



# 7NR RETAIL LIMITED

(Formerly known as 7NR Retail Private Limited)

## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting the 5<sup>th</sup> Annual Report together with Statement of accounts of your Company for the Year ended on March 31, 2017.

### 1. FINANCIAL RESULTS

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

Particulars	(Amount in Lakhs.)	
	2016-17	2015-16
Revenue from Operations	1134.02	344.74
<i>Other Income</i>	8.42	0.39
<b><i>Profit before Depreciation and Taxation</i></b>	<b>44.84</b>	<b>(20.40)</b>
Depreciation	4.17	(6.07)
Provision for Taxation :		
(i) Current Income Tax	2.63	-
(ii) Deferred Tax	0.52	(3.71)
<b><i>Profit after Income Tax</i></b>	<b>37.52</b>	<b>(30.18)</b>

### 2. DIVIDEND AND RESERVES:

In order to conserve the resources, your directors do not recommend any payment of dividend for the year under review. Further the Company has not transferred any amount to reserves during the year.

### 3. CONVERSION INTO PUBLIC LIMITED COMPANY

Your Company was converted from private limited Company to Public Limited Company during the year under review. The Company had received a fresh certificate of Incorporation 22<sup>nd</sup> March, 2017 consequent upon change of name on conversion to a Public Limited Company from Registrar of Companies, Gujarat.

### 4. INITIAL PUBLIC OFFERING

During the year under review the Company has taken approval of shareholders to make Initial Public Offer and file the draft prospectus with SME Platform of Bombay Stock Exchange Limited.



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### 5. SHARE CAPITAL

The Authorized Share capital of the Company as on 31<sup>st</sup> March, 2016 was Rs. 300 Lac comprising 30,00,000 Equity shares of Rs. 10/- each. During the year under review, the Company had increase the Authorized share Capital upto Rs. 700 Lac comprising of 70,00,000 Equity shares of Rs. 10/- each.

The Paid up Share Capital of the Company as on 31<sup>st</sup> March, 2016 was Rs.283.7 Lac. During the year under review Company had issued 22,50,000 Equity Shares through preferential allotment and the paid up capital the Company has increased to Rs. 508.7 Lac.

### 6. NUMBER OF BOARD MEETINGS:

During the year under review, the Board of Directors duly met 15 (Fifteen) times.

Details of Board meetings for the year under review are tabulated hereunder:

Sr. No.	Date of Board Meetings	Pinal Shah	Riddhi Shah	Nutanben Patel*	Akshay Mohnot**	Mayank Agarwal**	Eity Pandey**
1.	11/04/2016	✓	✓	x	x	x	x
2.	15/04/2016	✓	✓	✓	x	x	x
3.	20/04/2016	✓	✓	✓	x	x	x
4.	06/06/2016	✓	✓	✓	x	x	x
5.	31/08/2016	✓	✓	✓	x	x	x
6.	02/09/2016	✓	✓	✓	x	x	x
7.	16/12/2016	✓	✓	✓	x	x	x
8.	19/01/2017	✓	✓	✓	x	x	x
9.	19/01/2017	✓	✓	✓	✓	✓	✓
10.	24/01/2017	✓	✓	x	✓	✓	✓
11.	10/02/2017	✓	✓	x	✓	✓	✓
12.	15/02/2017	✓	✓	x	✓	✓	✓
13.	21/02/2017	✓	✓	x	✓	✓	✓
14.	22/03/2017	✓	✓	x	✓	✓	✓
15.	27/03/2017	✓	✓	x	✓	✓	✓
<b>TOTAL</b>		<b>15/15</b>	<b>15/15</b>	<b>8/9</b>	<b>7/7</b>	<b>7/7</b>	<b>7/7</b>

\*Nutanben Patel has resigned from the Board w.e.f 24<sup>th</sup> January, 2017.

\*\* Mr. Akshay Mohnot, Mr. Mayank Agarwal and Ms. Eity Pandey were appointed as Additional Director w.e.f 19<sup>th</sup> January, 2017 and thereafter were regularized as Non -Executive and Independent Director of the Company w.e.f 14<sup>th</sup> February, 2017.



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## 7. 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.

## 8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no such material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of report which can affect the financial position of the Company.

## 9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

No such order have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

## 10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company had no Subsidiary or Joint Ventures or Associate Companies as on 31<sup>st</sup> March, 2017.

## 11. PARTICULARS OF LOANS, GURANTEES OR INVESTMENT BY THE COMPANY:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## 12. EXTRACTS OF ANNUAL RETURN:

In accordance with section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed format is appended to this Report as annexure II.

## 13. RELATED PARTY TRANSACTION:

All related party transactions that were entered into during the year under the review were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is enclosed in Annexure-I.

## 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL, APPOINTMENT AND RESIGNATION

As required under the section 203 of the Companies Act, 2013, the Company has appointed Mr.



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Pinal Kanchanlal Shah, Managing Director, Mr. Kunjal Panchal, Chief Financial Officer and Ms. Shaili Mehta, Company Secretary were the Key Managerial Personnel of the Company year ended on 31<sup>st</sup> March, 2017.

In accordance of the provision of section 152 of the Companies Act, 2013, Mr. Pinal Shah (DIN:05197449) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of section 164 of the Act and offer himself for re-appointment.

During the year under the review Mr. Akshay Mohnot, Mr. Mayank Agarwal and Ms. Eity Pandey were appointed as Additional Director w.e.f. 19<sup>th</sup> January, 2017 and were designated as Non Executive and Independent Director of the Company w.e.f 14<sup>th</sup> February, 2017.

Further Mrs. Riddhi Pinal Shah has tendered the resignation from the Board of Directors of the Company dated 22<sup>nd</sup> April, 2017 and further Mrs. Riddhi Shah was appointed as Additional Non Executive and Non Independent Director of the Company w.e.f 26<sup>th</sup> April, 2017 and to regularize her as an Director of the Company in the ensuing Annual General Meeting.

Further Mr. Kunjal Panchal and Mrs. Nutan Patel has tendered the resignation from the Board of Directors of the Company dated 19<sup>th</sup> January, 2017 and 24<sup>th</sup> January, 2017 and Mr. Kunjal Panchal was appointed as Chief Financial Officer of the Company w.e.f. 14<sup>th</sup> February, 2017.

### **15. DECLARATION BY INDEPENDENT DIRECTORS:**

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under section 149(6) of the Companies Act, 2013.

### **16. REGISTERED OFFICE OF THE COMPANY:**

During the year under review the Company Registered office is shifted from "Relief Road-4, Business Centre Gheekata, Pathar Kuva, Relief Road, Ahmedabad-380001 to "B-207, Titanium City Centre, Nr. Sachin Tower, Anand Nagar Road, Satellite, Ahmedabad-380 015."

### **17. VIGIL MECHANISM/WHISTLE BLOWER MECHANISM:**

Your Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.

### **18. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

Your Company has framed a Policy of Sexual Harassment of women at workplace to follow gender neutral approach in handling complaints of sexual harassment.

### **19. POLICY FOR PRESERVATION OF DOCUMENTS AND ARCHIVAL OF DOCUMENTS:**

Your Company has adopt the policy for the preservation of Documents and Archival of Documents to ensure that all the necessary documents and records of the Company are adequately protected and preserved as per the Statutory requirements.



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### 20. POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties.

