SARVAMANGAL MERCANTILE COMPANY LIMITED.

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

CIN-L51100MH1983PLC029600; E-mail: info@sarvamangalmercantile.com;
Website: www.sarvamangalmercantile.com

September 27, 2016

Bombay Stock Exchange Limited

Floor 25, P J Towers

Dalal Street

Mumbai – 400001

Dear Sir,

Sub: Submission of 33rd Annual Report
Ref: BSE: Scrip Code: 506190.

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we enclose herewith copy of 33rd Annual report for the financial year 2015-16, as approved and adopted in the 33rd Annual General Meeting (AGM) of the Company held on Monday, 26th September, 2016.

We hope you will find it in order and request you to take the same on your records.

Thanking you,

Yours faithfully,

For **Sarvamangal Mercantile Co. Ltd**

Sanjay Jain
Director
(DIN – **00047973**)

PARIJAT
ENTERPRISES

Sarvamangal Mercantile Company Limited

33RD ANNUAL REPORT
2015-2016

BOARD OF DIRECTORS

MR. ADARSH SOMANI	-	DIRECTOR
MR. B.K. TOSHNIWAL	-	DIRECTOR
MR. SANJAY JAIN	-	DIRECTOR
MRS. NUPUR SOMANI	-	MANAGING DIRECTOR w.e.f. 1st April, 2015

BANKERS

CENTRAL BANK OF INDIA
PUNJAB NATIONAL BANK

AUDITORS

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

SECRETARIAL AUDITOR

M/S. GMJ & ASSOCIATES
PRACTICING COMPANY SECRETARIES
MUMBAI

REGISTERED OFFICE

NO. 2 MOHATTA BHAVAN PROPERTIES
OFF. DR. E. MOSES ROAD,
WORLI,
MUMBAI - 400 018.
CIN : L51100MH1983PLC029600
E-mai : info@sarvamangalmercantile.com
Website : www.sarvamangalmercantile.com
Tel. No.: +91-22-24964656
Fax No.: +91-22-24963055

ADMINISTRATIVE OFFICE

1076, DR. E. MOSES ROAD,
WORLI,
MUMBAI - 400 018.

NOTICE

NOTICE is hereby given that the **THIRTY THREE** Annual General Meeting of the Company will be held on Monday 26th September, 2016 at 2.00 P.M at No. 2 Mohatta Bhavan Properties, Dr E Moses Road, Worli, Mumbai – 400018 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Annual Audited Financial Statements of the Company for the year ended 31st March, 2016 together with the Reports of the Directors and the Auditors thereon.

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

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

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

By Order of the Board
For Sarvamangal Mercantile Co. Limited

Nupur Somani
Managing Director

Place: Mumbai
Date: 25th May, 2016

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

NOTES:

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

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

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 16th September, 2016, to 26th September, 2016 (both days inclusive).

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

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

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

VOTING THROUGH ELECTRONIC MEANS

i. In terms of the Provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer E-voting facility to the Members to cast their votes electronically on the resolutions mentioned in the Notice of 33rd Annual General Meeting of the Company.

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

iii. The E- Voting period commences on 23rd September, 2016 (9.00 a.m.) and ends on 25th September, 2016 (5.00 p.m.). During the e-voting period, members of the Company, holding shares either in physical form or in dematerialized form as on the cut off date of 19th September, 2016 may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for e-voting are as under:

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

a) Open email and open PDF file viz; "SMCL 33RD AGM e-voting pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password/ PIN for e-voting. Please note that the password is an initial password.

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

c) Click on "Shareholder – login."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10. The Voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date of 19th September, 2016.

11. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 19th September, 2016, may obtain the Login ID and Password by sending a request at evoting@nsdl.co.in.

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

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

13. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and shall make, not later than three days of the

conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

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

15. The result shall be declared within the three days from the conclusion of the 33rd AGM of the Company. The Results declared alongwith the Scurtinizer's Report shall be placed on the Company's website www.sarvamangalmercantile.com and on the website of NSDL within three days of passing of the resolution at the AGM of the Company and shall be communicated to the Stock Exchange.

By Order of the Board
For Sarvamangal Mercantile Co. Limited

Nupur Somani
Managing Director

Place: Mumbai
Date: 25th May, 2016

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

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the T**HIRTY THREE ANNUAL REPORT** of the Company together with the Audited Statement of Accounts for the year ended March 31, 2016.

Financial Highlights

	Rs. In Lacs	
	Current Year	**Previous Year**
Gross Profit / (Loss)	7.97	567.93
Less: Interest	32.52	41.21
Depreciation	0.15	0.53
Provision for Income Tax	--	--
Income tax for Earlier Year	0.77	1.04
Leaving a Balance	**(25.47)**	**525.16**
Balance brought forward from previous year	911.06	387.45
Less: Depreciation on fixed assets	---	1.55
Balance transferred to General Reserve	---	---
Profit / (Loss) available for appropriation	885.58	911.06
Surplus carried to balance sheet	**885.58**	**911.06**

FINANCIAL PERFORMANCE

The Sales and other income for the year under review were Rs. 0.87 crores as against Rs 6.77 crores in the previous financial year. The Net Profit for the year under review is Rs. (0.25) crores as against Rs. 5.25 crores in the previous financial year.

DIVIDEND

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

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

TRANSFER TO GENERAL RESERVE

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

FIXED DEPOSITS:

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

SUBSIDIARY COMPANIES

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

SHARE CAPITAL

During the year under review:

a. the Company has not bought back any of its securities during the year.

b. the Company has not issued any Sweat Equity Shares during the year.

c. No Bonus Shares were issued during the year.

NO. OF BOARD MEETING

During the year ended 31st March, 2016 five meetings of the Board were held on the following dates:

(i) 29th May ,2015

(ii) 14th August,2015

(iii) 4th November,2015

(iv) 24th November,2015

(v) 12th February, 2016

FORMATION OF AUDIT COMMITTEE

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

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

The Members of the Committee are:

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

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

During the year ended March 31, 2016, Four (4) Meetings of the Audit Committee were held on following dates:-

(i) 29th May ,2015

(ii) 14th August,2015

(iii) 4th November,2015

(iv) 12th February, 2016

FORMATION OF NOMINATION AND REMUNERATION COMMITTEE

During the year, pursuant to the provisions of Section 178(1) of the Companies Act, 2013, Company has formulated Nomination and Remuneration Committee of the Board of Directors of the Company.
The Committee has three Non – Executive Director, of which majority are Independent Directors as its members.

