



# **7NR RETAIL LIMITED**

**(FORMERLY KNOWN AS 7NR RETAIL PRIVATE LIMITED)**

## **6<sup>TH</sup> ANNUAL REPORT**

**2017-2018**



**7NR RETAIL LIMITED**  
(Formerly known as 7NR Retail Private Limited)

## **CORPORATE INFORMATION**

▪ **Board of Directors**

Mr. Pinal Kanchanlal Shah  
Mrs. Riddhi Pinal Shah  
Mr. Vinay Arjunbhai Raval  
Ms. Eity Suryanarayan Pandey

Managing Director  
Non-Executive Director  
Independent Director  
Independent Director

▪ **Chief Financial Officer (CFO)**

Mr. Mittal Shah

▪ **Company Secretary &  
Compliance Officer**

Ms. Shaili Samir Mehta

▪ **Registered Office**

B-308 Titanium Heights,  
Nr. Vodafone House Corporate Road,  
Prahladnagar, Makarba,  
Ahmedabad-380015.

▪ **Statutory Auditors**

Loonia & Associates  
Chartered Accountants,  
218, Ground Floor, New Cloth Market  
O/S Raipur Gate  
Ahmedabad-380002

▪ **Registrar & Share Transfer Agent**

Cameo Corporate Services Limited  
Subramanian Building, No. 1  
Club House Road  
Chennai- 600 002.

▪ **Corporate Identity No.(CIN)**

L52320GJ2012PLC073076

▪ **Bankers**

Central Bank of India  
Bandhan Bank

▪ **E-Mail**

info@7nrretailtd.in, cs@7nrretailtd.in

▪ **Website**

www.7nrretailtd.in



**7NR RETAIL LIMITED**  
**(Formerly known as 7NR Retail Private Limited)**

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## NOTICE

Notice is hereby given that the 6<sup>th</sup> Annual General Meeting of the Members of **7NR RETAIL LIMITED** will be held on Friday 07<sup>th</sup> September, 2018 at 10:00 A.M. at the Registered Office of the Company at B-308, Titanium Heights, Nr. Vodafone House Corporate Road, Prahladnagar, Makarba Ahmedabad-380015 to transact the following business:

### ORDINARY BUSINESS:

**1. ADOPTION OF THE FINANCIAL STATEMENT AND REPORT OF THE BOARD OF DIRECTORS AND AUDITOR THEREON:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2018 and the Report of the Board of Directors' and Auditors' thereon.

**2. TO DECLARE DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR 2017-2018:**

**“RESOLVED THAT** dividend at the rate of Re. 0.05 per equity shares of Rs. 10/- each fully paid-up of the Company be and is hereby declared for the financial year ended 31<sup>st</sup> March, 2018 and the same be paid as recommended by the Board of Directors of the Company, out of the Profits of the Company for the financial year ended 31<sup>st</sup> March, 2018.”

**3. APPOINTMENT OF MRS. RIDDHI SHAH (DIN: 05197462), DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION:**

To appoint a Director in place of Mrs. Riddhi Shah (DIN: 05197462), who retires by rotation and being eligible, offers herself for reappointment.

### SPECIAL BUSINESS:

**4. REGULARISATION OF MR. VINAY RAVAL AS AN INDEPENDENT DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 152 and read with Schedule IV and all other applicable provisions of the Companies Act, 2013, if any, and read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vinay Raval (DIN: 08066628) who was appointed as an Additional Independent Director by the Board of Directors at their meeting with effect from 08<sup>th</sup> February, 2018 pursuant to provision of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years for a term from 08<sup>th</sup> February, 2018 to 07<sup>th</sup> February, 2023 and he shall not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** any of the Directors and Company Secretary of the Company be and are hereby authorized Jointly/Severally as to do all such acts, deeds and things incidental thereto to give effect to the aforesaid resolution.”

## 5. INCREASE IN THE AUTHORIZED SHARE CAPITAL AND ALTERATION IN MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and if thought fit to pass the following resolution with or without modification as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) enabling provisions of the Memorandum and Articles of Association of 7NR RETAIL LIMITED (the Company), and other law, notifications and regulations as may be applicable, the consent of the member be and is hereby accorded to increase in Authorised Share Capital of the Company increased from the existing Rs. 7,00,00,000,-(Rupees Seven Crore Only) divided into 70,00,000 (Seventy Lakh Only) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 11,00,00,000 (Rupees Eleven Crore Only) divided into 1,10,00,000(One Crore and Ten Lakh Only ) equity shares of Rs. 10/- (Rupees Ten only) ranking pari passu in all respect with the existing Equity Shares of the Company.”

**“RESOLVED FURTHER THAT** the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be deleted and the same be substituted with the following new clause as Clause V:

**V.** The Authorised Share Capital of the Company is Rs. 11,00,00,000 (Rupees Eleven Crore Only) divided into 1,10,00,000 (One Crore and Ten Lakh Only) Equity Share of Rs. 10/- (Rupees Ten Only) each.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors and Company Secretary of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorized for the purpose) be and are hereby authorized jointly/severally to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

## 6. ISSUE OF BONUS SHARES:

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

**“RESOLVED THAT** pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed there under, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and other applicable regulations and guidelines issued by SEBI and Reserve Bank of India (RBI), as amended from time to time and subject to Articles of Association of the Company, and subject to such approvals, consents, permissions, conditions and sanctions as may be considered necessary from appropriate authorities and subject to acceptance of such terms and conditions by the Board of Directors of the Company (‘the Board’, which term shall include any Committee authorised by the Board to exercise its powers including powers conferred on the Board by this resolution), consent of the members be and is hereby accorded to Board of Directors of the Company for capitalizing a sum upto Rs. 3,50,00,000/- (Rupees Three Crore and Fifty Lakh only) out of its Free Reserves in the books of the company for distribution among the holders of existing fully paid equity shares of Rs. 10/- each as fully paid-up “Bonus Shares” at par in proportion of 1(One) such new Equity share for every 2 (Two) existing equity share, held

by such members as on the Record Date, to be hereafter fixed by the Board) and the Bonus Shares so distributed shall for all purpose be treated as an increase in the paid-up share capital of the Company held by each such member, and not as income or in lieu of dividend.

**RESOLVED FURTHER THAT** the new Equity Shares shall be allotted subject to the Memorandum and Articles of Association of the Company and shall rank in all respects pari passu with the existing fully paid up Equity shares as on the “Record Date” save and except that the new Equity Shares shall not be entitled to participate in any dividend declared or to be declared for or in respect of any financial year ended March 31, 2018 and any other dividend that may be declared before the “Record Date” further that they shall be entitled to participate in the dividend, if any, that may be declared in respect of financial year of the company ending on March 31, 2019 and in respect of subsequent accounting years.

**RESOLVED FURTHER THAT** no allotment letters shall be issued in respect of said Bonus Shares and members who hold shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary account of the members with their respective Depository Participants.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of such shares on the Stock Exchange where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchange(s) and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the Bonus Shares, the Board be and is hereby authorized to make such suitable arrangements to deal with the fractions or to decide to disregard or ignore the fractions and give appropriate effect.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors and Company Secretary of the Company be and are hereby authorized Jointly/Severally to do all such acts, deeds, matters and things, as they may in their absolute discretion, deem necessary to settle any question or difficulty whatsoever (including a question or difficulty in connection with any deceased or insolvent Member or a member suffering from any disability) that may arise in regard to issue and distribution of new Equity Shares as they think fit and its decision shall be final and binding on all members and other interested persons.”

**Registered Office:**  
B-308, Titanium Heights,  
Nr. Vodafone House, Corporate Road  
Prahladnagar, Makarba  
Ahmedabad- 380015.

**By the order of the Board of Directors  
For, 7NR RETAIL LIMITED**

**Sd/-  
Shaili Mehta  
Company Secretary**

**Place: Ahmedabad  
Date: 10<sup>th</sup> August, 2018**

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** Pursuant to provision of Section 105 of Companies Act, 2013 a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument 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 Annual General Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business setting out material facts is annexed hereto.
4. Information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the **Annexure- I** to the explanatory statement attached to this Notice.
5. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Further, in line with circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the Rule 11 of the Companies (Accounts) Rules, 2014 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose. In view of the above, the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective Member. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner: The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest. Electronic copy of the Annual Report including Notice of the 6th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. However, those members who desire to have a physical copy may request for the same to Company or RTA. For members who have not registered their email IDs, physical copies of the Annual Report are being sent in the permitted mode. The Annual Report of the Company will also be made available on the Company's website [www.7nrretailtd.in](http://www.7nrretailtd.in).

6. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain close from Saturday 1<sup>st</sup> September, 2018 to Tuesday 4<sup>th</sup> September, 2018 (both days inclusive) in connection with the Annual General Meeting.
7. Subject to the Provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be dispatched/remitted commencing on or after 7<sup>th</sup> September, 2018.
8. The dividend in respect of shares held in dematerialized form in Depository System will be paid to the beneficial owners of shares as on 31<sup>st</sup> August, 2018 as per the list provided by the Depositories for this purpose. The dividend will be payable within 30 days of the approval of the same in the Annual General Meeting.
9. The Company or its Registrars and Transfer Agents, Cameo Corporate Services Limited cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.
11. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
12. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION. Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.
13. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.
14. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
15. Route-map to the venue of the Meeting is provided at the end of this Notice.
16. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the notice and the explanatory statement and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 4.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
17. In case of joint holders attending the meeting, only such joint holder who presides in the order of name will be entitled to vote.



18. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.

**Registered Office:**

B-308, Titanium Heights,  
Nr. Vodafone House, Corporate Road  
Prahladnagar, Makarba  
Ahmedabad- 380015.

**Place: Ahmedabad**

**Date: 10<sup>th</sup> August, 2018**

**By the order of the Board of Directors  
For, 7NR RETAIL LIMITED**

**Sd/-  
Shaili Mehta  
Company Secretary**

**Explanatory Statement  
(Pursuant to Section 102 of the Companies Act, 2013)**

**Item No. 4**

Mr. Vinay Raval (DIN 08066628) was appointed as an Additional (Independent) Director of the Company with effect from 8<sup>th</sup> February, 2018 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Vinay Raval holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a Member under Section 160 of the Act, proposing his candidature for the office of Director. Mr. Vinay Raval has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. The Board thinks that his presence in the Management will be beneficial for the Company.

Except Mr. Vinay Raval, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution.

The Board recommends resolution to be passed as an Ordinary Resolution.

**Item No. 5**

**Increase in the Authorized Share Capital and Alteration in Memorandum**

The present Authorised Capital of the Company is Rs. 7,00,00,000,-(Rupees Seven Crore Only) divided into 70,00,000(Seventy Lac Only ) equity shares of Rs. 10/- (Rupees Ten only) which is not adequate to accommodate the issue of proposed Bonus Shares in proportion of 1:2 i.e, 1 (One) Fully Paid up Equity Share of Rs. 10/- each for 2 (Two) Fully Paid up Equity Share of Rs. 10/- each. It is therefore proposed to Increase from present authorised share capital of Rs. 7,00,00,000,-(Rupees Seven Crore Only) divided into 70,00,000(Seventy Lac Only ) equity shares of Rs. 10/- (Rupees Ten only) each to Rs. 11,00,00,000 (Rupees Eleven Crore only) divided into 1,10,00,000 (One Crore and Ten Lakh Only) equity shares of Rs. 10/- (Rupees Ten only) each. The proposed increase in Authorised Share Capital requires the approval of Members in Annual General Meeting. Consequent upon increase in Authorised Share Capital, the Memorandum of Association of the Company will require alteration so as to reflect the increased Authorised Share Capital.

The proposed Ordinary Resolution is in the interest of the Company and your Directors recommend the same for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the said resolution.

**Item No. 6**

**Issue of Bonus Equity Shares**

The Board of Directors at their meeting held on 10<sup>th</sup> August, 2018, recommended issue of bonus shares in proportion of 1 (One) share for every 2 (Two) equity shares held by the members on a "Record Date" to be hereafter fixed by Board of Directors, by capitalizing a part of the amount standing to the credit of the Free Reserves.

Pursuant to the provisions of Articles of Association of the Company and in terms of Guidelines of Securities and Exchange Board of India (SEBI) and Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the capitalization of reserves and bonus issue thereof require approval of the members in general meeting. Further, it is necessary to authorize the Board of Directors of the Company to complete all the regulatory formalities prescribed by Securities and Exchange Board of India (SEBI), the Stock Exchanges on which the Company's securities are listed and any other regulatory authority, in connection with bonus issue.

Accordingly, the resolution seeks the approval of the members for capitalizing upto Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh only) out of the amount standing to the credit of Free Reserves and issue of bonus shares out of the same on the terms and conditions set out in the resolution.

The Directors recommended the Ordinary resolution for your approval.

The Directors, KMP of the Company and their relatives are deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

**Registered Office:**

B-308, Titanium Heights,  
Nr. Vodafone House, Corporate Road  
Prahladnagar, Makarba  
Ahmedabad- 380015.

**Place: Ahmedabad**

**Date: 10<sup>th</sup> August, 2018**

**By the order of the Board of Directors  
For, 7NR RETAIL LIMITED**

**Sd/-  
Shaili Mehta  
Company Secretary**

**Annexure: I**

Details of Directors seeking Appointment/Re-appointment at the forthcoming Annual General Meeting  
(PURSUANT TO REGULATION 36(3) of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

<b>Name of Director</b>	<b>Riddhi Shah</b>	<b>Vinay Raval</b>
Date of Birth	08 <sup>th</sup> September, 1978	12 <sup>th</sup> October, 1987
Date of Appointment	26 <sup>th</sup> April, 2017	08 <sup>th</sup> February, 2018
Expertise in specific Functional Areas	Experience in administrative work, retail sector of readymade garments and various technical matters thereto.	Experience in retail sector for more than 8 years.
Qualifications	Bachelor of Commerce	Under Graduate
Directors in other Public Companies	NIL	NIL
Other Positions	NIL	NIL
Membership of Committees in other unlisted Public Companies	NIL	NIL
Inter Relationship	Promoter and Spouse of Managing Director	Independent Director
Shares held in the Company.	3,91,100	NIL

### ROUTE MAP TO THE VENUE OF THE AGM



## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting the 6<sup>th</sup> Annual Report together with Statement of accounts of your Company for the Year ended on March 31, 2018.

### 1. FINANCIAL RESULTS

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

(Amount in Lakh)

Particulars	2017-18	2016-17
Revenue from Operations	1008.29	1134.02
<b>Other Income</b>	16.97	8.42
<b>Profit before Depreciation and Taxation</b>	<b>24.48</b>	<b>44.84</b>
Depreciation	9.43	4.17
Provision for Taxation :		
(i) Current Income Tax	5.00	2.63
(ii) Deferred Tax	1.85	0.51
<b>Profit after Income Tax</b>	<b>8.20</b>	<b>37.53</b>

### 2. FINANCIAL REVIEW:

Your Company total income for the year 2017-2018 is Rs.1008.29/- Lakh compared to last year's income of Rs.1134.02/- Lakh. The profit before tax (after depreciation) during the year under review was Rs.15.05/- Lakh as compared to previous year's figure of Rs.40.67/-Lakh. Your Company has earned the net profit of Rs.8.20/- Lakh against the net profit of Rs.37.53/- Lakh during the previous year. Your Company expects to achieve better performance during the current year.

### 3. DIVIDEND AND RESERVES:

Your directors recommend the payment of dividend of Re. 0.05 per equity share of face value of Rs.10 each for the year ended 31<sup>st</sup> March, 2018. Further the Company has not transferred any amount to reserves during the year.

### 4. BONUS ISSUE:

Your director s recommends the issue of Bonus Shares in the ratio of One equity shares of Rs.10/-each for every two existing equity shares of Rs.10/- each of the Company held by the Members on a date to be fixed by the Board, by capitalising a part of Free Reserves upto Rs.3,50,00,000/- The proposed issue of bonus shares is subject to the consent of shareholders at the forthcoming AGM. The bonus shares shall rank pari passu in all respects with the existing fully paid up equity shares of the Company, including any dividend that may be declared for the financial year in which the bonus shares are allotted. The dividend declared for the year ended 31<sup>st</sup> March, 2018 shall not be applicable on the Bonus Shares.

## 5. INITIAL PUBLIC OFFERING:

During the year under review, your Company come up with a public issue of 18,96,000 equity shares of Rs.10/- each at a premium of Rs.17/- per share aggregating to the total Rs.5,11,92,000/- Subsequently the shares of the Company have been listed on SME platform of BSE Limited on 18th July, 2017.

## 6. USE OF PROCEEDS:

The Proceeds from the issue of the Company vide prospectus dated 23<sup>rd</sup> June, 2017 have been utilised/are in process of Utilisation for the purpose for which they were raised and there is no deviation in the Utilisation of proceeds.

## 7. SHARE CAPITAL:

In order to facilitate the capitalisation of Free Reserves to the extent of issue of bonus shares, the authorised share capital of the Company is proposed to be increased from Rs.7,00,00,000 Crores (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakh only) equity shares of Rs.10 each per equity shares to Rs.11,00,00,000 (Rupees Eleven Crores only) divided into 1,10,00,000 ( One Crore and Ten Lakh Only) equity shares of Rs. 10/- each.