### 21. POLICY OF CODE OF CONDUCT FOR DIRECTOR AND SENIOR MANAGEMENT:

Your Company has adopted the policy of code of Conduct to maintain standard of business conduct and ensure compliance with legal requirements.

### 22. POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURES.

Your Company has adopted the determination of Materiality disclosure to ensure that the information disclosed by the Company is timely transparent and continuous.

### 23. PARTICULARS REGARDING EMPLOYEES REMUNERATION:

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of the Employee in terms of Rule 5(3) are as under:

- Designation of the Employee: General Manager
- Remuneration received: Rs.4.80/- lacs Per annum
- Nature of Employment: Permanent
- Qualification and Experience of employee: BSC Graduate, around 7 years of experience
- Date of Commencement of employee: since the incorporation of the Company
- Age of Employee: 40 years
- Last employment held by such employee before joining the Company: Running a partnership firm.
- Percentage of equity shares held by the employee: 6.3%
- Whether any such employee is a relative of any director or manager of the Company: NIL

### 24. RISK MANAGEMENT:

The Management regularly reviews the risk and took appropriate steps to mitigate the risk. In the opinion of the Board, no risk has been identified that may threaten the existence of the Company.

### 25. INDUSTRIAL RELATIONS:

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review.

### 26. COMMITTEES OF THE BOARD:

During the year, your Directors have constituted or reconstituted wherever required, the following committees of the Board in accordance with the requirements of the Companies Act, 2013. The Composition, terms of reference and other details of all Board level committees have

been elaborated in detail:

## **AUDIT COMMITTEE:**

The Committee was constituted on 27<sup>th</sup> March, 2017 it comprises of non executive Independent Director and Managing Director as its Member. The Chairman of the committee is Independent Director.

The Audit Committee assists the Board in the Dissemination of the financial information and in overseeing the financial and accounting process in the Company.

Composition of Audit Committee and Number of Meetings during the year.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Akshay Premraj Mohnot	Chairman	Non-Executive & Independent Director
2.	Mr. Mayank Agarwal	Member	Non-Executive & Independent Director
3.	Mr. Pinal Kanchanlal Shah	Member	Managing Director

The Audit Committee is being effective from 27<sup>th</sup> March, 2017 and no meeting were held during the year.

## **NOMINATION AND REMUNERATION COMMITTEE:**

The Committee was constituted on 27<sup>th</sup> March, 2017 as required under the Companies Act, 2013 and it comprises of three non-executive Independent Directors as its members. The Chairman of the Committee is an Independent Director.

Composition of Nomination and Remuneration committee and number of meeting during the year:

No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Mayank Agarwal	Chairman	Non-Executive & Independent Director
2.	Mr. Akshay Premraj Mohnot	Member	Non-Executive & Independent Director
3.	Ms. Eity Suryanarayan Pandey	Member	Non-Executive & Independent Director

The Nomination and Remuneration Committee is being effective from 27<sup>th</sup> March, 2017 and no meeting were held during the year.

## **STAKEHOLDER RELATIONSHIP COMMITTEE**

The Committee was constituted on 27<sup>th</sup> March, 2017 as required under the Companies Act, 2013 and it comprises of three non-executive Independent Directors as its members. The Chairman of the Committee is an Independent Director.

Composition of Stakeholder Relationship committee and number of meeting during the year:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Eity Pandey	Chairman	Non-Executive Independent Director.

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2.	Mr. Akshay Mohnot Agarwal	Member	Non-Executive Independent Director
3.	Mr. Mayank Agarwal	Member	Non-Executive Independent Director

The Stakeholder Relationship committee is being effective from 27<sup>th</sup> March, 2017 and no meeting were held during the year.

#### 27. CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility are not applicable to the Company.

#### 28. STATUTORY AUDITORS AND THEIR OBSERVATIONS:

M/s. Loonia & Associates Chartered Accountant, was appointed as the Statutory Auditors of the Company dated 27<sup>th</sup> March, 2017 to fill the casual vacancy in place of DSNT & Associates.

M/s. Loonia & Associates, chartered Accountants, Ahmedabad( FRN:130883W) Shall hold the office from the conclusion this Annual General Meeting till 9<sup>th</sup> Annual General Meeting of the Company at a remunerations to be decided by the Chairman of the Company in consultation with the Auditors, be and is hereby ratified.

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

#### 29. INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Financial Control function is well defined.

#### 30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

#### 31. DIRECTORS' RESPONSIBILITY STATEMENT:

It is hereby stated that:

(i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) The directors had 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



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internal financial controls are adequate and were operating effectively and

(vi)The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD  
FOR 7NR RETAIL LIMITED

PINAL SHAH  
(MANAGING DIRECTOR)  
DIN:05197449

RIDDHI SHAH  
(DIRECTOR)  
DIN:05197462

PLACE: AHMEDABAD  
DATE: 3<sup>rd</sup> May, 2017



**Annexure-I**

**FORM NO. AOC -2**

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

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

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

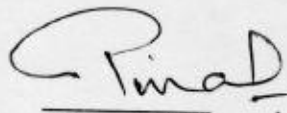
All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arms' length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

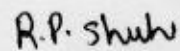
Name of Related Party (As mentioned in AS -18)	Nature of relationship	Nature of Contract / agreement / transactions	Duration of contracts / agreements / transactions	Salient terms of contracts or agreements, or transactions including the value, if any
7NR INC	Partnership firm in which Directors is Interested	NIL	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017	-

Appropriate approvals have been taken for related party transactions. No amount was paid as advance.

**FOR AND ON BEHALF OF THE BOARD  
FOR 7NR RETAIL LIMITED**



**PINAL SHAH  
(MANAGING DIRECTOR)  
DIN:05197449**



**RIDDHI SHAH  
(DIRECTOR)  
DIN:05197462**

**PLACE: AHMEDABAD  
DATE: 3<sup>rd</sup> May, 2017**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U52320GJ2012PLC073076
ii	Registration Date	21st December, 2012
iii	Name of the Company	7NR RETAIL LIMITED
iv	Category/Sub-category of the	Company limited by shares, Non-Government Company.
v	Address of the Registered office & contact details	B-207, Titanium City Centre, Nr. Sachin Tower, Anand Nagar Road Satellite, Ahmedabad 380015.
vi	Whether listed company	Not Listed
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Limited "Subramanian Building, No.1, Club House Road, Chennai 600 002 Phone No: 044-28460390

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl No	Name & Description of main products/services	NIC Code of the	% to total turnover of the company
1	Retailing of ready made garments	47711	100%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Comp	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

## SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

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	577500	577500	20.36	0	4042700	4042700	79.47	59.12
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	
c) Bodies Corporates	0	0	0	0	0	0	0	0	
d) Bank/FI	0	0	0	0	0	0	0	0	
e) Any other	0	0	0	0	0	0	0	0	
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>577500</b>	<b>577500</b>	<b>20.36</b>	<b>0</b>	<b>4042700</b>	<b>4042700</b>	<b>79.47</b>	<b>59.12</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<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 (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>577500</b>	<b>577500</b>	<b>20.36</b>	<b>0</b>	<b>4042700</b>	<b>4042700</b>	<b>79.47</b>	<b>59.12</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks/FI	0	0	0	0	0	0	0	0	
c) Central govt	0	0	0	0	0	0	0	0	
d) State Govt.	0	0	0	0	0	0	0	0	
e) Venture Capital Fund	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIIS	0	0	0	0	0	0	0	0	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
<b>SUB TOTAL (B)(1):</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>	
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	0	0	0	0	0	0	0	
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	10000	10000	0.35	0	0	0	0	-0.35
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	2249500	2249500	79.29	0	1044300	1044300	20.53	-58.76
c) Others (specify)	0	0	0	0	0	0	0	0	
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>2259500</b>	<b>2259500</b>	<b>79.64</b>	<b>0</b>	<b>1044300</b>	<b>1044300</b>	<b>20.53</b>	<b>-59.12</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>2259500</b>	<b>2259500</b>	<b>79.64</b>	<b>0</b>	<b>1044300</b>	<b>1044300</b>	<b>20.53</b>	<b>-59.12</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</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>Grand Total (A+B+C)</b>	<b>0</b>	<b>2837000</b>	<b>2837000</b>	<b>100</b>	<b>0</b>	<b>5087000</b>	<b>5087000</b>	<b>100</b>	<b>0.00</b>

## (ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Pinal Kanchanal Shah	1,61,800	5.70	0	10,84,860	21.33	0	15.62
2	Riddhi Pinal Shah	74,700	2.63	0	3,91,100	17.95	0	15.32
3	Nutanben Jaykshan Patel	3,41,000	12.02	0	9,13,140	7.69	0	-4.33
		5,77,500	20.36	0.00	23,89,100	46.96	0.00	26.61

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Share holding at the beginning of the Year	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Pinal Shah				
	At the beginning of the year	1,61,800	5.70	1,61,800	5.70
	11.04.2016(Transfer)	1,21,300	4.28	2,83,100	9.98
	15.04.2016(Transfer)	-6,880	-0.24	2,76,220	9.74
	20.04.2016(Transfer)	4,87,140	17.17	7,63,360	26.91
	21.02.2017(Allotment)	3,21,500	6.32	10,84,860	21.33
	At the end of the year			10,84,860	21.33
2	Riddhi Shah				
	At the beginning of the year	74,700	2.63	74,700	2.63
	11.04.2016(Transfer)	10,000	0	84,700	2.99
	15.04.2016(Transfer)	-15,100	-1	69,600	2.45
	21.02.2017(Allotment)	3,21,500	6	3,91,100	7.69
	At the end of the year			3,91,100	7.69
3	Nutanben Patel*				
	At the beginning of the year	3,41,000	12.02	3,41,000	12.02
	20.04.2016(Transfer)	2,50,640	8.83	5,91,640	20.85
	21.02.2017(Allotment)	3,21,500	6	9,13,140	18
	At the end of the year			9,13,140	18

\* Nutanben Patel has resigned from the Board w.e.f. 24th January, 2017

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

Sl. No	Name of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Shila C Shah	1,29,800	4.58	-	-
2	Ajay Jain	1,00,000	3.52	-	-
3	Kaushik Vaghela	1,00,000	3.52	-	-
4	Mittal Shah	1,33,000	4.89	-	-
5	Rajesh Trivedi	1,30,000	4.58	-	-
6	Paresh Lodha	1,10,000	3.88	-	-
7	Sunil Jain	1,20,000	4.23	-	-
8	Urmil Shah	1,21,300	4.28	-	-
9	Dhwani Mittal Shah	34,300	1.2	34,800	0.67
10	Devangi Sunilkumar Shah	40,000	1.4	40,000	0.79
11	Jitendra Harjivandas Gohel	1,00,000	3.52	1,00,000	1.97
12	Neeta G Dabhi	0	0	1,00,000	1.97
13	Naginbhai Maheriya	0	0	1,10,000	2.16
14	Maheshbhai N. Purabia	0	0	1,20,000	2.36
15	Prabhavati N. Patil	0	0	50,000	0.98
16	Kamlesh Solanki	0	0	1,00,000	1.97
17	Vijay Vasita	0	0	1,30,000	2.56
18	Nitesh P Pavaskar	0	0	1,60,000	3.15
19	Akshay J Brahmibhatt	0	0	1,00,000	1.97

## (v) Shareholding of Directors &amp; KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Pinal Shah				
	At the beginning of the year	1,61,800	5.70	1,61,800	5.70
	11.04.2016(Transfer)	1,21,300	4.28	2,83,100	9.98
	15.04.2016(Transfer)	-6,880	-0.24	2,76,220	9.74
	20.04.2016(Transfer)	4,87,140	17.17	7,63,360	26.91
	21.02.2017(Allotment)	3,21,500	6.32	10,84,860	21.33
	At the end of the year			10,84,860	21.33
2	Riddhi Shah				
	At the beginning of the year	74,700	2.63	74,700	2.63
	11.04.2016(Transfer)	10,000	0	84,700	2.99
	15.04.2016(Transfer)	-15,100	-1	69,600	2.45
	21.02.2017(Allotment)	3,21,500	6	3,91,100	7.69
	At the end of the year			3,91,100	7.69
3	Nutanben Patel*				
	At the beginning of the year	3,41,000	12.02	3,41,000	12.02
	20.04.2016(Transfer)	2,50,640	8.83	5,91,640	20.85
	21.02.2017(Allotment)	3,21,500	6	9,13,140	18
	At the end of the year			9,13,140	18

\* Nutanben Patel has resigned from the Board w.e.f. 24th January, 2017

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in Lacs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	1.25	0	1.25
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	0	1.25	0	1.25
<b>Net Change</b>				<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Pinal Shah Managing Director	Riddhi Shah Director	Nutanben Patel* Director	
1	<b>Gross salary</b>	4.25	4.10	3.12	11.47
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A)</b>	<b>4.25</b>	<b>4.10</b>	<b>3.12</b>	<b>11.47</b>
	<b>Ceiling as per the Act</b>				

\*Nutanben Patel has resigned from the Board w.e.f. 24th January, 2017

B. Remuneration to other directors:

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

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(in Lakhs)

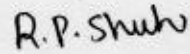
Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		Shaili Mehta CS*	Kunjal Panchal CFO**			
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0.37	0.19			0.56
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission as % of profit					
	others, specify					
5	Others, please specify					
	<b>Total</b>					
	*Ms. Shaili Mehta Company Secretary has been appointed w.e.f 1st February, 2017					
	** Mr. Kunjal Panchal Chief Financial Officer has been appointed w.e.f. 14th February, 2017					

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			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

FOR 7NR RETAIL LIMITED



PINAL SHAH  
MANAGING DIRECTOR  
DIN: 05197449



RIDDHI SHAH  
DIRECTOR  
DIN: 05197462

Date: 03/05/2017  
Place: Ahmedabad



**INDEPENDENT AUDITORS' REPORT**

To,  
The Members of  
7NR Retail Limited  
Ahmedabad

**Report on the Financial Statements:**

We have audited the accompanying standalone financial statements of 7NR Retail Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and 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 standalone financial statements that give a true and fair view of the financial position and financial performance 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility:**

Our responsibility is to express an opinion on 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 issued by the Institute of Chartered Accountants of India 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 misstatements.

218, Ground Floor, New Cloth Market, Opp. Raipur Gate, Ahmedabad - 380002.

