rs.100/- each   | 20,000,000                    | 20,000,000                    | 20,000,000                    |
|   | <b>20,000,000</b>             | 20,000,000                    | 20,000,000                    |
| <b>ISSUED &amp; SUBSCRIBED</b>  |                               |                               |                               |
| 98,560 Equity Shares of Rs.100/- each fully paid up.  | 9,856,000                     | 9,856,000                     | 9,856,000                     |
|   | <b>9,856,000</b>              | 9,856,000                     | 9,856,000                     |
| <b>a) Reconciliation of number of shares</b>  |                               |                               |                               |
| <b>Equity Shares</b>  | <b>Nos.</b>                   | <b>Nos.</b>                   | <b>Nos.</b>                   |
| Opening Balance   | 98,560                        | 98,560                        | 98,560                        |
| Issued during the year  | -                             | -                             | -                             |
| Closing balance   | <b>98,560</b>                 | 98,560                        | 98,560                        |
| <b>b) Terms/rights attached to equity shares:</b>   |                               |                               |                               |
| The Company has only one class of share capital, i.e., equity shares having face value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share. |                               |                               |                               |
| <b>c) Details of Shareholders holding more than 5% of equity share in the Company</b>   |                               |                               |                               |
| <b>Name of the Shareholder</b>  | <b>No of Shares</b>           | <b>No of Shares</b>           | <b>No of Shares</b>           |
| Shri Aditya Mangaldas   | 43,317                        | 43,317                        | 43,317                        |
|   | 43.95%                        | 43.95%                        | 43.95%                        |
| Bromelia Trading LLP  | 6,100                         | 6,100                         | 6,100                         |
| (Formerly Known As Bromelia Trading Pvt Ltd)  | 6.19%                         | 6.19%                         | 6.19%                         |
| <b>NOTE-10 OTHER EQUITY</b>   |                               |                               |                               |
| <b>RESERVES &amp; SURPLUS</b>   |                               |                               |                               |
| <b>A : General Reserve</b>  | <b>42,735,000</b>             | 41,535,000                    | 29,285,000                    |
| <b>Transfer from Profit &amp; Loss A/c</b>  | <b>1,500,000</b>              | 1,200,000                     | 12,250,000                    |
| <b>TOTAL</b>  | <b>44,235,000</b>             | 42,735,000                    | 41,535,000                    |
| <b>B : Retained Earnings</b>  | <b>320,312,685</b>            | 301,273,832                   | 160,633,354                   |
| <b>Add: Profit for the year</b>   | <b>8,808,941</b>              | 6,367,447                     | 130,328,989                   |
|   | <b>329,121,626</b>            | 307,641,279                   | 290,962,343                   |
| <b>Add: Transfer from OCI</b>   | <b>9,896,450</b>              | 13,871,406                    | -                             |
| <b>Add: Transfer to WIP from 14-15</b>  | -                             | -                             | 7,312,845                     |
| <b>Add: Impact of Ind AS</b>  | -                             | -                             | 21,179,867                    |
| <b>Less: Transfer To General Reserve</b>  | <b>1,500,000</b>              | 1,200,000                     | 12,250,000                    |
| <b>Less: Dividend</b>   | <b>4,928,000</b>              | -                             | 4,928,000                     |
| <b>Less: Tax On Dividend</b>  | <b>1,003,225</b>              | -                             | 1,003,225                     |
|   | <b>2,465,225</b>              | 12,671,406                    | 10,311,487                    |
|   | <b>331,586,852</b>            | 320,312,685                   | 301,273,830                   |



|  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|-------------------------------|-------------------------------|-------------------------------|
| <b>C : Other Comprehensive Income (OCI)</b>  |                               |                               |                               |
| Remeasurement of defined benefit obligation  | (486,214)                     | -                             | (1,233,573)                   |
| Change in fair value of equity instruments designated as Fair Value Through Other Comprehensive Income | 10,382,664                    | 9,896,450                     | 15,104,979                    |
| <b>Less: transferred to retained earning</b>   | <b>(9,896,450)</b>            | <b>(13,871,406)</b>           | <b>-</b>                      |
| <b>TOTAL</b>   | <b>375,821,852</b>            | <b>363,047,685</b>            | <b>342,808,830</b>            |

|  | As at<br>31-03-2018<br>Rupees | As at<br>31-03-2017<br>Rupees | As at<br>01-04-2016<br>Rupees |
|--|-------------------------------|-------------------------------|-------------------------------|
|--|-------------------------------|-------------------------------|-------------------------------|