The Paid up Share Capital of the Company as on 31st March, 2017 was Rs.508.7/- Lakh. During the year under review Company had allotted 18,96,000 Fresh Equity Shares by way of Initial Public Issue and the paid up capital the Company has increased to Rs.698.3/- Lakh.

## 8. NUMBER OF BOARD MEETINGS:

During the year under review, the Board of Directors duly met 12 (Twelve) times.

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

Sr. No	Date of Board Meetings	Pinal Shah	Riddhi Shah*	Akshay Mohnot*	Mayank Agarwal***	Eity Pandey	Vinay Raval***
1.	13/04/2017	✓	✓	✓	✓	✓	x
2.	20/04/2017	✓	✓	✓	✓	✓	x
3.	22/04/2017	✓	x	✓	✓	✓	x
4.	26/04/2017	✓	✓	✓	✓	✓	x
5.	02/05/2017	✓	✓	✓	✓	✓	x
6.	03/05/2017	✓	✓	✓	✓	✓	x
7.	15/06/2017	✓	x	✓	✓	✓	x
8.	23/06/2017	✓	x	✓	✓	✓	x
9.	13/07/2017	✓	x	✓	✓	✓	x
10.	21/08/2017	✓	x	x	✓	✓	x
11.	14/11/2017	✓	✓	x	✓	✓	x
12.	08/02/2018	✓	✓	x	x	✓	✓
<b>TOTAL</b>		<b>12/12</b>	<b>7/11</b>	<b>9/9</b>	<b>11/11</b>	<b>12/12</b>	<b>1/1</b>

\*Mrs. Riddhi Shah was resigned from the Board w.e.f 22<sup>nd</sup> April, 2017 and thereafter was appointed on the Board w.e.f 26<sup>th</sup> April, 2017.

\*\* Mr. Akshay Mohnot was resigned from the Board w.e.f 21<sup>st</sup> August, 2017.

\*\*\*Mr. Mayank Agarwal was resigned from the Board as Independent Director and Mr. Vinay Raval was appointed on the Board as an Additional Independent Director w.e.f 08<sup>th</sup> February, 2018.

## **9. DEPOSITS:**

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

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

### **Listing of Company**

The Company was unlisted public company and listed during the year under review on BSE SME platform on 18<sup>th</sup> July, 2017.

## **11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:**

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

## **12. SHIFTING OF REGISTERED OFFICE OF THE COMPANY:**

During the year under review the Company Registered office is shifted from "B-207, Titanium City Centre, Nr. Sachin Tower, Anand Nagar Road, Satellite, Ahmedabad-380 015 to "B-308 Titanium Heights, Nr. Vodafone House, Corporate Road Prahladnagar Ahmedabad, Makarba -380015."

## **13. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company had no Subsidiary or Joint Ventures or Associate Companies as on 31<sup>st</sup> March, 2018.

## **14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:**

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

## **15. EXTRACTS OF ANNUAL RETURN:**

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

## **16. CRITERIA FOR APPOINTMENT OF MANAGING DIRECTOR/WHOLE-TIME DIRECTOR:**

The appointment is made pursuant an established procedure which includes assessment of managerial skills, professional behavior, technical skills and other requirements as may be required and shall take into consideration recommendation, if any, received from any member of the Board.

## **17. CORPORATE GOVERNANCE REPORT:**

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a. Listed entity having paid up equity share capital not exceeding Rs. 10 crore and Net worth not exceeding Rs. 25 crore, as on the last day of the previous financial year;
- b. Listed entity which has listed its specified securities on the SME Exchange.



Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2017-2018.

## **18. AUDITORS OF THE COMPANY:**

### **SECRETARIAL AUDITORS AND THEIR REPORT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed Ms. Pooja Gwalani, Practicing Company Secretary, Ahmedabad as Secretarial Auditor of the Company to undertake the Secretarial Audit for the Financial year 2017-2018. The Secretarial Audit report for the financial year 2017-2018 issued by Ms. Pooja Gwalani, Practicing Company Secretary has been annexed as **Annexure III** to this report. There were no qualifications or adverse mark in this report.

### **INTERNAL AUDITOR:**

In accordance with the provisions of section 138 of the act and rules made thereunder, the Board of Directors, of the Company have appointed Mr. Deepak Rawal, Accountant of the Company as an internal auditor to conduct the Internal audit of the Company for the F.Y. 2018-2019.

### **STATUTORY AUDITORS AND THEIR OBSERVATIONS:**

Members of the Company at the Annual General Meeting ('AGM') held on 12<sup>th</sup> June, 2017, approved the appointment of Loonia & Associates Chartered Accountants, as the statutory auditors of the Company for a period of five years commencing from the conclusion of the 5<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> June 2017 until the conclusion of 9<sup>th</sup> Annual General Meeting of the Company to be held in the year 2021. Loonia & Associates Chartered Accountants, has audited the book of accounts of the Company for the Financial Year ended March 31, 2018 and have issued the Auditors' Report thereon.

In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the Notice convening the ensuing AGM does not carry any resolution on ratification of appointment of Statutory Auditors. However, Loonia & Associates Chartered Accountants, has confirmed that they are eligible to continue as Statutory Auditors of the Company to audit the books of accounts of the Company for the Financial Year ending March 31, 2019 and accordingly Loonia & Associates Chartered Accountants, will continue to be the Statutory Auditors of the Company for Financial Year ending March 31, 2019.

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

## **19. MANAGEMENT DISCUSSION AND ANALYSIS:**

As required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis of the Company for the year under review is presented in a separate section forming the part of the Annual Report is attached here with as **Annexure IV**.

## **20. DEMATERIALISATION OF SHARES:**

During the year under review, the Company has entered into the Tripartite Agreement with both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for providing Demat facility to shareholders. For the purpose the Company has appointed Cameo Corporate Services Limited as its Registrar and Share Transfer Agent. The Company ISIN No. is INE413X01019.

## **21. REMUNERATION POLICY:**

The Company follows a policy on remuneration of Directors and senior management employees, details of the same are given in the website of the Company [www.7nrretailtd.in](http://www.7nrretailtd.in).

## **22. MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met on 27<sup>th</sup> March, 2018 inter alia, to discuss:

- Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.
- Review of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
- Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting.

### **1. DECLARATION FROM INDEPENDENT DIRECTORS:**

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

### **2. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:**

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any peculiar relationship or transactions with non-executive Directors during the year ended 31<sup>st</sup> March, 2018.

### **3. FORMAL ANNUAL EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 the nomination and remuneration committee has laid down the evaluation of the performance of Individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through the structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Director expressed their satisfaction with the evaluation process.

### **23. RELATED PARTY TRANSACTION:**

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

### **24. DIRECTORS AND KEY MANAGERIAL PERSONNEL, APPOINTMENT AND RESIGNATION:**

In accordance of the provision of section 152 of the Companies Act, 2013, Mrs. Riddhi Shah (DIN:05197462) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of section 164 of the Act and offer himself for re-appointment.

During the year under the review Mr. Vinay Raval was appointed as Additional Independent Director of the Company and Mr. Mayank Agarwal has tendered the resignation from the Board w.e.f 08<sup>th</sup> February, 2018. Mrs. Riddhi Shah had resigned from the post of Director on 22<sup>nd</sup> April, 2017 and was appointed as non-executive non Independent Director on 26<sup>th</sup> April, 2017 and was regularized in AGM. Further Mr. Akshay Mohnot has tendered the resignation from the Board dated 21<sup>st</sup> August, 2017.

Further Mr. Kunjal Panchal has tendered the resignation from the post of Chief Financial Officer of the Company and Mr. Ramaniklal Bavalia was appointed on the Board as Chief Financial Officer of the Company w.e.f. 21<sup>st</sup> August, 2018. Mr. Ramaniklal Bavalia has tendered the resignation from the post of Chief Financial Officer and Mr. Mittal Shah was appointed on the Board as Chief Financial Officer of the Company w.e.f 14<sup>th</sup> November, 2018.

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

Your Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism has been available on the website of the Company [www.7nrretailtd.in](http://www.7nrretailtd.in).

### **26. POLICIES OF THE COMPANY**

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

Your Company has framed a Policy of Sexual Harassment of women at workplace to follow gender neutral approach in handling complaints of sexual harassment. The Sexual Harassment policy has been available on the website of the Company [www.7nrretailtd.in](http://www.7nrretailtd.in).

#### **POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:**

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties. The Policy on Materiality of Related Party Transaction has been available on the website of the Company [www.7nrretailtd.in](http://www.7nrretailtd.in).

#### **POLICY OF CODE OF CONDUCT FOR DIRECTOR AND SENIOR MANAGEMENT:**

Your Company has adopted the policy of code of Conduct to maintain standard of business conduct and ensure compliance with legal requirements. The Policy on Code of Conduct for Director and Senior Management has been available on the website of the Company [www.7nrretailtd.in](http://www.7nrretailtd.in).