Phone : (O) 079 - 22166502, (M) 93273 11334

Email : loonia.associates@gmail.com ; hiteshloonia@gmail.com





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

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (ii) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows of the Company 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 Section 143(11) 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 possible.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Standalone 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 March 31, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure -B may be referred;
- g. With respect to the other matters to be included in the Auditors' 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 explanation given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8,2016 of the Ministry of Finance, during the period from November 8,2016 to December 30,2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

**For Loonia & Associates.  
Chartered Accountants  
(F.R.No.130883W)**



*Hitesh Loonia*

**Hitesh Loonia  
(Proprietor)  
M.NO.-135424**

**Place: Ahmedabad  
Date: 13<sup>th</sup> April, 17**

## Annexure A to Independent Auditors' Report

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

**1. 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) The fixed assets were physically verified by the management at reasonable intervals during the year in a phased periodical manner in accordance with a programmed of physical verification. No material discrepancies were noticed on such physical verification.
- c) All the title deed of Immovable Properties are held in the name of the company except permission granted by the company.

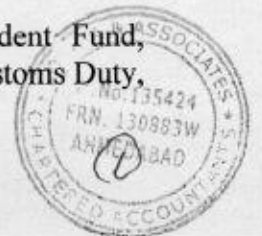
**2. In respect of the Company's inventories:**

- a) As explained to us, the management has physically verified inventories during the year. In our opinion the frequency of verification is reasonable and the Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification as compared to the book records.

**3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:**

According to the information & explanations given to us, the Company has not granted any loan to Companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits covered under section 73 to 76 of the Companies Act, 2013 during the year.
6. According to the information and explanations provided by the Company, the Central Government has not prescribed to Maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of product of the Company.
7. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty,



Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears at March 31, 2017 for a period of more than six months from the date they became payable.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
9. In our opinion and according to the information and explanations given to us, the company has not applied for any term loan. The Company has not raised moneys by way of initial public offer or further public offer.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by section 197 r/w schedule V to the Companies act, 2013.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. According to information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment / private placement of 22,50,000 equity shares to Promoter and Promoter Group which were in terms of Section 42 of the Act. However during the year, the Company had not issued any fully or partly convertible debentures in terms of section 42 of the Act.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
16. As per information and explanation provided by the Company, and on the basis of such verification, we are of the opinion that Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

**Place: Ahmedabad**  
**Date: 13<sup>th</sup> April, 17**

**For Loonia & Associates.**  
**Chartered Accountants**  
**(F.R.No.130883W)**



*Hitesh Loonia*  
**Hitesh Loonia**  
**(Proprietor)**  
**M.NO.-135424**

## **Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 (f) under „Report on Other Legal and Regulatory Requirements“ section of our report of even date)

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

### **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. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 auditors' 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, 2017, 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.

**Place: Ahmedabad**  
**Date: 13<sup>th</sup> April, 17**

**For Loonia & Associates.**  
**Chartered Accountants**  
**(F.R.No.130883W)**



*Hitesh Loonia*

**Hitesh Loonia**  
**(Proprietor)**  
**M.NO.-135424**

# 7NR RETAIL LIMITED

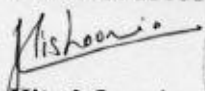
B-207, Titanium City Centre  
Nr. Sachin Tower, Anandnagar Road  
Satellite, Ahmedabad - 15

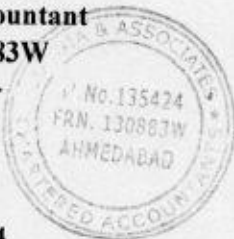
## Balance Sheet as at 31-Mar-2017

	Particulars	Note No.	as at 31-Mar-2017		as at 31-Mar-2016	
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
1	<b>Shareholders' Funds</b>			<b>54037433</b>		<b>23284568</b>
	(a) Share Capital	1	50870000		28370000	
	(b) Reserves and Surplus	2	3167433		-5085432	
2	<b>Share Application Money Pending Allotment</b>	3				
3	<b>Non-Current Liabilities</b>			<b>0</b>		<b>0</b>
	(a) Long-Term Borrowings	4	0		0	
	(b) Deferred Tax Liabilities (Net)	5	0		0	
	(c) Other Long term liabilities	6	0		0	
	(d) Long-term provisions	7	0		0	
4	<b>Current Liabilities</b>			<b>8771236</b>		<b>5839790</b>
	(a) Short-Term Borrowings	8	0		125096	
	(b) Trade Payables	9	7775416		4396600	
	(c) Other Current Liabilities	10	220500		0	
	(d) Short-Term Provisions	11	775320		1318094	
	<b>Total</b>			<b>62808669</b>		<b>29124358</b>
<b>II.</b>	<b>ASSETS</b>					
1	<b>Non-Current Assets</b>			<b>16013017</b>		<b>2001052</b>
	(a) Fixed Assets					
	(i) Tangible Assets	12	8586817		500594	
	(b) Non-Current Investments	13	0		0	
	(c) Deferred Tax Assets (Net)	5	216952		268408	
	(d) Long-Term Loans and Advances	14	7209248		1232050	
	(e) Other non-current assets	15	0		0	
2	<b>Current Assets</b>			<b>46795652</b>		<b>27123306</b>
	(a) Current Investments	16	0		0	
	(b) Inventories	17	14277781		11448204	
	(c) Trade receivables	18	3613907		1602707	
	(d) Cash and Cash Equivalents	19	28771588		3033292	
	(e) Short-term loans and advances	20	54539		10725249	
	(f) Other current assets	21	77837		313854	
	<b>Total</b>			<b>62808669</b>		<b>29124358</b>

The Notes referred to above form an integral part of the Balance Sheet.  
As per our report of even date


For, **Loonia & Associates**  
Chartered Accountant  
FRN NO. 130883W

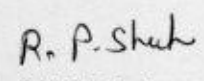
  
**Hitesh Loonia**  
Proprietor  
Mem No 135424

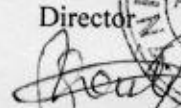


Place : Ahmedabad  
Date: 13.04.2017

**FOR & ON BEHALF OF BOARD OF DIRECTORS**  
For, 7NR Retail Limited

  
Pinnal Shah  
Director

  
Riddhi Shah  
Director

  
Shaili Mehta  
Company Secretary



# 7NR RETAIL LIMITED

B-207, Titanium City Centre  
Nr. Sachin Tower, Anandnagar Road  
Satellite, Ahmedabad - 15