**NOTE-11 PROVISIONS**

|                                      |                  |                  |                  |
|--------------------------------------|------------------|------------------|------------------|
| a) Provision for Retirement Benefits |                  |                  |                  |
| Gratuity                             | 3,605,013        | 3,272,516        | 3,953,912        |
| Leave Encashment                     | 2,392,507        | 2,217,809        | 2,552,796        |
|                                      | <b>5,997,520</b> | <b>5,490,325</b> | <b>6,506,708</b> |

**NOTE-12 DEFERRED TAX LIABILITY**

|                                   |                |         |         |
|-----------------------------------|----------------|---------|---------|
| a) Deffered Tax Liabilities (Net) | <b>109,018</b> | 109,018 | 109,018 |
|-----------------------------------|----------------|---------|---------|

**NOTE-13 OTHER NON CURRENT LIABILITIES**

|   |                  |           |           |
|---|------------------|-----------|-----------|
| a) Other Long Term Liabilities (Deposits etc) | <b>2,018,768</b> | 2,018,768 | 2,018,768 |
|---|------------------|-----------|-----------|

**NOTE-14 OTHER FINANCIAL LIABILITIES**

|                        |                   |                   |                   |
|------------------------|-------------------|-------------------|-------------------|
| a) Unpaid expenses     | 5,217,756         | 1,415,803         | 1,392,512         |
| b) Unpaid Dividened    | 1,412,200         | 1,335,800         | 1,936,200         |
| c) Short term deposits | 9,084,929         | 9,084,929         | 9,084,929         |
|                        | <b>15,714,885</b> | <b>11,836,532</b> | <b>12,413,641</b> |

**NOTE-15 PROVISIONS**

|                                      |                |                  |                  |
|--------------------------------------|----------------|------------------|------------------|
| a) Provision for Retirement Benefits |                |                  | -                |
| Gratuity                             | 650,526        | 1,538,148        | -                |
| Leave Encashment                     | 329,772        | 836,808          | -                |
| b) Income Tax                        |                |                  | 1,063,490        |
|                                      | <b>980,298</b> | <b>2,374,956</b> | <b>1,063,490</b> |