## PREVENTION OF INSIDER TRADING

Pursuant to provisions of the regulations, the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by employees and other connected persons and code of practices and procedure for fair disclosure of unpublished price Sensitive Information. The same has been available on the website of the Company [www.7nrretailtd.in](http://www.7nrretailtd.in).

### 27. PARTICULARS REGARDING EMPLOYEES REMUNERATION:

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information pertaining to section 197 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is annexed herewith as **Annexure-VI**.

### 28. RISK MANAGEMENT:

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

### 29. INDUSTRIAL RELATIONS:

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

### 30. COMMITTEES OF THE BOARD:

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

#### **AUDIT COMMITTEE:**

The Audit Committee comprises of non executive Independent Director and Managing Director as its Member. The Chairman of the committee is Independent Director.

During the Financial year 2017-2018, 3 meeting of Audit Committee were held on 13.04.2017, 20.04.2017, 14.11.2017.

The Composition of Audit Committee and the details of meetings attended by the members during the year are given below:

Sr. No.	Name of the Director	Status	Nature of Directorship	No. of Meetings	Meeting attended
1.	Ms. Eity Pandey	Chairman	Non-Executive & Independent Director	3	3
2.	Mr. Akshay Mohnot*	Chairman	Non-Executive & Independent Director	2	1
3.	Mr. Vinay Raval**	Member	Non-Executive & Independent Director	3	0
4.	Mr. Mayank Agarwal**	Member	Non-Executive & Independent Director	3	3

5.	Mr. Pinal Shah	Member	Managing Director	3	3
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\*Mr. Akshay Mohnot was resigned from the Board as Independent Director w.e.f 21<sup>st</sup> August, 2017.

\*\*Mr. Mayank Agarwal was resigned from the board as Independent Director and

Mr. Vinay Raval was appointed as Additional Independent Director w.e.f 08<sup>th</sup> February, 2018.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Committee comprises of three non-executive Directors as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2017-2018, 4 meeting of Nomination and Remuneration Committee were held on 26.04.2017, 21.08.2017, 14.11.2017 and 08.02.2018

The Composition of Nomination and Remuneration Committee and the details of meetings attended by the members during the year are given below:

No.	Name of the Director	Status	Nature of Directorship	No. of Meetings	Meeting attended
1.	Mr. Vinay Raval*	Chairman	Non-Executive & Independent Director	0	0
2.	Ms. Eity Suryanarayan Pandey	Member	Non-Executive & Independent Director	4	4
3.	Mr. Mayank Agarwal*	Chairman	Non-Executive & Independent Director	3	3
4.	Mr. Akshay Premraj Mohnot**	Member	Non-Executive & Independent Director	1	1
5.	Mrs. Riddhi Pinal Shah	Member	Non-Executive & Non-Independent Director	2	2

\*Mr. Mayank Agarwal was resigned from the board as Independent Director and Mr. Vinay Raval was appointed as Additional Independent Director w.e.f 08<sup>th</sup> February, 2018.

\*\*Mr. Akshay Mohnot was resigned from the Board as Independent Director w.e.f 21<sup>st</sup> August, 2017.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

The Committee comprises of three non-executive Directors as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2017-2018, NIL meeting of Stakeholder Relationship Committee were held.

The Composition of Stakeholder and Relationship Committee and the details of meetings attended by the members during the year are given below:

Sr. No.	Name of the Director	Status	Nature of Directorship	No. of Meetings	Meeting attended
1.	Mr. Vinay Raval*	Chairman	Non-Executive & Independent Director.	0	0
2.	Ms. Eity Pandey	Member	Non-Executive & Independent Director.	0	0

3.	Mr. Mayank Agarwal*	Member	Non-Executive Independent Director	0	0
4.	Mr. Akshay Mohnot Agarwal**	Member	Non-Executive Independent Director	0	0
5.	Mrs. Riddhi Pinal Shah	Member	Non-Executive & Non-Independent Director	0	0

\*Mr. Mayank Agarwal was resigned from the board as Independent Director and Mr. Vinay Raval was appointed as Additional Independent Director w.e.f 08<sup>th</sup> February, 2018.

\*\*Mr. Akshay Mohnot was resigned from the Board as Independent Director w.e.f 21<sup>st</sup> August, 2017.

### 31. CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility is not applicable to the Company.

### 32. INTERNAL FINANCIAL CONTROL SYSTEM:

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

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

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

### 34. DIRECTORS' RESPONSIBILITY STATEMENT:

It is hereby stated that:

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

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

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

(iv) The directors had prepared the annual accounts on a going concern basis;

(v) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

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

### 35. STATEMENT PURSUANT TO LISTING AGREEMENT

The Company Equity Shares is listed at Bombay Stock Exchange Limited (SME segment). The Annual Listing fees for the year 2017-2018 has been paid.

## **ACKNOWLEDGEMENT**

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

**For and On Behalf of Board of Directors of  
7NR RETAIL LIMITED**

**Place: Ahmedabad  
Date: 10<sup>th</sup> August, 2018**

**Sd/-  
PINAL SHAH  
MANAGING DIRECTOR  
DIN: 05197449**

**Sd/-  
RIDDHI SHAH  
DIRECTOR  
DIN: 05197462**

**MGT-9**
**Extract of Annual Return as on the Financial Year ended on 31<sup>st</sup> March, 2018**
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]**
**1. REGISTRATION AND OTHER DETAILS:**

<b>i.</b>	CIN	L52320GJ2012PLC073076
<b>ii.</b>	Registration Date	21 <sup>st</sup> December, 2012
<b>iii.</b>	Name of the Company	7NR RETAIL LIMITED (Formerly known as 7NR Retail Private Limited).
<b>iv.</b>	Category/Sub-Category of the Company	Company Limited by Shares/Indian Non- Govt. Company.
<b>v.</b>	Address of the Registered Office and Contact Details	B-308 Titanium Heights, Nr. Vodafone House Corporate Road, Prahaladnagar, Makarba, Ahmedabad- 380015. Email: info@7nrretailtd.in Telephone: 079-29708299.
<b>vi.</b>	Whether listed company	Yes
<b>vii.</b>	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Building, No.1, Club House Road, Chennai 600 002. Phone No: 044-28460390. Email: cameo@cameoindia.com.

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

No.	Name and Description of main Products/ Services	NIC Code of the Product/Service	% to total turnover of the Company turnover of the Company
1.	Retailing and wholeselling of ready made garments	47711	100%

**3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name And Address of the Company	CIN/ GLN	Holding/Subsidiary/Associate	% of Shares Held	Applicable Section
NIL					



#### 4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage Of Total Equity)

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	4042700	4042700	79.47	4042700	0	4042700	57.89	-21.58
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	<b>0</b>	<b>4042700</b>	<b>4042700</b>	<b>79.47</b>	<b>4042700</b>	<b>0</b>	<b>4042700</b>	<b>57.89</b>	<b>-21.58</b>
<b>(2) Foreign</b>									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>0</b>	<b>4042700</b>	<b>4042700</b>	<b>79.47</b>	<b>4042700</b>	<b>0</b>	<b>4042700</b>	<b>57.89</b>	<b>-21.58</b>
<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(c) Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	-	-	-	-	-	-	-	-	-
(f) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-

(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(i) Foreign Portfolio Investors (Corporate)	-	-	-	-	-	-	-	-	-
(j) Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
(a) Bodies Corporate	0	0	0	0	212000	0	212000	3.04	3.04
(b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	116000	0	116000	1.66	1.66
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	1044300	1044300	20.53	2340300	0	2340300	33.15	-12.62
(c) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(d) Any Other									
i. Hindu Undivided Family	0	0	0	0	272000	0	272000	3.90	3.90
ii. Non Resident Indians (Non Repat)	-	-	-	-	-	-	-	-	-
iii. Non Resident Indians (Repat)	-	-	-	-	-	-	-	-	-
iv. Clearing Members/ Clearing House	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (2)</b>	<b>0</b>	<b>1044,300</b>	<b>1044300</b>	<b>20.53</b>	<b>2940300</b>	<b>0</b>	<b>2940300</b>	<b>42.11</b>	<b>-21.58</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>0</b>	<b>1044300</b>	<b>1044300</b>	<b>20.53</b>	<b>2940300</b>	<b>0</b>	<b>2940300</b>	<b>42.11</b>	<b>-21.58</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>0</b>	<b>50,87,000</b>	<b>50,87,000</b>	<b>100</b>	<b>69,83,000</b>	<b>0</b>	<b>69,83,000</b>	<b>100</b>	<b>-25.6</b>

#Note: The change in % of total shares of the Company between 01-04-2017 to 31.03.2018 is on account of issue of Equity Shares through an Initial Public Offer.