## Statement of Profit and Loss for the year ended 31-Mar-2017

Sr. No.	Particulars	Note No.	31-Mar-2017	31-Mar-2016
<b>I</b>	<b>Revenue from Operations</b>	22	113,402,214	34,474,109
<b>II</b>	<b>Other Income</b>	23	842,497	39,036
<b>III</b>	<b>TOTAL REVENUE (I + II)</b>		<b>114,244,711</b>	<b>34,513,145</b>
<b>IV</b>	<b>EXPENSES</b>			
	Purchases of Stock-in-Trade	24	104,771,431	15,176,286
	Changes in Inventories	25	(2,829,577)	11,060,208
	Employee Benefit Expenses	26	4,302,582	4,903,968
	Finance Costs	27	170,916	145,429
	Depreciation and Amortization Expenses	28	416,926	607,125
	Other Expenses	29	3,344,993	5,267,348
	<b>TOTAL EXPENSES</b>		<b>110,177,271</b>	<b>37,160,364</b>
<b>V</b>	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>4,067,440</b>	<b>(2,647,219)</b>
<b>VI</b>	Exceptional Items			-
<b>VII</b>	<b>Profit before Extraordinary Items and Tax</b>		<b>4,067,440</b>	<b>(2,647,219)</b>
<b>VIII</b>	Extraordinary Items			-
<b>IX</b>	<b>Profit Before Tax</b>		<b>4,067,440</b>	<b>(2,647,219)</b>
<b>X</b>	<b>Tax Expense</b>			
	Current Tax	30	263,119	-
	Deferred Tax		51,456	371,402
<b>XI</b>	<b>Profit/(Loss) for the period from Continuing Operations (IX-X)</b>		<b>3,752,865</b>	<b>(3,018,621)</b>
<b>XII</b>	Profit/(Loss) from Discontinuing Operations			-
<b>XIII</b>	Tax Expense of Discontinuing Operations			-
<b>XIV</b>	<b>Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)</b>			-
<b>XV</b>	<b>Profit(Loss) for the Period (XI+XIV)</b>		<b>3,752,865</b>	<b>(3,018,621)</b>
<b>XVI</b>	<b>Earnings per Equity Share</b>	31		
	-Basic		1.22	(1.06)
	-Diluted		1.22	(1.06)

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

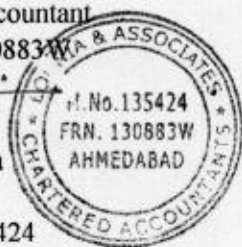
FOR, Loonia & Associates

Chartered Accountant

FRN NO. 130883W

*Hitesh Loonia*  
Hitesh Loonia

Proprietor  
Mem No 135424



Place : Ahmedabad  
Date: 13.04.2017

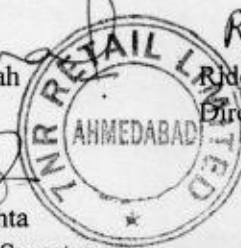
FOR & ON BEHALF OF BOARD OF DIRECTORS

For, 7NR Retail Limited

*Pinnal Shah*  
Pinnal Shah  
Director

*R.P. Shah*  
R.P. Shah  
Director

*Shaili Mehta*  
Shaili Mehta  
Company Secretary





# Notes to the Financial Statements for the year ended 31st March 2017

## A Share Capital

Sr. No	Particulars	As at 31st March 2017	As at 31st March 2016
1	<b>AUTHORIZED SHARE CAPITAL</b>		
	7000000(3000000) Equity Shares of Rs.10/- each	70,000,000	30,000,000
	<b>Total</b>	<b>70,000,000</b>	<b>30,000,000</b>
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
	At the beginning period	28,370,000	28,370,000
	Add : Issued during the period	22,500,000	-
	Add :Issued on account of merger / Conversion / Bonus / Split	-	-
	Less : Forfeited Share (amount originally paid up)	-	-
	At the end of reporting period	50,870,000	28,370,000
	Less: Calls Unpaid (Showing aggregate value of calls unpaid by directors and officers)	-	-
	<b>Total</b>	<b>50,870,000</b>	<b>28,370,000</b>

B The reconciliation of the number of shares outstanding as at March 31,2017 and March 31, 2016 is set out below :

Equity Shares	As at 31st March 2017		As at 31st March 2016	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	2,837,000	28,370,000	2,837,000	28,370,000
Add: Shares issued during the year	2,250,000		-	
Less: Buy Back/ Forfeited Shares			-	
Shares outstanding at the end of the year	5,087,000	50,870,000	2,837,000	28,370,000

C The details of shareholder holding more than 5% shares is set out below:

Name of the shareholder	As at 31st March 2017		As at 31st March 2016	
	No of Shares	% of holding	No of Shares	% of holding
1 Pinal Kanchanalal Shah	1,084,860	21.33%	161,800	5.70
2 Nutanben Jaykishan Patel	913,140	17.95%	341,000	12.02
3 Jaykishan Patel	321,500	6.32%	217,300	7.66
4 Riddhi Shah	391,100	7.69%	-	-
5 Snehal K. Shah	352,800	6.94%	352,800	12.44
6 Pinal K Shah HUF	321,500	6.32%	-	-
7 Jaykishan Patel HUF	321,500	6.32%	-	-
8 Chandrika K Shah	336,300	6.61%		
<b>Total</b>	<b>4,042,700</b>	<b>79.47%</b>	<b>1,072,900</b>	<b>37.82</b>

1 The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.



## Notes to the Financial Statements for the year ended 31st March 2017

### 2 Reserves & Surplus

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	<b>SECURITIES PREMIUM RESERVE</b>				
	As per last balance sheet	-		-	
	Add : Amount received on Share Issued	4,500,000		-	
	Less : Right Share Issue Expenses Written off			-	
	Less: Call in Arrears			-	
	Less : Bonus shares issued by capitalisation of share premium	-	4,500,000	-	
2	<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>				
	Balance as per last Financial year	(5,085,432)		(2,066,811)	
	Add : Profit for the year	3,752,865		(3,018,621)	
	Add : Addition during the year (including tranfer from reserve)				
	Less : Appropriations				
	Proposed Dividend on Equity Shares	-		-	
	Tax on Dividend	-		-	
	Prior period Tax Provision	-		-	
	Transferred to General Reserve	-	(1,332,567)	-	
	<b>Total</b>		<b>3,167,433</b>		<b>(5,085,432)</b>
					-5085432

### 3 Share Application Money

Sr. No	Pinal Kanchanlal Shah	As at		As at	
		31st March 2017		31st March 2016	
	<b>Share Application Money pending allotments</b>				
	Outstanding less than one year			-	
	Outstanding more than one year			-	
	<b>Total</b>			-	



## Notes to the Financial Statements for the year ended 31st March 2017

### 4 Long Term Borrowings

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
<b>1</b>	<b>Term loans</b>				
	<b>(a) Secured</b>				
	(i) From Banks	-	-	-	-
	(ii) From other parties	-	-	-	-
	<b>(b) Unsecured</b>				
	(i) From Bank	-	-	-	-
	(ii) From Other parties	-	-	-	-
<b>2</b>	<b>Loans and Advances from related parties</b>				
	(a) Secured	-	-	-	-
	(b) Unsecured	-	-	-	-
	Notes:				
	(i) As per Management's explanation, the above loans is for long term and rapayable over a period of three to five years from the date of balance sheet.				
<b>3</b>	<b>Deffered Payment Laibilities</b>				
	(a) Secured	-	-	-	-
	(b) Unsecured	-	-	-	-
<b>4</b>	<b>Other loans and advances</b>				
	(a) Secured	-	-	-	-
	(b) Unsecured	-	-	-	-
	<b>Total</b>		-		-



**Notes to the Financial Statements for the year ended 31st March 2017**

**5 Deferred Tax Liability (Net)**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
<b>1</b>	<b>DEFERRED TAX LIABILITIES :</b>				
	- Related to Fixed Assets	-		-	
	- Related to Others	-	-	-	-
	<b>TOTAL ( A )</b>		-		-
	Less :				
<b>2</b>	<b>DEFERRED TAX ASSETS :</b>				
	Opening Balance	268,408			
	- Related to Fixed Assets	51,456		115,382	
	- Related to Others	-	216,952	153,026	268,408
	<b>TOTAL ( B )</b>		216,952		268,408
	<b>Total ( A - B )</b>		-216952		-268408