The Members of the Committee are:

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

During the year ended March 31, 2016, no Meeting of the Nomination and Remuneration Committee was held.

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

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

Nomination & Remuneration Policy

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

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

WHISTLE BLOWER POLICY

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

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

This policy is applicable to all the Directors, Employees, and Business Associates of the Company. Adequate safeguards have been provided to prevent victimization of anyone under this policy by direct access to the Chairman of the Audit Committee in exceptional cases.
The main objectives of the policy are as under:

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

PROHIBITION OF INSIDER TRADING CODE:

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information and Code of

Conduct to Regulate, Monitor and Report Trading by Insiders. All the Directors, Employees or Senior Management Personnel who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window will be closed during the time of declaration of results and occurrence of any material events as per the Code. The Company has appointed Mr. Adarsh Somani as the Compliance Officer of the Company.

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

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirm:

(I) that in the preparation of the annual accounts for the year ended 31st March, 2016 the applicable Accounting Standards has been followed.

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

(III) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(IV) that the Directors have prepared the annual accounts for the year ended 31st March, 2016 on a 'going concern' basis.

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

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

RISK MANAGEMENT

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

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

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

The Company has not received any complaint of sexual harassment during the financial year 2015-2016.

INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK

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

The Company has appointed Mr. Shashikant Sharma as Internal Auditors of the Company. The Audit Committee in consultation with the Internal Auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The Internal Auditor have expressed that the Internal Control System in the Company is effective commensurate with the size and it operations.

ANNUAL EVALUATION OF BOARD PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Directors in their separate meeting who also reviewed the performance of the Board as whole.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure for the performance evaluation process for the Board of Directors. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board Structure and composition, effectiveness of Board process, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board / Committee Meeting and guidance / support to the management outside Board / Committee Meetings. In addition, the Chairman was also evaluated on Key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement of all Board Members.

LOANS AND INVESTMENTS

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

A) Details of Investments made by the Company as on 31st March, 2016 (including investments made in previous years)

(i) Investment in Equity Shares

(Rs in lacs)

Name of Entity	Amount as at 31st March, 2016
Videocon Industries Limited	0.18
Oricon Enterprises limited	590.69
Kopran Limited	549.62
KDL Bio- tech Limited	0.01
Supreme Industries Limited	5.28
Supreme Pertochem Limited	0.05
Onward Technologies Limited	0.10
KJMC Financial Services Limited	0.02
KJMC Global Services Limited	0.03
NMDC Limited	1.88
Shree Vindhya Paper Mills Limited	0.40
Soma Paper Mills Limited	11.00
Hindustan Tin works Limited	0.03
IMP Powers Limited	1.55
Shree Venkatesh Karriers Pvt Ltd	8.34
Vishnu Vijay Packaging Ltd	0.37
Malvika Steel Ltd	1.46
Suraj Containers Ltd	0.05
Digvijay Investment Limited	0.02
Twenty One Trends Pvt Ltd	0.46
USL Auto Services Ltd	1.50
Total	**1187.60**

(ii) Investment in Preference Shares

(Rs in lacs)

Name of Entity	Amount as at 31st March, 2016
2% redeemable preference shares of Kempo Finvest Pvt Ltd	0.00
Convertible Preference shares of Twenty One Trends Pvt Ltd	14.54
Total	**14.54**

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

(Rs in lacs)

Name of Entity	Amount as at 31st March, 2016
Balaji Crowns & Containers Pvt Ltd	0.25
Bottle Closure India Pvt Ltd	0.30
Ergon Laboratories Pvt Ltd	15.05
Kopran Lifestyle Ltd	50.00
Shinrai Auto Services Limited	49.86
Sevenhill Securities Limited	6.35
Shree Venkatesh Metal Packs Pvt Ltd	63.77
Suyash Holding & Estate Developers Pvt Ltd	7.00
Sanchay Holdings Pvt Ltd	15.00
Singhi Properties Pvt Ltd	25.00
Suraj Containers Limited	1.40
Total	**233.99**

C. Details of Guarantee given

(Rs. In lacs)

Name of Entity	Amount as at 31st March, 2016
Oricon Enterprises Limited	4560.00

RELATED PARTY DISCLOSURE

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

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

LISTING / TRADING OF SHARES :

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

The Scrip Code of Shares of the Company is 506190.

The Listing fee for the current year 2016-2017 has been paid.

EXTRACT OF ANNUAL RETURN

The detail of forming part of the extract of the annual return for the financial year 2015-2016 is enclosed in **Annexure II**.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board, stating that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

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

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

DISCLOSURE OF PARTICULARS

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

CASH FLOW STATEMENT:

In conformity with the provisions of Regulation 33 of the (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Cash Flow Statement for the year ended 31st March 2016 is included in this annual report.

DIRECTORS

Retirement by rotation

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

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board had appointed M/s. GMJ & Associates, Company Secretaries in Whole Time Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year ended 2015- 2016. The report of Secretarial Auditor is annexed to this report as **Annexure V**.

As per the Secretarial Audit report, the Company has not appointed Whole Time Company Secretary of the Company during the financial year 2015-2016 and therefore not complied with the provisions of Section 203 of the Companies Act, 2013.

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

AUDITORS

At the Annual General Meeting of the Company held on 30th August, 2014, M/s. S G Kabra & Co. Chartered Accountant (FRN No. 104507W) were re-appointed as the Statutory Auditors of the Company for a period of 3 years which is subject to annual ratification by the Members of the Company in terms of Section 139 of the Companies Act, 2013 and rules made thereunder. The members ratify the appointment of M/s. S G Kabra & Co. Chartered Accountant (FRN No. 104507W) as the Statutory Auditors of the Company for the financial year 2016-2017.

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

SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There is no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2015-16 and the date of this report.