**ii) Shareholding of Promoters (including Promoter Group)**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Pinal Kanchanlal Shah	10,84,860	21.33	0.00	10,84,860	15.54	0.00	-5.79
2.	Riddhi Pinal Shah	3,91,100	7.69	0.00	3,91,100	5.60	0.00	-2.09
3.	Nutanben Jaykishan Patel	9,13,140	17.95	0.00	9,13,140	13.07	0.00	-4.88
4.	Chandrikaben Kanchanlal Shah	3,36,300	6.61	0.00	3,36,300	4.82	0.00	-1.79
5.	Jaykishan Shantilal Patel	3,21,500	6.32	0.00	3,21,500	4.60	0.00	-1.72
6.	Pinal Kanchanlal Shah HUF	3,21,500	6.32	0.00	3,21,500	4.60	0.00	-1.72
7.	Jaykishan Shantilal Patel HUF	3,21,500	6.32	0.00	3,21,500	4.60	0.00	-1.72
8.	Snehalben Kaushalbai Shah	3,52,800	6.94	0.00	3,52,800	5.05	0.00	-1.89
	<b>Total</b>	<b>40,42,700</b>	<b>79.47</b>	<b>0.00</b>	<b>40,42,700</b>	<b>57.89</b>	<b>0.00</b>	<b>-21.6</b>

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

Sr. No	Name of the Shareholder	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.	At the Beginning of the year	4042700	79.47%	4042700	79.47%
	Date wise Increase/Decrease in Promoter Shareholding	-- #Note	--	--	--
	At the End of the Year	4042700	57.89%	4042700	57.89%

#Note: The change in % of total shares of the Company between 01-04-2017 to 31.03.2018 is on account of issue of Equity Shares through an Initial Public Offer.

**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):**

Sr. No	Top Ten Shareholders*	Shareholding at the beginning of the year		Transactions during the year			Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	Date of Transaction	No. of Shares	Reason	No. of Shares	% of Total Shares of the Company
1.	Dhwani Mittal Shah	34300	0.67	--	---	--	34300	0.49
2.	Devangi Sunilkumar Shah	40000	0.79	--	--	--	40000	0.57
3.	Jitendra Harjivandas Gohel	100000	1.97	--	--	--	100000	1.43
4.	Neeta G Dabhi	100000	1.97	--	--	--	100000	1.43
5.	Naginbhai Maheriya	110000	2.16	--	--	--	110000	1.58
6.	Maheshbhai N. Purabia	120000	2.36	--	--	--	120000	2.36
7.	Prabhavatiben Patliya	50000	0.98	--	--	--	50000	0.72
8.	Kamlesh Solanki	100000	1.97	--	--	--	100000	1.43
9.	Akshay Jitendrakumar Brahambhatt	100000	1.97					
				21.07.2017	16000	Purchase	116000	0.23
				04.08.2017	48000	Purchase	164000	0.91
				18.08.2017	12000	Purchase	176000	1.09
				25.08.2017	8000	Purchase	184000	1.20
				15.09.2017	8000	Purchase	192000	1.32
				06.10.2017	4000	Purchase	196000	1.37
				13.10.2017	4000	Purchase	200000	1.43
				03.11.2017	4000	Purchase	204000	1.49
				05.01.2018	(4000)	Sale	200000	1.43
				12.01.2018	(24000)	Sale	176000	1.09
				19.01.2018	12000	Purchase	188000	1.26
				25.01.2018	4000	Purchase	192000	1.32
				23.03.2018	(92000)	Sale	100000	0
10	Vimla Ostwal	-	-	-	-	-	-	-
				02.02.2018	280000	Purchase	280000	4.01
11	Sayar Bhandari	-	-	-	-	-	-	-
				08.09.2017	256000	Purchase	256000	3.66
12	Nitesh Pavskar	160000	3.15				160000	
				22.12.2017	8000		168000	0.14
13	Manoj Chhaganlal Rathod HUF	-	-	-	-	-	-	-
				13.07.2017	40000	Purchase	40000	0.57
				01.09.2017	104000	Purchase	144000	2.06
				29.09.2017	(144000)	Sale	0	-
				06.10.2017	144000	Purchase	144000	2.06
				12.01.2018	(144000)	Sale	0	-
				09.02.2018	4000	Purchase	4000	0.06
				16.02.2018	(4000)	Sale	0	-
				23.02.2018	4000	Purchase	4000	0.06
				23.03.2018	160000	Purchase	164000	2.35
14	Vijay Vasita	130000	2.55	0	0	0	130000	1.86

**v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Pinal Shah	10,84,860	21.33	10,84,860	15.54
2.	Riddhi Shah	3,91,100	7.69	3,91,100	5.60

**5. INDEBTEDNESS:**

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

(Rs. In Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(Rs.In Lakh)

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Pinal Shah			
		Managing Director			
1.	Gross salary	6.00			6.00
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961				
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(i) Perquisites w.r.t to exercise of Stock Options				
	(ii) Other Perquisites				
(c)	Profits in lieu of salary under Section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission as % of profit				
5.	Others, Allowances				
	<b>Total (A)</b>	<b>6.00</b>			<b>6.00</b>
	Ceiling as per the Act (@ 10% of profits	-	-	-	-

	calculated under Section 198 of the Companies Act, 2013)				
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**B. Remuneration to other directors:**

(Rs.in Lakh)

Sr. No.	Particulars of Remuneration	Name of Directors			
					Total Amount
<b>1.</b>	<b>Independent Directors</b>				
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission				
	(c) Others, please specify				
	<b>Total (1)</b>	-	-	-	-
<b>2.</b>	<b>Other Non-Executive Directors</b>	Riddhi Shah			
		Director			
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	5.66			
	<b>Total (2)</b>	5.66			5.66
	<b>Total (B) = (1 + 2)</b>	<b>5.66</b>			<b>5.66</b>
	<b>Total Managerial Remuneration</b>	<b>5.66</b>			<b>5.66</b>
	<b>Overall Ceiling as per the Act</b>				

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

(Rs.In Lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Shaili Mehta	Mittal Shah*	Kunjil Panchal**	Total
		Company Secretary	Chief Financial Officer	Chief Financial Officer	
1.	Gross salary	2.15	0.79	0.80	3.74
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961				
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(i) Perquisites w.r.t to exercise of Stock Options				
	(ii) Other Perquisites				
(c)	Profits in lieu of salary under Section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission as % of profit				
5.	Others, Allowances				
	<b>Total (A)</b>	<b>2.15</b>	<b>0.79</b>	<b>0.80</b>	<b>3.74</b>

Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)	-	-	-	-
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\*Mr. Mittal Shah has been appointed on the Board as Chief Financial Officer w.e.f 14<sup>th</sup> November, 2017.  
 \*\*Mr. Kunjal Panchal has been resigned from the Board as Chief Financial Officer w.e.f.21<sup>st</sup> August, 2017.

**VII. Penalties/Punishment/Compounding of offences: NIL**

**There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.**

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					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

**For and On Behalf of Board of Directors of  
7NR RETAIL LIMITED**

**Place: Ahmedabad  
Date: 10<sup>th</sup> August, 2018**

**Sd/-  
PINAL SHAH  
MANAGING DIRECTOR  
DIN: 05197449**

**Sd/-  
RIDDHI SHAH  
DIRECTOR  
DIN: 05197462**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the**  
**Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**To**  
**The Members,**  
**7NR RETAIL LIMITED**  
**(CIN: L52320GJ2012PLC073076)**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 7NR RETAIL 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 7NR RETAIL LIMITED'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, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by 7NR RETAIL LIMITED for the financial year ended on 31<sup>st</sup> March 2018 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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during Audit Period);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during Audit Period); and
- (vi) Other laws as applicable to the company as per the representations made by the management.
2. I have also examined compliance with the applicable clauses of the following:
    - i. Secretarial Standards issued by The Institute of Company Secretaries of India and
    - ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  3. During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
  4. I have relied on the information & representations made by the company & its officers for systems and mechanisms formed by the company for compliances under other applicable acts, laws and regulations to the company.
  5. I further report on the basis of information received and records maintained by the company that:
    - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
    - (b) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings convened at shorter notice, 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.
    - (c) Majority decision is carried through and there were no dissenting views on any matter.

6. I further report that as per the explanations and clarifications given to us and the representations made by the management, 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.

7. I further report that during the Audit Period under review:-

The equity shares of the Company were listed on SME platform of BSE Limited by initial public offer of 18,96,000 equity shares of face value of Rs. 10.00 each at a price of Rs. 27 per equity share (including a share premium of Rs 17.00 per equity share).