**6 Other Long Term Liabilities**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
	Other Long Term Liabilities	-		-	
	<b>Total</b>		-		-

**7 Long Term Provisions**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
	Long Term Provisions	-		-	
	<b>Total</b>		-		-

**8 Short Term Borrowings**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
<b>(1)</b>	<b>Loan repayable on demand</b>				
	(ii) From Other Parties	-		-	
	(b) Unsecured		-		-
	(i) From banks	-		-	
	(ii) From other parties		-		-
<b>(2)</b>	<b>Loans and advances from related parties</b>				
	(a) Secured	-		-	
	(b) Unsecured	-	-	125,096	125,096
<b>(3)</b>	<b>Deposits</b>				
	(a) Secured	-		-	
	(b) Unsecured	-		-	
	<b>Total</b>				125,096



## Notes to the Financial Statements for the year ended 31st March 2017

### 9 Trade Payables

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Due to Micro, Small and Medium Enterprises	948,104		3,735,798	
2	Due to Others	6,827,312	7,775,416	660,802	4,396,600
	<b>Total</b>		<b>7,775,416</b>		<b>4,396,600</b>

### 10 Other Current Liabilities

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Other Current Liabilities	220,500.00		-	
	<b>Total</b>		<b>220,500</b>		<b>-</b>

### 11 Short Term Provisions

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	<b>Provision for employee benefits ;</b>				
	- Provision for Salary & Bonus	361,536		382,942	
	- Provident Fund Payable			8,048	
	- Provision for Gratuity / Leave Encashment	-	361,536	-	390,990
2	<b>Others :</b>				
	- Provision for Income tax (Net of Advance tax)	250,000		-	
	- ESI Payable	1,846		2,114	
	- TDS Payable	46,287		13,899	
	- Unpaid Account Fees	12,000		-	
	- Unpaid Vakil Fees	-		-	
	- Unpaid Consultancy Fees	13,500		10,500	
	- Unpaid Audit Fees	25,000		21,000	
	- Professional Tax	2,187		25,947	
	- Interest Expense	-		-	
	- Sales / Vat Tax Payable	62,964		853,644	
	- Listing Fees Payable	-	413,784	-	927,104
	<b>Total</b>		<b>775,320</b>		<b>1,318,094</b>



**Notes to the Financial Statements for the year ended 31st March 2017**

**12 Fixed Assets**

**(A) Tangible Assets**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	AC	1,652,997	1,652,997	7,260	7,260
2	Software Expense	22,377	22,377	23,774	23,774
3	Furniture and Fixtures	5,313,211	5,313,211	451,166	451,166
4	Plant & Machinery	16,253	16,253	16,504	16,504
5	Printer	50,484	50,484	-	-
6	Electric Material & Fitting	1,200,138	1,200,138	-	-
7	Computer	300,378	300,378	-	-
8	CCTV Camera	10,015	10,015	-	-
9	Bar Code Machine	18,577	18,577	-	-
10	Mobile	2,387	2,387	1,890	1,890
	<b>Total</b>		<b>8,586,817</b>		<b>500,594</b>

**13 Non Current Investments**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
(1)	<b>Trade Investments</b>				
	(a) Investment in property		-		-
	(b) Investment in Equity Instruments		-		-
	(c) Other non-current investments (specify nature)		-		-
(2)	<b>Other Investments</b>				
	(a) Investment in property		-		-
	(b) Investment in Equity Instruments		-		-
	(d) Investment in Government and trust securities		-		-
	(g) Investment in Partnership Firms		-		-
	(h) Other non-current investments (specify nature)		-		-
	<b>Total</b>		<b>-</b>		<b>-</b>

**14 Long Term Loans and Advances**

Sr. No.	Particulars	As at		As at	
		31st March 2017		31st March 2016	
	Unsecured, Considered Good unless otherwise stated :				
1	<b>Loans &amp; Advances</b>				
	Advance recoverable in cash or in kind	5,829,398	5,829,398	-	-
2	<b>Security Deposits</b>				
	(A) Unsecured Considered Good Security Deposits	1,379,850	1,379,850	1,232,050	1,232,050
3	<b>Loans and Advances to Related Parties</b>				
4	<b>Loans and Advances to Employees</b>				
	A. Secured considered Goods	-	-	-	-
	B. Unsecured considered Goods	-	-	-	-
5	<b>Prepaid Expenses</b>				
		-	-	-	-
6	<b>Balance with Govt. Authorities</b>				
		-	-	-	-
	<b>Total</b>		<b>7,209,248</b>		<b>1,232,050</b>



**Notes to the Financial Statements for the year ended 31st March 2017**

**15 Other non-current assets**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	Other non-current assets	-		-	
	<b>Total</b>				

**16 Current investments**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	Current investments	-		-	
	<b>Total</b>				

**17 Inventories**

Sr. No.	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	(At lower of cost or Net Realisable Value) Stock-in-Trade	14,277,781	14,277,781	11,448,204	11,448,204
	<b>Total</b>		14,277,781		11,448,204

**18 Trade Receivables**

Sr. No.	Particulars	As at		As at	
		31st March, 2017		31st March 2016	
(1)	<b>Outstanding for not more than six months</b>				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good				
	Sundry Debtors	2,011,200	2,011,200	-	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
(2)	<b>Outstanding for more than six months</b>				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good				
	Anshus	1,602,707	1,602,707	1,602,707	1,602,707
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
	<b>Total</b>		3,613,907		1,602,707



**Notes to the Financial Statements for the year ended 31st March 2017**

**19 Cash and Cash Equivalents**

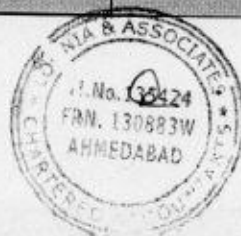
Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
<b>1</b>	<b>Cash &amp; Cash Equivalent</b>				
	<b>(a) Balances with Schedule Banks</b>				
	Central Bank-0482	158,568		2,832,902	
	Bandhan Bank	9,655		-	
	Central Bank-8935	9,654		-	
	HDFC Bank	-	177,877	35,676	2,868,578
	<b>(b) Cash on Hand</b>	1,255,228	1,255,228	164,714	164,714
	<b>(c) Others</b>				
	- In Fixed Deposits	27,338,483	27,338,483	-	
	<b>Sub Total ( A )</b>		<b>28,771,588</b>		<b>3,033,292</b>
	<b>Total</b>		<b>28,771,588</b>		<b>3,033,292</b>

**20 Short Terms Loans and Advances**

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
<b>1</b>	<b>Unsecured, Considered Good :</b>				
	<b>Loans &amp; Advances from related parties</b>				
	Anshus Clothing	-		1,000,000	
	Antech corporation	-		4,090,000	
	CA Patel & co	-		700,000	
	G&J Freedom fashion	48,863		832,311	
	Express security	-		2,568,462	
	Shankheshwar eco energies pvt ltd	-	48,863	1,507,767	10,698,540
	Advance payment for tax	-	-	-	-
<b>3</b>	<b>Others :</b>				
	CST Deposit	-		10,000	
	Deposit (Ashram Road Store)	-		-	
	TIN Deposit	-		10,000	
	Service tax	-		-	
	Prepaid Insurance	5,676		6,709	
	Telephone Deposit	-		-	
	VAT Receivable	-	5,676	-	26,709
	<b>Total</b>		<b>54,539</b>		<b>10,725,249</b>