## NOTES FORMING PART OF CONSOLIDATED THE PROFIT &amp; LOSS ACCOUNT AS ON 31ST MARCH 2018

|   | 2017-2018<br>Rupees | 2016-2017<br>Rupees |
|---|---------------------|---------------------|
| <b>NOTE-16 REVENUE FROM OPERATIONS</b>                    |                     |                     |
| <b>Operating revenue</b>                                  |                     |                     |
| Revenue from sale of constructed properties               | 87,500,000          | 52,500,000          |
|   | <u>87,500,000</u>   | <u>52,500,000</u>   |
| <b>NOTE-17 OTHER INCOME</b>                               |                     |                     |
| <b>Interest</b>   |                     |                     |
| On Others   | -                   | 51,854              |
| (TAX DEDUCTED Rs 0/-Previous year Rs 2041/-)              |                     |                     |
| <b>Dividend</b>   | 2,695,868           | 3,037,636           |
| <b>Other non operating income</b>                         |                     |                     |
| Royalty Received  | 9,903               | 17,100              |
| Profit on disposal of Property, plant and equipment (Net) | 181,866             | -                   |
| Income from investment in bond                            | 1,325,574           | -                   |
| Profit on Redemption of Mutual Funds Units                | 379,903             | 1,337,230           |
| Gain on Mutual Fund Investment carried at Fair Value      | 2,873,190           | 3,760,431           |
| Excess Provisions Written Back                            | 800,000             | 3,067,005           |
| Miscellaneous Income                                      | 4,000,183           | 1,157,061           |
|   | <u>12,266,488</u>   | <u>12,428,316</u>   |
| <b>NOTE-18 EMPLOYEE BENEFITS EXPENSES</b>                 |                     |                     |
| Salaries, Wages, & Bonus                                  | 7,006,037           | 7,232,776           |
| Contribution to provident and other funds                 | -                   | 121,771             |
|   | <u>7,006,037</u>    | <u>7,354,547</u>    |
| <b>NOTE-19 OTHER EXPENSES</b>                             |                     |                     |
| Motor car Expenses  | 624,839             | 638,477             |
| Stationery & Printing                                     | 146,269             | 100,940             |
| Travelling Expenses                                       | 363,141             | 454,677             |
| Telephone Expenses  | 215,497             | 205,336             |
| Legal & Professional                                      | 3,028,260           | 2,506,757           |
| Insurance   | 114,407             | 89,034              |
| Auditor's Remuneration                                    |                     |                     |
| i) Audit Fees   | 159,075             | 158,625             |
| ii) For taxation and other matters                        | 324,400             | 541,538             |
| iii) Out of Pocket expenses                               | 26,427              | 26,175              |
| Electricity   | 281,747             | 241,615             |
| Directors' Fees   | 315,000             | 325,000             |
| Building Maintenance Expenses                             | 70,305              | 44,568              |
| Membership & Subscription                                 | 334,577             | 275,835             |
| Rates & Taxes   | 36,180              | 21,242              |
| Brokerage   | 1,312,500           | -                   |
| Miscellaneous Expenses                                    | 1,070,767           | 1,233,792           |
| Yatch Expenses  | 44,081              | 791,250             |
|   | <u>8,467,472</u>    | <u>7,654,861</u>    |



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### A. CORPORATE INFORMATION

The Victoria Mills Ltd ('the holding Company') together with its subsidiary (collectively referred as the group) is engaged primarily in the business of real estate development. The holding Company is public limited company incorporated and domiciled in India. Its registered office is situated at Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai 400 013.

The consolidated financial statements for the year ended March 31, 2018 were authorized and approved for issue by the Board of Directors on May 02, 2018.

### B. SIGNIFICANT ACCOUNTING POLICIES

#### a) GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations requires a different treatment.

For all the periods upto the year ended March 31, 2017, the group had earlier prepared and presented its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP).

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note C.

#### b) BASIS OF PREPARATION

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. The Group combines the financial statements of the Holding Company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### c) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### i. Property, plant and equipment

Property, plant and equipment are initially stated and recognised at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives prescribed in Schedule II to the Act. Property, plant and equipment are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of de-recognition.

##### ii. Revenue recognition

The group is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

##### iii. Cost of revenue

Cost of real estate projects includes cost of land, development costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss in connection to the revenue recognized.

##### iv. Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period.

##### v. Financial instruments

Initial recognition and measurement: The group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the financial instrument and is measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement of financial assets and financial liabilities is described below:

Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the conditions are met: The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Investments in other equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Investments in mutual funds – Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Financial liabilities subsequent to initial recognition are measured at amortized cost using the effective interest method.

**vi. Valuation of Inventories:**

Properties held as stock in trade is valued at cost or market whichever is lower. Work-in-progress includes all direct expenditure pertaining to project and is valued at cost or realizable value whichever is lower.

**vii. Provisions and contingent liabilities**

A provision is recognized when:

There is 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**viii. Impairment of assets**

As at the end of each accounting year, the group reviews the carrying amounts of its PPE and investment property to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any.

**ix. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The holding company did not have any potentially dilutive securities in any of the years presented.