There were no other specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Ahmedabad

Signature: Sd/- (Pooja Gwalani)

Date: 10.08.2018

Name of Company Secretary in practice / Firm: Pooja Gwalani ACS No. 29004 & C P No.: 13864

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

**Annexure 'A'**

To,  
The Members  
7NR RETAIL LIMITED

The Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad  
Signature: Sd/- (Pooja Gwalani)  
Date: 10.08.2018

Name of Company Secretary in practice:

Pooja Gwalani  
ACS No. 29004  
C P No.: 13846

**MANAGEMENT DISCUSSION AND ANALYSIS****1. COMPANY OVERVIEW:**

Your Company is engaged in wholeselling and Retailing of the readymade garments. The Company is offering the finest quality product matching with the latest style and fashion. We have been taking care regarding the choice, quality and customer satisfaction. Your Company strives to focus on maintaining and reinforcing the image of its existing exclusive brand outlets under the brand name of “Gini & Jony”.

**2. INDUSTRY OVERVIEW:**

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country’s Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world’s fifth-largest global destination in the retail space. Indian Retail Industry has immense potential as India has the second largest population with affluent middle class, rapid urbanisation and solid growth of internet. The overall retail market in India is expected to grow at 12% growth rate per annum, driven by growing urbanization, rising income, younger demographics and rising aspirations of the middle class. Modern trade is going to expand as twice as fast at 20% per annum and traditional trade is expected to grow at 10% (Source: IBEF).

The online retail is growing at rapid pace. Online retail in India is expected to be at par with the physical stores in the upcoming few years, driven by robust investment and rapid increase in the number of internet users. (It grew 23% to US\$ 17.8 bn in 2017 (Source: IBEF)

**3. Opportunities and Strength**

Brand Leadership,  
Unparalleled reach to the largest consumer groups  
Value for money,  
Image Diversified geographical presence,  
Strong customer connect,  
Focus on superior customer experience,  
Enhanced quality of production.,  
Improved efficiency of working capital management,  
Improvement in cost structure would add to operating margins of the Company.

**4. Risk and Threats**

Changing consumer preference,  
Discount Rates and Offers  
High fixed cost structure,  
Intensifying competition with more branded apparels,  
Changes in fashion trends and slowdown in consumption pattern of the consumers,  
may adversely affect the turnover of the Company.

**5. OUTLOOK**

The outlook for the Indian textile industry continues to be positive. The factors which contribute to the India advantage are expected to continue over the medium term. This is expected to help India enhance its market share further in the other key geographies.

## **6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes which consist of adopting appropriate management systems and implementing them are followed. These are aimed at giving the Audit Committee a reasonable assurance on the reliability of financial reporting and statutory & regulatory compliances, effectiveness and efficiency of your Company's operations. The Internal Control Systems are reviewed periodically and revised to keep in tune with the changing business environment.

## **7. SEGMENT REVIEW**

The Company operates in single segment.

## **8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Company recorded total revenue of Rs. 1025.26 Lakh during the year under review as against Rs. 11.42.45 Lakh. The profit after tax for the year ended 31st March, 2018 is Rs.8.20 Lakh as against Rs. 37.53 Lakh.

## **9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company firmly believes that motivated and empowered employees are the cornerstone of competitive advantage. The Company's employee value proposition is based on a strong focus on employee development, providing a satisfying work environment, performance appraisal and counselling and appropriate empowerment. The Company continues to maintain and enjoy a cordial relationship with its employees, providing positive environment to improve efficiency with regular investments in upgrading the knowledge and skills of the employees.

## **10. FORWARD LOOKING STATEMENTS:**

Outlook for future are estimates based on certain assumptions and expectations of future events, eco-political and other developments across the country, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward looking statements. The Company assumes no responsibility to publicly amend or revive any such statements on the basis of subsequent developments, information or events.

### **Disclosure of Accounting Treatment:**

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

## **11. CAUTIONARY STATEMENT**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**FORM NO. AOC -2**

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

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

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

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

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

<b>Name of Related Party (As mentioned in AS -18)</b>	<b>Nature of relationship</b>	<b>Nature of Contract / agreement / transactions</b>	<b>Duration of contracts / agreements / transactions</b>	<b>Salient terms of contracts or agreements, or transactions including the value, if any</b>
7NR INC	Partnership firm in which Director is Interested	Sale/Purchase	1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018	-

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

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

**Sd/-  
PINAL SHAH  
(MANAGING DIRECTOR)  
DIN:05197449**

**Sd/-  
RIDDHI SHAH  
(DIRECTOR)  
DIN:05197462**

**PLACE: AHMEDABAD  
DATE: 10<sup>TH</sup> AUGUST, 2018**

**DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014.**

- 1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-2018.**

**(Rs. in Lakh)**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Remuneration</b>	<b>Median Remuneration</b>	<b>Ratio</b>
1.	Mr. Pinal Kanchanlal Shah	6.00	1.02	5.88:1
2.	Mr. Riddhi Pinal Shah	5.66	1.02	5.55:1

- 2. The percentage Executive Officer, Company Secretary or Manager, if any, in the Financial year 2017-2018 increase in remuneration of each Director, Chief Financial Officer, Company Secretary.**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>% Increase</b>
1.	Mr. Pinal Kanchanlal Shah	Chairman and Managing Director	29.17%
2.	Mr. Riddhi Pinal Shah	Director	27.56%
3.	Mr. Mittal Chandresh Shah*	Chief Financial Officer	N.A.
4.	Ms. Shaili Samir Mehta	Company Secretary	29.55%

\*Mr. Mittal Shah was appointed as Chief Financial Officer of the Company w.e.f. 14<sup>th</sup> November, 2018.

- 3. The median Remuneration of Employees (MRE) of the Company is Rs. 1,02,000/- for the Financial Year 2017-2018. The MRE for the year Decrease by Rs. 84000.**

The percentage decrease in the median remuneration of employees in the Financial year 2017-2018 is 45.16%.

- 4. The number of permanent employees on the rolls of Company in the Financial year 2017-2018.**

The Company has 21 permanent employees on its rolls;

- 5. Average percentile Decreased made in the salaries of employees other than the managerial remuneration in the last financial year was 19.21%. Managerial Remuneration was increased during the year under consideration.**

- 6. Affirmation that the remuneration is as per the remuneration policy of the Company.**

It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

## **INDEPENDENT AUDITORS' REPORT**

To,  
The Members of  
7NR Retail Limited  
Ahmedabad

### **Report on the Financial Statements:**

We have audited the accompanying Financial Statements of **7NR RETAIL LIMITED (“the Company”)**, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss and the 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 management and Board of Directors of the Company are 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 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors’ Responsibility:**

Our responsibility is to express an opinion on 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company’s preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company’s management and Board of 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, 2018 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:**

- 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.
- 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.
- The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to 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 B”, and
- With respect to 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:
  1. The Company does not have any pending litigations which would impact its financial position.
  2. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  3. There has not been any occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**For Loonia & Associates.  
Chartered Accountants  
(F.R.No.130883W)  
SD/-  
Hitesh Loonia  
(Proprietor)  
M.NO.-135424**

**Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2018**

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

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

#### **1. In respect of the Company's fixed assets:**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The fixed assets were physically verified by the management at reasonable intervals during the year in a phased periodical manner in accordance with a programmed of physical verification. No material discrepancies were noticed on such physical verification.
- c) All the title deed of Immovable Properties are held in the name of the company except permission granted by the company.

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

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

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

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

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits covered under section 73 to 76 of the Companies Act, 2013 during the year.
6. According to the information and explanations provided by the Company, the Central Government has not prescribed to Maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of product of the Company.
7. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
9. In our opinion and according to the information and explanations given to us, the company has not applied for any term loan. The Company has raised moneys by way of initial public offer by 18,96,000 equity shares of face value of Rs. 10/- each at a premium of Rs 17/- each.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by section 197 r/w schedule V to the Companies act, 2013.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. According to information and explanations given to us and based on our examination of the records of the Company, the Company had not made any preferential allotment of equity shares neither issued any fully or partly convertible debentures in terms of section 42 of the Act.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
16. As per information and explanation provided by the Company, and on the basis of such verification, we are of the opinion that Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> May, 2018**

**For Loonia & Associates.**  
**Chartered Accountants**  
**(F.R.No.130883W)**  
**SD/-**  
**Hitesh Loonia**  
**(Proprietor)**  
**M.NO.-135424**

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

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

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

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

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

### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that –

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Ahmedabad**  
**Date: 30<sup>th</sup> May, 2018**

**For Loonia& Associates.**  
**Chartered Accountants**  
**(F.R.No.130883W)**  
**SD/-**  
**Hitesh Loonia**  
**(Proprietor)**  
**M.NO.-135424**