ACKNOWLEDGEMENT

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

Date : 25th May, 2016
Place : Mumbai

For & on behalf of the Board

Mrs. Nupur Somani
Managing Director
(DIN -00816788)

Mr. B K Toshniwal
Director
(DIN –00048019)

Mr. Sanjay Jain
Director
(DIN – 00047973)

Annexure - I

FORM NO. AOC -2

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

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

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

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

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

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

Date : 25th May, 2016
Place : Mumbai

For and on behalf of the Board

Mrs. Nupur Somani
(Managing Director)
(DIN – 00816788)

Mr. B K Toshniwal
(Director)
(DIN – 00048019)

Mr. Sanjay Jain
(Director)
(DIN – 00047973)

ANNEXURE - II

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year Ended on March 31, 2016

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY

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

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

Note: The Company has only one business segment.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

There is no Holding, Subsidiary and Associate Company

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

(i) Category-wise Share Holding

Category of Shareholder	No. of Share held at the beginning of the Year				No. of Share held at the end of the Year				% Change during the Year
	Demat	Phy-sical	Total	% of Total Share	Demat	Phy-sical	Total	% of Total Share	
A. PROMOTERS									
Indian									
Individuals/ HUF	32000	0	32000	12.85	32000	0	32000	12.85	0
Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
Bodies Corporate	92500	0	92500	37.15	92500	0	92500	37.15	0
Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
Any Others(Specify)	0	0	0	0	0	0	0	0	0
SubTotal(A)(1)	**124500**	**0**	**124500**	**50.00**	**124500**	**0**	**124500**	**50.00**	**0**
Foreign									
Individuals (Non-Residents Individuals/	0	0	0	0	0	0	0	0	0
Foreign Individuals)	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Institutions	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Any Others(Specify)	0	0	0	0	0	0	0	0	0
SubTotal(A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**124500**	**0**	**124500**	**50.00**	**124500**	**0**	**124500**	**50.00**	**0**
B. Public Shareholding									
Institutions									
Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Any Other (specify)	0	0	0	0	0	0	0	0	0

Sub-Total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Non-Institutions									
Bodies Corporate	24500	0	24500	9.84	24500	0	24500	9.84	0
Individuals									
Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	0	100000	100000	40.16	0	100000	100000	40.16	0
ii. Individual share-holders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Any Other (specify)	0	0	0	0	0	0	0	0	0
Clearing Member	0	0	0	0	0	0	0	0	0
NRI	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	**24500**	**100000**	**124500**	**50.00**	**24500**	**100000**	**124500**	**50.00**	**0**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**24500**	**100000**	**124500**	**50.00**	**24500**	**100000**	**124500**	**50.00**	**0**
TOTAL (A)+(B)	**149000**	**100000**	**249000**	**100.00**	**149000**	**100000**	**249000**	**100.00**	**0**
C.Shares held by Custodians and against which Depository Receipts have been issued									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Sub-Total (C)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
GRANDTOTAL (A)+(B)+(C)	**149000**	**100000**	**249000**	**100.00**	**149000**	**100000**	**249000**	**100.00**	**0**

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encum-bered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encum-bered to total Shares	
1	Jaya Somani	1000	0.40	0	1000	0.40	0	0
2	Kopran Laboratories Ltd	18000	7.23	0	18000	7.23	0	0
3	Kumkum Somani	500	0.20	0	500	0.20	0	0
4	Mr Adarsh Somani	1000	0.40	0	1000	0.40	0	0
5	Mridula Somani	2000	0.80	0	2000	0.80	0	0
6	Parijat Shipping and Finale Ltd.	24500	9.84	0	24500	9.84	0	0
7	Rajendra Somani	1500	0.60	0	1500	0.60	0	0
8	Rajendra Somani (HUF)	1000	0.40	0	1000	0.40	0	0
9	Kopran Lifestyle Limited	50000	20.08	0	50000	20.08	0	0
10	Shantanu Somani	500	0.20	0	500	0.20	0	0
11	Suhrid Susheel Somani	500	0.20	0	500	0.20	0	0
12	Surendra Somani	2500	1.00	0	2500	1.00	0	0
13	Susheel Somani	500	0.20	0	500	0.20	0	0
14	Susheel Somani (HUF)	1000	0.40	0	1000	0.40	0	0
15	Susheel Somani Jointly with Mridula Somani	16000	6.43	0	16000	6.43	0	0
16	Vandana Somani	2000	0.80	0	2000	0.80	0	0
17	Varun Somani	1000	0.40	0	1000	0.40	0	0
18	Vrinda Somani	1000	0.40	0	1000	0.40	0	0
	TOTAL	**124500**	**50.00**	**0**	**124500**	**50.00**	**0**	**0**

(iii) Change in Promoter's Shareholding

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

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

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

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
(i) Principal Amount	28,924,613	---	200,000	29,124,613
(ii) Interest due but not paid	---	---	---	---
(iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	28,924,613	---	200,000	29,124,613
Change in Indebtedness during the financial year				
*** Addition**	0.00	---	230,000	230,000
***Reduction**	1,684,580	---	---	(1,684,580)
Net Change	(1,684,580)	---	230,000	(1,454,580)
Indebtedness at the end of the Financial Year				
i)Principal Amount	27,240,033	---	430,000	27,670,033
ii) Interest due but not paid	---	---	---	---
(iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	27,240,033	---	430,000	27,670,033

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

During the year under review, no remuneration is being paid to Mrs. Nupur Somani, Managing Director of the Company.

B. Remuneration to Other Director

I. Independent Director

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

II. Other Non-Executive Director:-

Other Non-Executive Director	**Adarsh Somani**	**Total**
Fee for attending Board / Committee Meeting	800	800
Commission	---	---
Others	---	---
Total	800	800
Total (B) [(I)+(II)]		**2800**

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

Sl.No	Particulars of Remuneration	Name of the KMP Shashikant Sharma (CFO)	Total Amount
1	GROSS SALARY a)Salary as per provisions contained in Sec.17(1) of the Income Tax Act,1961	610,020/-	610,020/-
	b)Value of perquisites u/s17(2) of Income Tax Act,1961	---	---
	c)Profits in lieu of salary under Sec.17(3) of Income Tax Act,1961	---	---
2	Stock Option	---	---
3	Sweat Equity	---	---
4	Commission - As % of profit - Others, specify.	---	---
5	Others, please Specify – provident fund	--	--
	Total	610,020/-	610,020/-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, If any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS		**NIL**			
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

FOR AND ON BEHALF OFTHE BOARD

Place: Mumbai
Date : 25/05/2016

Mrs. Nupur Somani
(Managing Director)
(DIN – 00816788)

Mr. B K Toshniwal
(Director)
(DIN – 00048019)

Mr. Sanjay Jain
(Director)
(DIN – 00047973)

Annexure – III to the Board's Report

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

A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2015-2016 is as follows:

Name of the Director	Total Remuneration	Ratio of remuneration of director to the Median remuneration
Adarsh Somani	800	0.00
Sanjay Jain	1000	0.00
B K Toshniwal	1000	0.00
Nupur Somani	---	---

Notes :

1. The information provided above is on standalone basis.
2. The aforesaid details are calculated on the basis of remuneration for the financial year 2015-2016.
3. The remuneration to Directors includes sitting fees paid to them for the financial year 2015-2016 for attending Board Meeting. No sitting fee is payable for attending the committee meetings.
4. Median remuneration of the Company for all its employees is Rs. 3,81,263 for the financial year 2015-2016.

B. Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the financial year 2015-2016 is as follows:

Name	**Designation**	**Remuneration (in Rs.)**		**Increase (%)**
		2015-2016	**2014-2015**	
Adarsh Somani	Director	1000	800	25%
Sanjay Jain	Director	1000	800	25%
B K Toshniwal	Director	1000	800	25%
Nupur Somani	Managing Director	Nil	Nil	Nil
Shashikant Sharma	CFO	610,020	Nil	100%

Notes :

1. The remuneration to Directors includes sitting fees paid to them for the financial year 2015-2016 for attending Board Meeting.
2. Comparison between Shashikant Sharma remuneration for the financial year 15-16 and 14-15 cannot be arise, as he had been appointed w.e.f. 1st April, 2015 as CFO of the Company.

C. Percentage increase in the median remuneration of all employees in the financial year 2015-2016:

	2015-2016 (Rs.)	2014-2015 (Rs.)	Increase (%)
Median remuneration of all employees per annum	381,262	120,979	215%

Note:Increase in percentage of Median remuneration as compared to previous year was due to appointment and payment of remuneration of Mr. Shashikant Sharma as Chief Financial Officer of the Company.

D. Number of permanent employees on the rolls of the Company as on 31st March, 2016 : 4 (four)

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

The increase in average remuneration of all employees in the financial year 2015-2016 as compared to the financial year 2014-15 was 10.00%.

The key indices of company's performance are:

(Rs. In lacs)

Particulars	**2015-16**	**2014-15**
Net revenue from operations	87.33	677.14
Profit Before Tax and Exceptional Items	(24.70)	526.19
Profit After Tax	(25.47)	525.15

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

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

The Profit Before Tax and Exceptional items decreases to Rs (24.71) lacs in 2015-16, compared to Rs. 526.19 lacs in 2014-15.

G. Details of Share Price and market capitalization:

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

Comparison of share price at the time of first public offer and market price of the share of 31st March, 2016

Market price as on 31st March, 2016	No Trading in the Equity Shares
Price at the time of initial public offer in 1986	Not available
% increase of Market price over the price at the time of initial public offer	Not available

H. Comparison of average percentage increase in salary of employees other than the Key Managerial Personnel and the percentage increase in the Key Managerial Remuneration :

	2015-2016	2014-15	Increase%
Average salary of all employees (other than Key Managerial Personnel)	274,250	250,890	9.31%
Key Managerial Personnel - Salary of MD - Salary of CFO & CS	 NIL 6,10,020	 NIL NIL	 NIL 100%

Note:

1. Comparison between Shashikant Sharma remuneration for the financial year 15-16 and 14-15 cannot be arise, as he had been appointed w.e.f. 1st April, 2015 as CFO of the Company.

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

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

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

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

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

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

K. Affirmation :

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

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

During the financial year 2015-2016, no employees of the company has paid remuneration of Rs. More than 60 lacs or Rs. 5 lacs per months

Annexure- IV to the Board's Report

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

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

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

ANNEXURE - V
FORM NO. MR - 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

(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,
Sarvamanagal Mercantile Company Limited
No 2, Mohata Bhavan Properties,
Off Dr. E. Moses Road,
Worli, Mumbai-400 018.

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2016 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), viz:

   a. The Securities and Exchange Board of India (Substantial acquisition of Shares and Takeover) Regulations, 2011;

   b. The 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the audit period)

   e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts as applicable which are as under:

v. Other applicable acts:

a. The Payment of Bonus Act, 1965.

b. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

c. The Bombay Shops & Establishment Act, 1948.

d. The Professional Tax Act, 1975.

e. The Income Tax Act, 1961.

f. The Service Tax (Finance Act, 1994).

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by The Institute of Company Secretaries of India;

ii. The Listing Agreement entered into by the Company with Stock Exchange;

iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

For **GMJ & ASSOCIATES**
Company Secretaries

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

PLACE: MUMBAI
DATE: 25th MAY, 2016

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

ANNEXURE I

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

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

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

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

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

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

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

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

For GMJ & ASSOCIATES
Company Secretaries

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

PLACE: MUMBAI
DATE: 25th MAY, 2016

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Sarvamangal Mercantile Co. Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Sarvamangal Mercantile Co. Limited ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement 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 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 financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Loss and its Cash Flow 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"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the 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 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 written representations received from the directors as on March 31, 2016 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 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 does not have any pending litigations which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

(Malvika P. Mitra)
Partner
M No 044105

Place : Mumbai
Date : 25.05.2016

"Annexure A" to the Independent Auditor's

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 Sarvamangal Mercantile Co. Limited ("the Company") as of March 31, 2016 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. 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 auditor's judgment, 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, 2016, 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 **S. G. Kabra & Co.,**
Chartered Accountants
FRN: 104507W

(Malvika P. Mitra)
Partner
M No 044105

Place : Mumbai
Date : 25.05.2016

"Annexure B" to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements of our report of even date to the members of Sarvamangal Mercantile Co. ltd for the year ended 31st March, 2016)

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

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

(c) The title deeds of immovable properties are held in the name of the company.

ii) The management has conducted the physical verification of inventory at reasonable intervals. We are informed that no material discrepancies were noticed on physical verification of the inventory

iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3 (iii) (a) to (c) of the Order is not applicable to the Company and hence not commented upon.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

v) The Company has not accepted any deposits from the public.

vi) As informed to us, the maintenance of Cost Records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31st March, 2016 for a period of more

than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute

viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to bank, financial institutions or debentures holders.

ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of paragraph 3 (ix) of the Order is not applicable to the Company.

x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Therefore clause (xi) of paragraph 3 is not applicable

xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 (xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations give to us there are no transactions with the related parties as per section 177 and 188 of Companies Act 2013 .Therefore, the provision of paragraph 3 (xiii) of the order is not applicable to the Company.

xiv) According to the information and explanation given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv) According to the information and explanations given to us and our examination of the records of Company, the Company has not entered into non- cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of Order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(Malvika P. Mitra)
Partner
M No 044105

Place : Mumbai
Date : 25.05.2016

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	Figure as at the end of current reporting Period 31.03.2016	Figure as at the end of previous reporting Period 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds:			
(a) Share Capital	1	**4,990,000**	4,990,000
(b) Reserves & Surplus	2	**88,558,461**	91,105,759
(2) Non- Current Liabilities			
(a) Deffered Sales tax Liabilities		**42,992,437**	89,895,485
Less :- Discount Value		**23,722,675**	29,021,669
		19,269,762	60,873,816
(b) Other Long Term liabilities	3	**430,000**	200,000
(3) Current Liabilities			
(a) Short Term Borrowings	4	**27,240,033**	28,924,613
(a) Trade Payables	5	**113,590**	113,590
(b) Other current liabilities	6	**50,428,164**	9,943,791
Total		**191,030,010**	196,151,568
II. Assets			
(1) Non - current assets			
(a) Fixed assets			
(i) Tangible assets	7	**58,152**	72,848
(b) Non - Current investments	8	**118,835,585**	126,815,604
(c) Loan-Term Loans & Advances	9	**77,135**	-
(2) Current assets			
(a) Inventories	10	**33,678,313**	32,873,792
(b) Trade receivables	11	**689,208**	689,208
(c) Cash and cash equivalents	12	**58,331**	31,426
(d) Short term Loans and advances	13	**37,214,865**	35,202,604
(e) Other current assets	14	**4,18,421**	466,086
Total		**191,030,010**	196,151,568
Significant Accounting Policies & Notes on Accounts	17		

As per our Report of even date

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

(MALVIKA P. MITRA)
Partner
Membership No. 044105

Place : Mumbai
Date : 25th May, 2016

For and on Behalf of the Board

Nupur Somani
Managing Director
(DIN-00816788)

B K Toshniwal
Director
(DIN-00048019)

Sanjay Jain
Director
(DIN-00047973)

Shashikant Sharma
(CFO)

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	**Figure as at the end of current reporting Period 31.03.2016**	Figure as at the end of previous reporting Period 31.03.2015
I. Revenue from Operations			
Sale of Shares		**-**	58,040,000
II. Other Income	15	**7,928,485**	73,336,562
III. Increase /(Decrease) In stock of Shares		**804,521**	(63,661,581)
Total Revenue (I+II)		**8,733,006**	67,714,981
III. EXPENSES:			
Employees benefit expenses		**898,652**	250,890
Financial Cost			
Interest Paid to Bank		**3,252,143**	3,043,003
Interest Paid to Others		**-**	1,077,547
Depreciation and amortization expense		**14,696**	53,061
Other expenses	16	**7,037,113**	10,670,727
Total Expenses		**11,202,604**	15,095,228
IV. Profit /(Loss)before tax		**(2,469,598)**	52,619,753
(1) Current Tax		**-**	-
(2) Income Tax paid for earlier year		**77,700**	104,121
V Profit(Loss) from the period from continuing operations		**(2,547,298)**	52,515,632
Significant Accounting Policies & Notes on Accounts	17		

As per our Report of even date

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

(MALVIKA P. MITRA)
Partner
Membership No. 044105

Place : Mumbai
Date : 25th May, 2016

For and on Behalf of the Board

Nupur Somani
Managing Director
(DIN-00816788)

B K Toshniwal
Director
(DIN-00048019)

Sanjay Jain
Director
(DIN-00047973)

Shashikant Sharma
(CFO)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	**(24,69,598)**	52,619,753
Adjustments for:		
Depreciation	**14,696**	53,061
Dividend Received	**(3,993,100)**	(1,444,007)
Interest Expenses	**3,252,143**	4,120,550
Interest Received	**-**	(211,602)
(Profit)/ Loss on Sale of long term Investments	**(1,264,648)**	(18,411,809)
Discount Charges	**5,298,994**	4,964,319
Operating Profit before Working Capital changes	**838,487**	41,690,265
Adjustments for:		
Trade & Other Receivables	**(1,964,596)**	95,704,813
Inventories	**(804,521)**	63,661,582
Trade Payables	**40,714,373**	(40,379,432)
Cash generated from Operations	**38,783,743**	160,677,228
Direct Taxes Paid (Net of Refund)	**(77,700)**	(104,121)
Cash Flow before prior period Adjustments	**38,706,043**	160,573,107
Prior period adjustments	**-**	-
NET CASH FROM OPERATING ACTIVITIES: TOTAL (A)	**38,706,043**	160,573,107
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of Investment	**92,44,667**	11,49,03,190
Purchase of Investment	**(77,135)**	(15,19,622)
Interest Received	**-**	2,11,602
Dividend Received	**39,93,100**	14,44,007
NET CASH FROM / (USED IN) INVESTING ACTIVITIES: TOTAL (B)	**1,31,60,632**	11,50,39,177
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Unsecured Loans (Net of Proceeds)		(23,99,36,717)
Proceeds from Secured Loans (Net of Repaymets)	**(16,84,580)**	(3,31,45,739)
Deffered Sales Tax Liabilities	**(4,69,03,048)**	-
Interest paid	**(32,52,143)**	(41,20,550)
NET CASH FROM FINANCING ACTIVITIES: TOTAL (C)	**(5,18,39,771)**	(27,72,03,006)
Net Increase in Cash and Cash Equivalents Total: (A+ B+ C)	**26,904**	(15,90,722)
Cash and Cash Equivalents - Opening Balance	**31,426**	16,22,148
Cash and Cash Equivalents - Closing Balance	**58,330**	31,426