**21 Other current assets**

Sr. No	Particulars	As at	
		31st March 2016	
	Preliminary Exp	-	9,414
	TDS Recievable (15-16)		304,440
	TDS Receivable (16-17)	77,837.00	-
	TDS Receivable (13-14)	-	-
	<b>Total</b>		<b>313,854</b>





**Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2017**

**22 Revenue from Operations**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	<b>Revenue from Operations</b>				
(A)	<b>Sale of Products</b>				
	Trading Goods Sales - Retail Invoice	88,646,698	113,271,947	3,669,984	31,558,479
	Trading Goods Sales - Tax Invoice	24,625,249		27,888,495	
(B)	<b>Sale of Service</b>			-	-
2	<b>Other Operating Revenue</b>				
	Interest Income	-		750,549	
	Discount	130,267		-	
	Commission Income	-	130,267	2,165,081	2,915,630
	<b>Total</b>		113,402,214		34,474,109

**23 Other Income**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Interest Income				
	Interest on refund	13,109		39,036	
	Interest on Loan & Advances	691,335			
	Interest from Fixed Deposits	126,983	831,427		
	Kasar		11,060		
	Misc. Income		10		
	<b>Total</b>		842,497		39,036

**24 Purchase of Stock in Trade**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Trading Goods Purchase	104,771,431	104,771,431	15,176,286	15,176,286
	<b>Total</b>		104,771,431		15,176,286

**25 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	<b>Stock in Trade</b>				
	Opening Stock	11,448,204		22,508,412	
	Less : Closing Stock	14,277,781	(2,829,577)	11,448,204	11,060,208
	<b>Total</b>		(2,829,577)		11,060,208



**Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2017**

**26 Employee Benefits Expense**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
(A)	<b>Salary &amp; Wages</b>				
	- Director Remuneration	1,147,000		906,000	
	- Bonus	125,587		122,912	
	- Salary	2,959,505		3,806,074	
	- Contribution to P.F.	67,585	<b>4,299,677</b>	68,982	<b>4,903,968</b>
(B)	<b>Staff Welfare Exp.</b>				
	- Performance Incentive			-	
	- Staff Welfare Exp	2,905	<b>2,905</b>	-	-
	<b>Total</b>		<b>4,302,582</b>		<b>4,903,968</b>

**27 Finance Costs**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	<b>Interest Expense</b>				
	- Interest Exp	54,863		138,995	
	- Interest on Prof Tax	50		190	
	- Interest on Service Tax/ VAT	12,629		92	
	- Interest on TDS/Others	4,010	<b>71,552</b>	-	<b>139,277</b>
2	<b>Other Borrowing Costs</b>				
	- Bank Charges	6,978		3,305	
	- Credit card Charges	92,386		2,847	
	- Loan Processing Charges	-	<b>99,364</b>	-	<b>6,152</b>
	<b>Total</b>		<b>170,916</b>		<b>145,429</b>

**28 Depreciation**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Depreciation	416,926	<b>416,926</b>	607,125	<b>607,125</b>
	<b>Total</b>		<b>416,926</b>		<b>607,125</b>



**Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2017**

**29 Other Expenses**

Sr. No	Particulars	As at 31st March 2017	As at 31st March 2016
	<b>Head Office</b>		
1	<b>Payment to Auditors</b>		
	As Auditor	25,000	21,000
		<b>25,000</b>	<b>21,000</b>
	<b>Power and fuel</b>		
	- Electricity Exp.	429,490	1,336,447
	- Petrol Exp.	14,500	25,590
		<b>443,990</b>	<b>1,362,037</b>
	<b>Rent</b>	506,700	-
		<b>506,700</b>	-
	<b>Repairs to machinery</b>	35,381	29,255
		<b>35,381</b>	<b>29,255</b>
	<b>Insurance</b>	18,238	28,507
		<b>18,238</b>	<b>28,507</b>
	<b>Rates and taxes (excluding taxes on income)</b>		
	Professional Tax	2,400	-
	Service Tax Exp	-	80,402
		<b>2,400</b>	<b>80,402</b>
	<b>Miscellaneous expenses</b>		
	Account Charges	120,000	179,000
	Advertisement Exp	19,540	-
	Alteration Exp	64,121	11,260
	Computer Repairs	24,220	13,362
	Professional Fees	829,000	7,500
	Courier & Postage	2,090	1,815
	Domain Exp	1,006	-
	Event Exp	-	21,913
	ESI Exp	29,224	25,529
	Gift Exp	-	45,712
	Housekeeping Exp	104,920	49,201
	Kasar	-	35,982
	Internet Exp	-	35,342
	Loss on sale of fixed asset	-	2,885,632
	Misc Exp	17,147	16,691
	Municipal Tax	7,200	7,457
	Office Exp	77,989	70,384
	Freight Expense	149,575	-
	Preliminary Exp W/O	9,414	9,414
	Round off	-	199
	ROC Exp	515,000	-
	SMC Exp	-	11,000
	Stationery	33,767	11,271
	Software Exps	103,430	6,870
	Tailor Material Exp	-	3,558
	Tea & Snacks Exp	62,972	84,685
	Telephone Exp.	58,085	84,461
	Transportation Exp	6,650	4,555
	Travelling Exp	77,934	58,854
	Vakil Fees	-	64,500
		<b>2,313,284</b>	<b>3,746,147</b>
	<b>Total</b>	<b>3,344,993</b>	<b>5,267,348</b>



**Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2017**

**30 Current Tax**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Current Tax	263,119	263,119	-	-
	<b>Total</b>		263,119.00	-	-

**31 Earning Per Share**

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Profit attributable to the Equity Shareholders	A	3,741,795	A	(3,018,621)
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	3,071,247	B	2,837,000
3	Nominal value of Equity Shares (Rs.)		10.00		10.00
4	Basic Earnings per Share (Rs.)	A / B	1.22	A / B	(1.06)
5	Diluted Earning per Share (Rs.)		1.22		(1.06)



**7NR RETAIL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017**

[Amount in Rupees]