**Earning per equity Share**

|       |  | 2017-2018 | 2016-2017 |
|-------|--|-----------|-----------|
| (i)   | Net Profit after Tax (Rs.)                 | 8808941   | 6367447   |
| (ii)  | Number of Equity Shares of Rs.100/- each   | 98560     | 98560     |
| (iii) | Basic and Diluted Earnings per Share (Rs.) | 89.38     | 64.60     |

**x. Financial Instruments By Category**

**Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the the group's assets and liabilities.

| Particulars                  | Level 1      | Level 2 | Level 3 |
|------------------------------|--------------|---------|---------|
| 31-03-2018                   |              |         |         |
| Investments (Eq shares & MF) | 24,58,64,840 |         |         |
| 31-03-2017                   |              |         |         |
| Investments (Eq shares & MF) | 18,90,96,501 |         |         |
| 01-04-2016                   |              |         |         |
| Investments (Eq shares & MF) | 20,26,60,350 |         |         |





**xi. Segment Reporting :**

The group is in the business of real estate development. In view of the above the group has only one identified reportable segment.

**xii. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

**xiii. Related Party Information :**

**Payments to key Management Personnel**

| Sr. No. | Name                 | Designation             | Rs.       |
|---------|----------------------|-------------------------|-----------|
| 1       | Mr. Aditya Mangaldas | Managing Director       | 41,22,298 |
| 2       | Mr. Asgar S.Bengali  | Chief Financial Officer | 5,51,100  |
| 3       | Mr. Nikunj Kanabar   | Company Secretary       | 2,98,000  |
| 4       | Mr. Dhiraj Gupta     | Company Secretary       | 64,200    |

xiv. There are no dues to suppliers covered under Micro Small and Medium Enterprises Development Act, 2006.

**xv. Financial risk management**

Risk management framework: The board of directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze 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 Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**xvi. Employee benefits**

Gratuity and Leave encashment is provided on the basis of cost of benefits determined using Projected Unit Cost Method with actuarial valuation being carried out at each Balance sheet date. Superannuation Fund is contributed into Fund with LIC. Full provision for liability in this respect has been made in the accounts. Gratuity Disclosure statement-

|  | 2017-2018<br>Rs. | 2016-2017<br>Rs. |
|--|------------------|------------------|
| Present Value of Benefit Obligation at the beginning of the period                 | 48,10,664        | 39,53,912        |
| Interest Cost  | 3,47,330         | 3,10,382         |
| Current Service Cost   | 1,51,338         | 1,34,004         |
| Past Service Cost  | -                | -                |
| Liability Transferred in/Acquisitions  | -                | -                |
| (Liability Transferred Out/Divestments)  | -                | -                |
| (Gains)/Losses on Curtailment  | -                | -                |
| (Liabilities Extinguished on Settlement)   | -                | -                |
| (Benefit paid directly by the Employer)  | (9,29,295)       | -                |
| (Benefit paid from the Fund)   | -                | -                |
| The effect of changes in Foreign Exchange rates                                    | -                | -                |
| Actuarial (Gains)/Losses on Obligations – Due to change in Demographic Assumptions | -                | -                |
| Actuarial (Gains)/Losses on Obligations – Due to Change in Financial Assumptions   | (1,69,804)       | 1,53,315         |
| Actuarial (Gains)/Losses on Obligations – Due to Experience                        | 45,306           | 2,59,051         |
| Present Value of Benefit Obligation at the End of the Period                       | 42,55,539        | 48,10,664        |

xvii. There are no capital and other commitments as at 31.3.2018.

xviii. Previous year's figures are regrouped where necessary.

**C. EXPLANATION FOR TRANSITION TO IND AS.**

- a) These are the Group's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from financial statements prepared in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) to Ind

AS has affected the Groups's financial position, financial performance and cash flows is set-out in the following tables and notes:

- b) Ind AS optional exemptions

**Deemed cost for property, plant and equipment, investment property and intangible assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the group has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

**Initial recognition of a financial asset**

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognised financial assets, as Fair Value through Other Comprehensive Income (FVTOCI) on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly, the group has designated its investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

- c) **Reconciliation between previous GAAP and Ind AS**

**i. Equity reconciliation**

| Sr. No | Particulars                          | 31-03-2017   | 01-04-2016   |
|--------|--------------------------------------|--------------|--------------|
| 1      | As reported under previous GAAP      | 33,28,38,762 | 32,16,28,963 |
|        | Adjusted equity:-                    |              |              |
|        | Changes in fair value of investments | 3,02,08,923  | 2,11,79,867  |
|        | Equity under Ind AS                  | 36,30,47,685 | 34,28,08,832 |