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

**(Rs. in Lakh)**

	Particulars	Note No.	as at 31-Mar-2018	as at 31-Mar-2017
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' Funds</b>		1,060.49	540.37
	(a) Share Capital	1	698.30	508.70
	(b) Reserves and Surplus	2	362.19	31.67
<b>2</b>	<b>Share Application Money Pending</b>		-	-
<b>3</b>	<b>Non-Current Liabilities</b>		-	-
	(a) Long-Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)		-	-
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions		-	-
<b>4</b>	<b>Current Liabilities</b>		155.26	87.71
	(a) Short-Term Borrowings		-	-
	(b) Trade Payables	3	146.24	77.75
	(c) Other Current Liabilities	4	-	2.21
	(d) Short-Term Provisions	5	9.02	7.75
	<b>Total</b>		<b>1215.75</b>	<b>628.09</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>		411.46	160.13
	(a) Fixed Assets			
	(i) Tangible Assets	6	104.70	85.87
	(b) Non-Current Investments		-	-
	(c) Deferred Tax Assets (Net)	7	0.32	2.17
	(d) Long-Term Loans and Advances	8	281.86	72.09
	(e) Other non-current assets	9	24.58	-
<b>2</b>	<b>Current Assets</b>		804.30	467.96
	(a) Current Investments		-	-
	(b) Inventories	10	440.20	142.78
	(c) Trade receivables	11	13.03	36.14
	(d) Cash and Cash Equivalents	12	104.76	287.72
	(e) Short-term loans and advances	13	246.32	1.32
	(f) Other Current Assets		-	-
	<b>Total</b>		<b>1215.76</b>	<b>628.09</b>

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

As per our report of even date.

**For, Loonia & Associates**

**Chartered Accountant**

Sd/-

**Hitesh Loonia**

**Proprietor**

**Mem No 135424**

**Place: Ahmedabad**

**Date: 30.05.2018**

**For & on behalf of the Board of Directors of**

**7NR RETAIL LIMITED**

Sd/-

**Pinal Shah**

**Managing Director**

Sd/-

**Riddhi Shah**

**Director**

Sd/-

**Shaili Mehta**

**Company Secretary**

Sd/-

**Mittal Shah**

**Chief Financial Officer**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-MARCH-2018**

**(Amount in Lakh)**

Sr. No.	Particulars	Note No.	31-Mar-2018		31-Mar-2017	
<b>I</b>	<b>Revenue from Operations</b>	14		1,008.29		1,134.02
<b>II</b>	<b>Other Income</b>	15		16.97		8.42
<b>III</b>	<b>TOTAL REVENUE (I + II)</b>			<b>1025.26</b>		<b>1142.45</b>
<b>IV</b>	<b>EXPENSES</b>					
	Purchase of Stock- in-Trade	16		1,204.37		1,047.71
	Changes in Inventories	17		-297.42		-28.30
	Employee Benefit Expenses	18		57.49		43.32
	Finance Costs	19		1.15		1.71
	Depreciation and Amortization Expenses	20		9.43		4.17
	Other Expenses	21		35.18		33.16
	<b>TOTAL EXPENSES</b>			<b>1010.21</b>		<b>1101.77</b>
<b>V</b>	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>			<b>15.05</b>		<b>40.67</b>
<b>VI</b>	Exceptional Items			-		-
<b>VII</b>	<b>Profit before Extraordinary Items and Tax</b>			<b>15.05</b>		<b>40.67</b>
<b>VIII</b>	Extraordinary Items					-
<b>IX</b>	<b>Profit Before Tax</b>			<b>15.05</b>		<b>40.67</b>
<b>X</b>	<b>Tax Expense</b>					
	Current Tax	22		5.00		2.63
	Deferred Tax			1.85		0.51
<b>XI</b>	<b>Profit/(Loss) for the period from Continuing Operations (IX-X)</b>			<b>8.19</b>		<b>37.53</b>
<b>XII</b>	Profit/(Loss) from Discontinuing Operations			-		-
<b>XII I</b>	Tax Expense of Discontinuing Operations			-		-
<b>XIV</b>	<b>Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)</b>			-		-
<b>XV</b>	<b>Profit(Loss) for the Period(XI+XIV)</b>			<b>8.19</b>		<b>37.53</b>
<b>XVI</b>	<b>Earnings per Equity Share</b>	23				
	-Basic			0.14		1.22
	-Diluted			0.14		1.22

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

As per our report of even date.

For, Loonia & Associates

Chartered Accountant

Sd/-

Hitesh Loonia

Proprietor

Mem No 135424

Place: Ahmedabad

Date: 30.05.2018

For & on behalf of the Board of Directors of

7NR RETAIL LIMITED

Sd/-

Riddhi Shah

Director

Sd/-

Pinal Shah

Managing Director

Sd/-

Shaili Mehta

Company Secretary

Sd/-

Mittal Shah

Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-MARCH-2018**

		[ Amount in Lakh ]	
	Particulars	2017-18	2016-17
<b>A.</b>	Cash Flow From Operating Activities		
	Net Profit before taxation and extraordinary items	15.05	40.67
	<b>Adjustment for :-</b>		
	Depreciation and Amortization	9.43	4.17
	Finance Costs	1.15	1.71
	Interest Income	-16.97	-8.31
		-6.39	-2.44
	Operating Profit before working capital changes	8.66	38.24
	<b>Change in working Capital :</b>		
	<b>Adjustment for Decrease(Increase) in Operating Assets</b>		
	Inventories	-297.42	-28.30
	Trade receivables	23.11	-20.11
	Short Term loans & advances	-244.99	106.71
	Long Term loans & advances	-209.77	-59.77
	Other Current Assets	-	2.36
	<b>Adjustment for Decrease(Increase) in Operating Liabilities</b>		
	Trade payables	68.49	33.79
	Other current liabilities	-2.21	2.21
	Short Term Provisions	-3.73	-7.93
	<b>Cash Generated from operations</b>	<b>-657.86</b>	<b>67.19</b>
	Direct Tax paid	-	-
	<b>Cash Flow before extraordinary items</b>	<b>-657.86</b>	<b>67.19</b>
	Extraordinary Items/Prior Period Items	-	-
	<b>Net cash from Operating Activities</b>	<b>-657.86</b>	<b>67.19</b>
<b>B.</b>	<b>Net Cash Flow From Investment Activities</b>		
	Purchase of Fixed Assets	-28.26	-85.16
	Investments	-	-
	Interest income	16.97	8.31
	Increase in Non Current Assets	-24.58	-
	<b>Net Cash from Investment Activities</b>	<b>-35.87</b>	<b>-76.85</b>
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Finance Costs	-1.15	-1.71
	Issue of Shares	189.60	225.00
	Increase in Share Premium A/c	322.32	45.00
	Proceeds of Long term borrowings	-	-
	Proceeds of short term borrowings	-	-1.25
	<b>Net Cash from financial activities</b>	<b>510.77</b>	<b>267.04</b>
	<b>NET INCREASE/ (-) DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>-182.96</b>	<b>257.38</b>
	<b>OPENING BALANCE IN CASH AND CASH EQUIVALENTS</b>	<b>287.72</b>	<b>30.33</b>
	<b>CLOSING BALANCE IN CASH AND CASH EQUIVALENTS</b>	<b>104.76</b>	<b>287.72</b>

**Notes on Cash Flow Statement**

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

**As per our Report of even date attached**

**For, Loonia & Associates**

**Chartered Accountants**

Sd/-

**Hitesh Loonia**

**Proprietor**

**Mem No 135424**

**Place: Ahmedabad**

**Date: 30.05.2018**

**For & on behalf of the Board of Directors of**

**7NR RETAIL LIMITED**

Sd/-

**Riddhi Shah**

**Director**

Sd/-

**Shaili Mehta**

**Company Secretary**

Sd/-

**Mittal Shah**

**Chief Financial Officer**



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**Notes Forming Part of Financial Statements for the year ended 31st March, 2018**

**NOTE: 1      SIGNIFICANT ACCOUNTING POLICIES:**

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

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

**B. Revenue Recognition:**

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

**C. Use of Estimates:**

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

**D. Fixed Assets:**

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

**E. Depreciation:**

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

**F. Borrowing Cost:**

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

**G. Inventories:**

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

**H. Investment:**

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

**I. Income Tax Accounting:**

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

**J. Extraordinary Items:**

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

**K. Provision and Contingent Liabilities:**

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

**L. Impairment of Assets:**

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

**M. Provisions:**

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

**N. Cash and Cash Equivalents:**

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

## **O. Employee Benefits:**

### **Provident Fund:-**

The management is of the opinion that Provident Fund is not applicable to the Company as number of employees is less than that as required by law.

### **Gratuity:-**

The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for on cash basis.

### **Pension:**

The management is also of the opinion that the payment under Pension Act is not applicable to the Company.