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

As per our Report of even date

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

(MALVIKA P. MITRA)
Partner
Membership No. 044105

Place : Mumbai
Date : 25th May, 2016

For and on Behalf of the Board

Nupur Somani
Managing Director)
(DIN-00816788)

B K Toshniwal
Director
(DIN-00048019)

Sanjay Jain
Director
(DIN-00047973)

Shashikant Sharma
(CFO)

NOTES FORMING PART OF THE FINANCIAL STATEMENT

NOTE "1"	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
SHARE CAPITAL		
Authorised :		
250,000 (Prev. Year 250,000) Equity Shares of Rs.10/- each	**2,500,000**	2,500,000
250,000 (Prev. Year 250,000) Redeemable Cumulative Preference Shares of Rs.10/- each	**2,500,000**	2,500,000
	5,000,000	5,000,000
Issued, Subscribed and Paid-up		
249,000 (Prev. Year 249,000) Equity Shares of Rs.10/- each	**2,490,000**	2,490,000
250,000 (Prev.Year 250,000) 11% Redeemable Cumulative Pref. Shares of Rs.10/- each	**2,500,000**	2,500,000
	4,990,000	4,990,000

Notes :

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

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

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

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

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

NOTE "2"	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
RESERVES AND SURPLUS :		
Surplus - Profit and Loss Account		
Opening Balance	**91,105,759**	38,745,506
Less:- Depreciation on Fixed Assets	**-**	155,379
Add :- Net Profit/(Loss) after tax from continuing operations	**(2,547,298)**	52,515,632
Closing Balance	**88,558,461**	91,105,759

NOTE "3" Other Long Term Liabilities		
Deposits	**430,000**	200,000
	430,000	200,000

NOTE "4" Short Term Borrowings		
Cash Credit from Central Bank of India (Secured by Pledge of Third Party's FCNR Deposits)	**17,269,469**	17,621,459
Cash Credit from Punjab National Bank (Secured by Pledge of Third Party's FCNR Deposits)	**9,970,563**	11,303,154
	27,240,033	28,924,613

NOTE "5"		
Trade Payable	**113,590**	113,590
	113,590	113,590

NOTE "6" Other current liabilities		
Other liabilities	**50,414,064**	9,927,791
Tds Payable	**14,100**	16,000
	50,428,164	9,943,791

NOTE "7"

Fixed Assets

Amt. in Rs.

Particulars		**Gross Block**			**Depreciation**				**Net Block**	
	As at 01.04.2015	Additions during year	Deduction during year	**As at 31.03.2016**	upto 01.04.2015	for the year	Deduction During year	**Total upto 31.03.2016**	**As on 31.03.2016**	As at 31.03.2015
Motor Car	2,063,876	-	-	**2,063,876**	2,055,698	-	-	**2,055,698**	**8,178**	8,178
Fire Fighting Equipment	1,127	-	-	**1,127**	1,127	-	-	**1,127**	**-**	-
Premises	426,196	-	-	**426,196**	361,526	14,696	-	**376,222**	**49,974**	64,670
Computer	95,000	-	-	**95,000**	95,000	-	-	**95,000**	**-**	-
Total	2,586,199	-	-	**2,586,199**	2,513,351	14,696	-	**2,528,047**	**58,152**	72,848
Previous Year	2,586,199	-	-	**2,586,199**	2,304,911	208,440	-	**2,513,351**	**72,848**	

NOTE "8"

Non - Current Investments (At Cost)

(As certified by Director)

Face Value		As at 31st March, 2016 (₹) Nos.	₹	As at 31st March, 2015 (₹) Nos.	₹
(A) QUOTED - Fully paid up Equity Shares					
10	Videocon Industries Limited	**40**	**18,449**	40	18,449
02	Oricon Enterprises Limited	**3,612,500**	**590,69,179**	3,612,500	59,069,179
10	Kopran Limited	**2,903,951**	**54,962,299**	2,903,951	54,962,299
10	KDL Bio-Tech Limited	**250**	**1,309**	250	1,309
10	Supreme Industries Limited	**1,600**	**528,000**	1,600	528,000
10	Supreme Petrochem Limited	**700**	**5,180**	700	5,180
10	Onward Technologies Limited	**250**	**10,509**	187,971	7,990,528
10	KJMC Financial Services Limited	**100**	**2,381**	100	2,381
10	KJMC Global Services Limited	**150**	**2,601**	150	2,601
10	NMDC Limited	**2,000**	**188,198**	2,000	188,198
10	Shree Vindhya Paper Mills Limited	**79,877**	**39,939**	79,877	39,939
10	Soma Paper Mills Limited	**55,000**	**1,100,000**	55,000	1,100,000
10	Hindustan Tin Works Limited	**100**	**2,606**	100	2,606
10	IMP Powers Limited	**24**	**155,484**	24	155,484
	TOTAL (A)		**116,086,134**		124,066,153
(B) UNQUOTED -					
10	Suraj Containers Ltd.	**5,000**	**50,000**	5000	50,000
	Less :-Diminution in the value of Investment		**49,999**		49,999
			1		1
10	2% Redeemable Preference Shares of Kempo Finvest Pvt. Ltd.	**100,000**	**1,000,000**	100,000	1,000,000
	Less :-Diminution in the value of Investment		**999,999**		999,999
			1		1
10	Shree Venkatesh Karriers Pvt. Limited	**83,000**	**833,990**	83,000	833,990
10	Vishnu Vijay Packaging Ltd.	**150,000**	**37,500**	150,000	37,500
10	Malvika Steel Ltd.	**145,700**	**145,700**	145,700	145,700
10	Suraj Containers Limited	**5,000**	**5,125**	5,000	5,125
10	Digvijay Investment Limited	**25**	**2,512**	25	2,512
10	USL Auto Services Ltd.	**15,000**	**150,000**	15,000	150,000
10	Twenty One Trends Pvt. Limited	**10**	**45,860**	10	45,860
10	Convertiable Preference shares of Twenty One Trends Pvt. Limited	**317**	**1,453,762**	317	1,453,762
	TOTAL (B)		**2,674,451**		2,674,451
(C) PARTNERSHIP FIRM -					
	S. K. Somani & Co.		**75,000**		75,000
			75,000		75,000
	TOTAL (A+B+C)		**118,835,585**		126,815,604
	Aggregate Book Value - Unquoted		**2,749,451**		2,749,451
	Quoted		**116,086,134**		124,066,153
	Aggregate Market Value - Quoted		**348,609,240**		339,893,364