**ii. Total comprehensive income reconciliation**

| Sr. No. | Particulars                          | 31-03-2017       |
|---------|--------------------------------------|------------------|
| 1       | As reported under previous GAAP      | 1,12,09,799      |
|         | Adjusted equity:-                    |                  |
|         | Changes in fair value of investments | (60,75,925)      |
|         | Employee Benefit                     | 12,33,573        |
|         | <b>Net profit as per Ind AS</b>      | <b>63,67,447</b> |
|         | Other Comprehensive Income           | 1,38,71,406      |
|         | Total comprehensive Income           | 20,238,853       |

As per our report annexed herewith

**For VASANI & THAKKAR**  
Chartered Accountants  
Firm Registration No 111296W

**R. N. VASANI**  
Partner  
Membership No 12217

**NIKUNJ KANABAR**  
Company Secretary

**A. S. BENGALI**  
Chief Financial officer

**R. K. SHAH**  
DIN 07111006

**Chairman**

**ADITYA MANGALDAS**  
DIN 00032233

**Managing Director**

**S.G. VAIDYA**  
DIN 00220956

**MAMTA MANGALDAS**  
DIN 00021078

**Directors**

**GARGI MASHRUWALA**  
DIN 00032543

Place : Mumbai  
Dated: May 02, 2018



# The Victoria Mills Limited

CIN: L17110MH1913PLC000357

**Registered Office :** Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai- 400 013.  
**Tel:** 24971192/93, **Fax:** 24971194, **email:** vicmill2013@gmail.com, **website:** www.victoriamills.in

Form No. MGT - 11

## Proxy Form

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

|                               |
|-------------------------------|
| Name of the Member(S) : _____ |
| Registered Address : _____    |
| E-Mail Address : _____        |
| Folio No / Client ID : _____  |
| DP ID : _____                 |

I / We, Being the Member(s) of \_\_\_\_\_ Shares of the above named company, hereby appoint

1 Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail address : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

2 Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail address : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

3 Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail address : \_\_\_\_\_

Signature : \_\_\_\_\_ or failing him

as my /our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **105<sup>th</sup> Annual General Meeting of the company, to be held on Thursday, 27 September, 2018 at 11.00 am at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400018**, and at any adjournment thereof in respect of such Resolution as are indicated below:

| Sr. No. | Resolutions  |
|---------|--|
| 1       | To consider and adopt the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 and the Reports of the Directors and Auditors thereon  |
| 2       | To Declare Dividend on Equity Shares.  |
| 3       | To appoint a Director in place of Mr. Rashmikan Shah (DIN 07111006) who retires by rotation and being eligible, offers himself For re-appointment  |
| 4       | Ratification of Appointment of Statutory Auditor   |
| 5       | Re-appointment of Mr. Aditya Mangaldas as Managing Director of the Company.  |
| 6       | Approval to continuation of office by Mr. S. G. Vaidya (holding DIN 00220956) as an Independent Director of the Company, be continued as an Independent Director of the Company to hold office for the balance period of his current tenure viz upto 12th August, 2019, though he has crossed the age of 75 years. |