Particulars	2016-17	2015-16
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	40,67,440	(26,47,219)
<b>Adjustment for :-</b>		
Depreciation and Amortization	4,16,926	6,07,125
Finance Costs	1,70,916	1,45,429
Interest income	(8,31,427)	(7,89,585)
	(2,43,585)	(37,031)
<b>Operating Profit before working capital changes</b>	<b>38,23,855</b>	<b>(26,84,250)</b>
<b>Change in working Capital :</b>		
<b>Adjustment for Decrease (Increase) in operating assets</b>		
Inventories	(28,29,577)	1,10,60,208
Trade receivables	-20,11,200	4,23,717
Short Term loans & advances	1,06,70,710	(1,04,61,290)
Long Term loans & advances	-59,77,198	2,10,45,050
Other Current Assets	2,36,017	5,28,906
<b>Adjustment for (Decrease) Increase in operating liabilities</b>		
Trade payables	33,78,816	(1,80,50,505)
Other current liabilities	2,20,500	-
Short Term Provisions	-7,92,774	8,32,958
<b>Cash Generated from Operations</b>	<b>67,19,149</b>	<b>26,94,794</b>
Direct tax Paid	-	-
<b>Cash Flow before extraordinary items</b>	<b>67,19,149</b>	<b>26,94,794</b>
Extraordinary Items/Prior Period Items	-	-
<b>Net cash from Operating Activities</b>	<b>67,19,149</b>	<b>26,94,794</b>
<b>B. NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	-85,16,268	(13,090)
Interest income	8,31,427	7,89,585
Proceeds from sale of fixed assets	-	72,31,632
<b>Net Cash from Investment Activities</b>	<b>(76,84,841)</b>	<b>80,08,127</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance Costs	(1,70,916)	(1,45,429)
Issue of Shares	2,25,00,000	-
Increase in Share Premium A/c	45,00,000	-
Proceeds of long term borrowings	-	(87,58,561)
Proceeds of short term borrowings	-1,25,096	1,25,096
<b>Net Cash from financial activities</b>	<b>2,67,03,988</b>	<b>(87,78,894)</b>
<b>NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,57,38,296</b>	<b>19,24,027</b>
<b>OPENING BALANCE IN CASH AND CASH EQUIVALENTS</b>	<b>30,33,292</b>	<b>11,09,265</b>
<b>CLOSING BALANCE IN CASH AND CASH EQUIVALENTS</b>	<b>2,87,71,588</b>	<b>30,33,292</b>

Notes on Cash Flow Statement:

1 The above statement has been prepared following the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute Of Chartered Accountants of India.

2 Cash and Cash Equivalents represent Cash and Bank (excluding fixed deposits).

As per our report of even date attached.

**For** Loonia & Associates  
Chartered Accountants  
FRN NO. 130883W

For 7 NR Retail Limited

Sd/-  
Hitesh Loonia  
Proprietor  
Mem No 135424

Sd/- Pinnal Shah  
Director  
Sd/- Riddhi Shah  
Director

Place : Ahmedabad  
Date : 13.04.2017

Sd/-  
Shaili Mehta  
Company Secretary

**Notes Forming Part of Financial Statements for the year ended 31st March, 2017**

**NOTE: 33 SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of Preparation of Financial Statements**

- a) The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act 2013 as adopted consistently by the Company.
- b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

**B. Revenue Recognition :**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**C. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**D. Fixed Assets**

Fixed assets are stated at the cost net of recoverable taxes and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financial cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rates variations attributable to the fixed asset are capitalized.

**E. Depreciation**

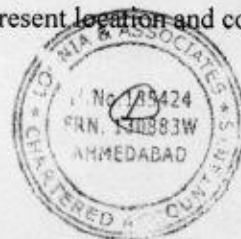
Depreciation on tangible assets is provided on the straight line method as per Schedule II of the Companies Act, 2013 over the useful lives of assets estimated by the Management.

**F. Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is a one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

**G. Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including overheads incurred in bringing them to their respective present location and condition.



H. Investments

Current investments are carried at lower of cost & net realizable value. Long term (noncurrent) investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

I. Income Tax Accounting

- a) Current Tax provision is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.
- b) Deferred Tax is recognised, on timing difference, being the difference between taxable income and book profit that originate in one period and are capable of reversal in one or more subsequent periods.

J. Extraordinary Items

The extraordinary items are incomes or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and therefore, are not expected to recur frequently or regularly. The nature and amount of each extraordinary item are identified and disclosed in the Statement of Profit and Loss in a manner that its impact on current profit or loss can be perceived.

K. Provision and Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where is a possible obligation but the likelihood of outflow of resources is remote, no provision / disclosure is made.

L. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

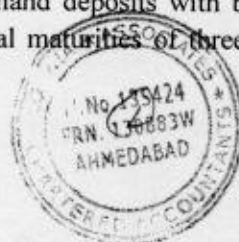
M. Provisions

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

N. Cash and Cash Equivalents

Cash and Cash equivalents includes cash and cheque on hand, demand deposits with banks, fixed deposits and other short term highly liquid investments with original maturities of three months or less.

O. Employee Benefits



Employee benefits payable wholly within twelve months of the end of the reporting period are classified as short term employee benefits and are recognized as the employee renders service on an undiscounted basis. Contribution to Defined Contribution Scheme such as Provident Fund is charged to Statement of Profit and Loss as incurred. Retirement benefits to employees if any will be accounted for as and when paid.

**P. Earning Per Share**

In determining the Earnings Per share, the company considers the net profit after tax includes any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

**Q. Change in Accounting Policies in the year covered in Restated Financials**

There is no change in significant accounting policies during the reporting period. Further Accounting Policies has been changed as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

**R. Segment Reporting**

The Company operates only in one reportable business segment namely trading in Textile and kids garment. Hence, there are no reportable segment under AS - 17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary





**NOTES ON ACCOUNTS:**

a) Foreign Currency Earning / Expenditure:- NIL

b) Related Party Disclosures:-

a) Transactions with Related Parties as specified under Accounting Standard – 18 issued by the Institute of Chartered Accountant of India-

Enterprises over which Key Managerial Personnel exercises significant influence NIL

**Key Managerial Personnel (KMP) on the Board**

Mr. Pinnal Shah  
Mrs. Riddhi Shah  
Mrs. Nutan J. Patel

Promoter - Managing Director  
Promoter – Director  
Promoter - Director(Resigned w.e.f 24.01.2017)

**Entities in which Director are interested**

7NR Inc

Partnership Firm in which director are interested

b) Particulars of Related Party Transactions:-

(₹ in Lacs)

Particulars	Director Remuneration		Interest Given		O/S Payable	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Pinnal Shah	4.25	3.75	Nil	0.40	Nil	0.36
Ridhhi Shah	4.10	3.75	Nil	0.19	Nil	0.17
Nutan Patel	3.12	1.56	Nil	0.79	Nil	0.71
7NR Inc	NA	NA	NA	NA	9.48	Nil

c) Capacity & Production:-

Currently the Company is not engaged in any manufacturing business activities. Therefore no details can be provided



- d) In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.
- e) The balance of Sundry Creditors, Sundry Debtors, and Loans & Advances are unsecured, considered good and reconciled from subsequent transaction and/ or confirmations are obtained.
- f) Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.
- g) As informed to us, there are no contingent liabilities as on Balance Sheet Date.
- h) As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
- i) As certified by Company that it has received written representation from all the Directors, that Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.
- j) Details of Specified Bank Notes ( SBN) held and transacted during the period 08.11.2016 to 30.12.2016 as provided in the Table below:-

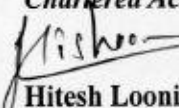
(₹ in Lakhs)

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	0.77	0.02	0.79
Permitted Receipts	Nil	7.21	7.21
Permitted Payments	Nil	1.94	1.94
Amount Deposited in Banks	0.77	Nil	0.77
Closing Cash in Hand as on 30.12.2016	Nil	5.29	5.29

As per our report of even date.

For and on behalf of Board of Directors

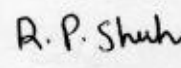
For, Loonia & Associates.,  
Chartered Accountants


  
Hitesh Loonia  
Proprietor  
M.No. 135424  
Firm Reg No 130883W



Place: Ahmedabad  
Date: 13.04.2017

  
Pinnal Shah  
Managing Director

  
Riddhi Shah  
Director

  
Shaili Mehta  
Company Secretary