NOTE "9"

LONG TERM LOANS & ADVANCES :

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Deposit paid	**77,135**	-
	77,135	-

NOTE "10"

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

Face Value	**Nos.**	**(₹)**	Nos.	(₹)
(A) QUOTED - (At cost or market value which ever is lower)				
1. Fully Paid up Equity Shares :				
10 Alstom Projects India Limited (Market Value Rs.216,000/-)	**300**	**-**	300	-
10 Atash Industries Ltd. (Cost Rs. 1,125,000/-)	**37,500**	**-**	37,500	37,500
10 Bhilai Wires Limited (Cost Rs. 5,810/-)	**8,300**	**-**	8,300	5,810
10 Balaji Foods (Cost Rs. 27,000/-)	**15,000**	**-**	15,000	27,000
10 Cifco Finance Limited (Cost Rs. 225/-)	**100**	**-**	100	225
10 Can India Limited (Cost Rs. 500/-)	**100**	**-**	100	100
10 Cyberscepe Multimedia Limited (Cost Rs. 6,469,690/-)	**100,000**	**290,000**	100,000	66,000
10 DSQ Software Limited (Cost Rs.208,040/-)	**28,000**	**-**	28,000	208,040
10 DSQ Biotech Limited (Cost Rs. 324,765)	**33,700**	**-**	33,700	125,260
10 DLF Cements Limited (Cost Rs.45,000/-)	**5,000**	**-**	5,000	45,000
10 Ensa Steel Ltd. (Cost Rs.19,250/-)	**350**	**1,799**	350	1,498
10 Finolex Industries Limited (Market Value Rs.28,365/-)	**100**	**28,365**	100	3,584
10 Globe Stock Limited (Cost Rs. 8,798,177/-)	**300,000**	**-**	300,000	300,000
10 Gautam Resources Limited (Cost Rs. 334/-)	**200,000**	**-**	200,000	334

	As at 31st March, 2016		As at 31st March, 2015	
	Nos.	**₹**	Nos.	₹
10 Gujarat Themis Biosys Limited (Market Value Rs. 34,110/-)	**900**	**34,110**	900	7,191
10 Gujarat Alkalies & Chemicals Limited (Market Value Rs. 15,935/-)	**100**	**15,935**	100	14,706
10 Jayant Vitamins Limited (Cost Rs. 2,220/-)	**740**	**-**	740	2,220
10 Kshitji Investment Co. Limited (Cost Rs. 500/-)	**50**	**-**	50	500
10 Kilburn Chemical Limited (Market Value Rs. 768/-)	**50**	**768**	50	500
10 Kayveeaar Limited (Cost Rs.79,31,880/-)	**200,000**	**-**	200,000	200,000
10 Libord Securities Limited (Market Value Rs. 2,659,800/-)	**409,200**	**1,659,800**	409,200	1,104,668
10 Modi Xerox Limited (Cost Rs.14,244/-)	**200**	**-**	200	14,244
10 Morgan Stanley Growth Fund (Cost Rs.13,781/-)	**1,600**	**-**	1,600	13,781
10 Origin Agrostar Limited (Cost Rs.333/-)	**19,300**	**-**	19,300	333
10 Sudal Industries Limited (Cost Rs.14,250/-)	**1,100**	**13,277**	1,100	11,000
10 Sona Koya Streeing Limited (Market Value Rs.50,400/-)	**1,000**	**46,500**	1,000	9,840
10 Shree Krishna Petro Yarn Limited (Cost Rs.2,220/-)	**1,200**	**-**	1,200	2,220
10 Synery Log-in Systems Limited (Cost Rs.12,150/-)	**1,000**	**-**	1,000	12,150
10 Sharp Industries Limited (Cost Rs.27,294/-)	**2,495**	**-**	2,495	11,826
10 Spartak Ceramics (I) Ltd. (Cost Rs. 108,372/-)	**1,486**	**-**	1,486	1,486
10 SBEC Sugar Limited (Cost Rs.1,000,000/-)	**100,000**	**760,000**	100,000	488,000
10 Team Asia Semico Limited (Cost Rs.333/-)	**67,000**	**-**	67,000	333
10 The Aluminium Industries Ltd. (Cost Rs.426,050/-)	**24,600**	**-**	24,600	25,200

	As at 31st March, 2016 Nos.	₹	As at 31st March, 2015 Nos.	₹
10 The West Coast Paper Mills Ltd. (Market Value Rs.24,450/-)	**500**	**24,450**	500	5,592
10 Tube Investment Limited. (Market Value Rs.44,634/-)	**122**	**44,634**	122	7,814
10 21st Century Management Limited (Market Value Rs.1,037,500/-)	**25,000**	**687,500**	25,000	45,063
10 United Diamond Limited (Cost Rs.13,000/-)	**1,000**	**-**	1,000	13,000
10 Videocon Industries Limited (Market Value Rs.37,380/-)	**240**	**25,608**	240	16,208
	TOTAL	**3,632,746**		2,828,225
II. Fully Paid up Debentures :				
30 16% Debentures of Essar Shipping Ltd (Cost Rs. 30,000/-)	**1,000**	**30,000**	1,000	30,000
100 15% Debentures of Supreme Industries Limited (Cost Rs. 160,000/-)	**1,600**	**160,000**	1,600	160,000
140 14% Debentures of Spartak Granites Limited (Cost Rs.7000/-)	**50**	**7,000**	50	7,000
10 14% Debentures of Gujarat State Fertilizers Limited	**106**	**1,060**	106	1,060
50 12.5% Deb. of Jayant Vitamins Ltd.	**3,570**	**3,500**	3,570	3,500
50 15% Deb. of Jayant Vitamins Ltd.(Series B)	**200**	**3,000**	200	3,000
	TOTAL	**204,560**		204,560
(B) UNQUOTED - (At Cost) Fully Paid Up Equity Shares				
100 Hyderabad Construction Co Ltd	**100**	**6,717**	100	6,717
10 Co Nick Alloy (I) Ltd	**5,000**	**27,500**	5000	27,500
10 G. Claridge & Co Ltd	**804,000**	**22,413,275**	804,000	22,413,275
10 Kopran Laboratories Limited	**28,000**	**280,000**	28,000	280,000
10 Digvijay Investment Limited	**25**	**2,515**	25	2,515
10 Venkatesh Karrier Limited	**153,500**	**7,061,000**	153,500	7,061,000
10 Suraj Containers Limited	**5,000**	**50,000**	5,000	50,000
	TOTAL	**298,41,007**		29,841,007
GRAND TOTAL :-		**33,678,313**		32,873,792