Signed this \_\_\_\_\_ Day of 2018

Signature of the Member \_\_\_\_\_

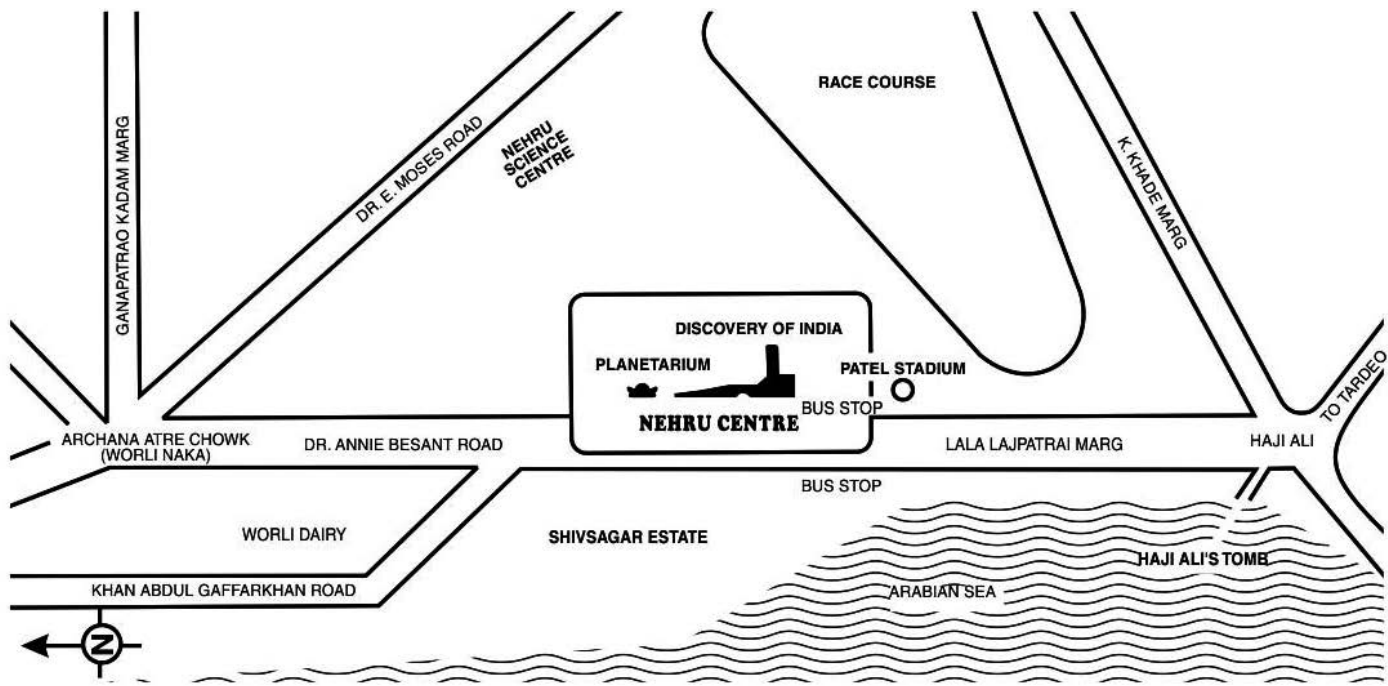
Signature of the Proxy Holder (s) \_\_\_\_\_

### Note:

This form of proxy in order to be effective must be duly completed and deposited at the Registered office of the Company not less than 48 hours before commencement of the meeting.

Affix  
Revenue  
Stamp here





## Location Map of Nehru Centre



### The Victoria Mills Limited

Registered Office: Victoria House, Pandurang Budhkar Marg, Lower Parel, Mumbai - 400013  
Tel: 24971192/93, Fax: 24971194 • E-mail: vicmill2013@gmail.com, • Website: www.victoriamills.in

#### Attendance Slip

(To be handed over at the entrance of the Meeting Hall)  
CIN: L17110MH1913PLC000357

|  |  |
|--|--|
| Name of the Member (s)<br>/ Proxy (In Block Letters) : |  |
| Folio No.  |  |
| DP ID - Client ID                                      |  |
| No. of Shares Held                                     |  |

I hereby record my presence at the **105th Annual General Meeting of the company, to be held on Thursday, 27 September, 2018 at 11.00 am at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road Worli Mumbai - 400018.**

Signature of the Member (s) / Proxy

**Notes:**

- 1 Members are requested to bring their copies of annual Report at the AGM
- 2 Please strike off whichever is not applicable.





**By Courier**

**If undelivered please return to :**

THE VICTORIA MILLS LIMITED

**REGISTERED OFFICE :**

Victoria House,  
Pandurang Budhkar Marg,  
Lower Parel, Mumbai 400 013.

Tel: 24971192/93, Fax: 24971194

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