NOTE "11"

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Trade Receivable		
Unsecured & Considered Doubtful:		
Debts outstanding for a period exceeding six months	**689,208**	791,032
Other Debts	**-**	-
	689,208	791,032
Less :- Provision for bad & doubtful debts	**-**	101,824
	689,208	689,208

NOTE "12"

CASH AND CASH EQUIVALENT

Cash on hand	**7,863**	7,812
Balance with Scheduled Banks		
In Current account	**50,468**	23,613
	58,331	31,426

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

Loan and Advances	**23,399,407**	20,682,796
Advance recoverable in cash or kind or for value to be received	**13,815,458**	14,442,673
Deposits	**-**	77,135
	37,214,865	35,202,604

NOTE "14"

Other Current Assets

Advance Payment of Income Tax (net of Provision)	**418,421**	466,086
	418,421	466,086

NOTE "15"

	For the Period 2015-2016 (₹)	For the Period 2014-2015 (₹)
OTHER INCOME		
Dividend Received (Gross)	**3,993,100**	1,444,007
Interest received on PNB Fixed Deposit	**-**	35,086
(TDS Rs NIL. Previous Year Rs.3,517/-)		
Interest received from Income Tax Authority	**-**	14,016
Interest received from Others	**-**	162,500
(TDS Rs NIl. Previous Year Rs.16,250/-)		
Rent Received	**711,000**	720,000
(TDS Rs.71,110/- Previous year Rs.72,000/-)		
Profit/(Loss) on Sale of Investment	**1,264,648**	18,411,809
Profit/(loss) from Partnership Firm	**1,959,738**	52,549,144
Provision for Bonus written off	**-**	-
TOTAL	**7,928,485**	73,336,562

NOTE "16"

OTHER EXPENSES		
Discount Charges	**5,298,994**	4,964,319
Demat Charges	**2,497**	22,958
Rent Rates & Taxes	**329,750**	274,847
Legal & Professional	**914,475**	642,367
Brokerage & Commission	**30,000**	-
Sundry Balances Written off	**-**	4,425,051
Auditors' Remuneration :		
Audit Fees	**34,350**	34,200
Directors Sitting Fees	**2,800**	3,000
Miscellaneous Expenses	**424,247**	303,985
TOTAL	**7,037,113**	10,670,727

Note – "17"

Notes forming part of Accounts for the year ended 31st March, 2016

1. SIGNIFICANT ACCOUNTING POLICIES :

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

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

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

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

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

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

g) Taxation

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

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

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

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

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

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

3. Earnings per shares :

Particulars	**Year ended 31.03.2016**	Year ended 31.03.2015
Net Profit/(Loss) attributable to share holder (in Rs.)	(25,47,298)	5,25,15,632
Weighted average number of equity shares (in No.)	249000	249000
Basic earning per shares of Rs.10/- each	(10.23)	210.91

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

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

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

6. Quantitative details of Inventories (Shares & Debentures)

Particulars	**No. of Shares**		**No. of Debentures**	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Opening Stock	25,82,198	82,24,198	3,026	3,026
Add:-Purchase	-	-	-	-
	25,82,198	82,24,198	3,026	3,026
Less :- Sale	-	56,42,000	-	-
Closing Stock	**25,82,198**	**25,82,198**	**3,026**	**3,026**

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

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

As per our Report of even date

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

(Malvika P. Mitra)
Partner
Membership No. 044105

Place : Mumbai

Date : 25th May, 2016

For and on behalf of the board

Nupur Somani
(Managing Director)
DIN-00816788

B. K. Toshniwal
(Director)
DIN-0048019

Sanjay Jain
(Director)
DIN-00047973

Shashikant Sharma
(CFO)

Sarvamangal Mercantile Co. Limited

CIN: L51100MH1983PLC029600

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

ATTENDANCE SLIP

(To be presented at the entrance)

DP ID _____ Folio No. / Client ID _____

I /We hereby record my / our presence at the 33rd Annual General Meeting of the Company at No. 2, Mohatta Bhavan Properties, off DR E Moses Road, Worli, Mumbai – 400018 on Monday, 26th September, 2016 at 2.00 P.M.

Full name of the Shareholder in Block Letters: _____

Folio No.: _____ DPID No.: _____ Client ID No.: _____

Name of Proxy holder _____

_____ _____

Signature of Proxy holder Signature of Shareholders

PROXY FORM

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

Sarvamangal Mercantile Co. Limited

CIN: L51100MH1983PLC029600

Registered office: No. 2 Mohatta Bhavan Properties, DR E Moses Road, Worli, Mumbai – 400018

Name of the Member(s) : _____ Registered address : _____

E-mail Id: _____ Folio No. / Client ID: _____ DP ID: _____

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

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

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

(3) Name: _____ Address: _____ E-mail Id: _____

As my/ our proxy to attend and vote (on a poll) for me / us and on my/ behalf at the 33rd Annual General Meeting of the Company to be held on **Monday, 26th September, 2016 at 2.00 p.m. at No. 2, Mohatta Bhavan Properties, off DR E Moses Road, Worli, Mumbai – 400018** and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No			
	Ordinary Business	For	Against
1.	Consider and adopt Annual Financial Statement of the Company for the year ended 31st March, 2016 together with Reports of Board of Directors and Auditor's thereon		
2	Re-appointment of Shri Adarsh Somani (DIN – 00192609) , who retire by rotation and being eligible offer himself for re-appointment as director		
3.	Ratification for Re-appointment of M/s. S G Kabra & Co. as Statutory Auditors		

Affix Revenue Stamp

Signed this _____ day of _____ 2016

Signature of the Shareholder _____

_____ _____ _____

Signature of first proxy holder(s) Signature of second proxy holder(s) Signature of third proxy holder(s)

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

SAROJ PRINTS
022 6692 0055 • E-mail: sarojprintarts@gmail.com