## **P. Earning Per Share:**

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

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

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

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

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

## **R. Segment Reporting:**

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

**Notes to the Financial Statements for the year ended 31st March 2018**

**1 Share Capital**

**(Amount in Lakh)**

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	
<b>1</b>	<b>AUTHORIZED SHARE CAPITAL</b>			
	70,00,000 (7000000) Equity Shares of Rs.10/- each	700.00	700.00	
	<b>Total</b>	<b>700.00</b>	<b>700.00</b>	<b>-</b>
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>			
	At the beginning period	508.70	283.70	
	Add : Issued during the period	189.60	225.00	
	Add :Issued on account of Merger/ Conversion/Bonus/Split	-	-	-
	Less : Forfeited Share(amount Originally Paid up)	-	-	-
	At the end of reporting period	698.30	508.70	-
	Less: Calls Unpaid (Showing aggregate value of calls unpaid by directors and officers		-	-
	<b>Total</b>	<b>698.30</b>	<b>508.70</b>	<b>-</b>

**B. The reconciliation of the number of shares outstanding as at March 31, 2018 and March 31, 2017 is set out below:**

Equity Shares	As at 31st March 2018		As at 31st March 2017	
	No of shares	Amount in Rs.	No of shares	Amount in Rs.
Shares outstanding at the beginning of the year	50,87,000	5,08,70,000	28,37,000	2,83,70,000
Add: Shares issued during the year	18,96,000	1,89,60,000	22,50,000	2,25,00,000
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	69,83,000	6,98,30,000	50,87,000	5,08,70,000

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

	Name of the shareholder	As at 31st March 2018		As at 31st March 2017	
		No of Shares	% of holding	No of Shares	% of holding
1	Pinal Kanchanlal Shah	10,84,860	15.54%	10,84,860	21.33%
2	Nutanben Jaykishan Patel	9,13,140	13.08%	9,13,140	17.95%
3.	Jaykishan Patel	3,21,500	4.60%	3,21,500	6.32%
4.	Riddhi Shah	3,91,100	5.60%	3,91,100	7.69%
5.	Snehal K Shah	3,52,800	5.05%	3,52,800	6.94%
6.	Pinal K Shah HUF	3,21,500	4.60%	3,21,500	6.32%
7.	Jaykishan Patel HUF	3,21,500	4.60%	3,21,500	6.32%
8.	Chandrika K Shah	3,36,300	4.82%	3,36,300	6.61%
	<b>Total</b>	<b>40,42,700</b>	<b>57.89%</b>	<b>40,42,700</b>	<b>79.47%</b>

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

**2 Reserves & Surplus**

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
<b>1</b>	<b>SECURITIES PREMIUM RESERVE</b>				
	As per last balance sheet	45.00		-	
	Add : Amount received on Share Issued	322.32		45.00	
	Less : Right Share Issue Expenses Written off	-		-	
	Less: Call in Arrears	-		-	
	Less : Bonus shares issued by capitalisation of share premium	-	<b>367.32</b>	-	<b>45.00</b>
<b>2</b>	<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>				
	Balance as per last Financial year	-13.33		-50.83	
	Add : Profit for the year	8.20		37.53	
	Add: Addition during the year (including transfer from reserve)	-		-	
	Less : Appropriations, if any	-		-	
	Proposed dividend on Equity shares	-		-	
	Tax on Dividend	-		-	
	Transferred to General Reserve	-	-5.13	-	-13.33
	<b>Total</b>		<b>362.19</b>		<b>31.67</b>

### 3 Trade Payables

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1	Due to Micro, Small and Medium Enterprises	-		9.48	
2	Due to Others	146.24	146.24	68.27	77.75
	<b>Total</b>		146.24		77.75

### 4 Other Current Liabilities

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
	Other Current Liabilities	-		2.21	
	<b>Total</b>		-		2.21

### 5 Short Term Provisions

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
<b>1</b>	<b>Provision for employee benefits ;</b>				
	-Provision for Salary & Bonus	2.68		3.62	
	-Provident Fund payable	0.27			
	-Provision for gratuity /Leave encashment	-	2.96	-	3.62
<b>2</b>	<b>Others :</b>				
	- Provision for Income tax	5.00		2.50	
	- ESI Payable	0.11		0.02	
	- TDS Payable	0.27		0.46	
	- Unpaid Account Fees	-		0.12	
	- Unpaid Consultancy Fees	0.14		0.14	
	- Unpaid Audit Fees	0.50		0.25	
	- Professional Tax	0.05		0.02	
	- Sales / Vat Tax Payable	-		0.63	
			6.06		4.14
	<b>Total</b>		<b>9.02</b>		<b>7.75</b>

6 Fixed Assets		(Amount in Lakh)											
		Gross Block					Accumulated Depreciation					Net Block	
	Tangible Assets	As at 31 <sup>st</sup> March, 2017	Additions During the year	Disposals during the year	Revaluations/ (Impairments)	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March .2017	Depriciation on charge for the year	Adjustment	On Disposals	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As on 31 <sup>st</sup> March.17
1	Plant & Machinery	0.18	-	-	-	0.18	0.02	0.01		-	0.03	0.15	0.16
2	Electric Installation & Air Conditioner	30.13	9.52	-	-	39.65	1.60	2.95		-	4.55	35.10	28.53
3	Furniture & Fixtur e	57.11	18.36	-	-	75.47	3.98	5.73		-	9.71	65.76	53.13
4	Computer & Software	4.19	0.13	-	-	4.32	0.45	0.67		-	1.12	3.20	3.74
5	Office Equipment	0.40	0.26	-	-	0.66	0.09	0.08		-	0.17	0.49	0.31
	<b>Total</b>	92.01	28.27	-	-	120.28	6.14	9.44		-	15.58	104.70	85.87

## 7 Deferred Tax Assets

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
2	<b>DEFERRED TAX ASSETS :</b>				
	Opening balance	2.17		2.68	
	<b>Adjustment</b>				
	- Related to Fixed Assets	1.85		0.51	
	- Related to Others	-		-	
			0.32		2.17
	<b>TOTAL</b>		<b>0.32</b>		<b>2.17</b>

## 8 Long Term Loans and Advances

(Amount in Lakh)

Sr. No.	Particulars	As at 31st March 2018		As at 31st March 2017	
1	<b>Unsecured, Considered Good unless otherwise stated : Loans &amp; Advances</b>				
	Advance recoverable in cash or in kind	-	-	58.29	58.29
2	<b>Security Deposits</b>				
	Security Deposits	281.86		13.80	
			281.86		13.80
	<b>Total</b>		<b>281.86</b>		<b>72.09</b>

## 9 Other non-current assets

(Amount in Lakh)

Sr. No.	Particulars	As at 31st March 2018		As at 31st March 2017	
1	Share Issue Expenses	24.58		-	
	<b>Total</b>		<b>24.58</b>		<b>-</b>



## 10 Inventories

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
	(At Valued at lower of cost or Net Realisable Value)				
1	Stock In Trade	440.20	440.20	142.78	142.78
	<b>Total</b>		<b>440.20</b>		<b>142.78</b>

## 11 Trade Receivables

(Amount in Lakh)

Sr. No	Particulars	As at 31st March, 2017		As at 31st March 2017	
(1)	<b>Outstanding for not more than six months</b>				
	(a) Secured, considered good	-	-	-	-
	(b) Unsecured, considered good				
	Sundry Debtors	13.03	13.03	20.11	20.11
	(c) Other Consider Doubtful				
	Less : (d) Allowances for Bad debt and doubtful debt	—	—	—	—
(2)	<b>Outstanding for more than six months</b>				
	(a) Secured, considered good	-	-	-	-
	(b) Unsecured, considered good				
	Sundry Debtors	-	-	16.03	16.03
	(c) other Considered doubtful	-	-	-	-
	Less: (d) Allowance for bad and doubtful Debts	-	-	-	-
	<b>Total</b>		<b>13.03</b>		<b>36.14</b>

## 12 Cash and Cash Equivalents

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1	<b>Cash &amp; Cash Equivalent</b>				
	(a) Balances with Schedule Banks				
	Balance with Bank	12.35		1.78	
			12.35		1.78
	(b) Cash on Hand	18.59	18.59	12.55	12.55
	(c) Others				
	- In Fix Deposits	73.81	73.81	273.38	273.38
	<b>Sub Total (A)</b>		104.76		287.72
	<b>Total</b>		<b>104.76</b>		<b>287.72</b>

### 13 Short Term Loans and Advances

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
	<b>Unsecured, Considered Goods</b>				
<b>1</b>	<b>Advance recoverable in cash or in kind</b>				
	Advance to staff	0.43		-	
	Advance recoverable in cash or in kind	225.09		0.49	
	Interest Receivable	4.56		-	
			230.07		0.49
	TDS Receivable	0.83	0.83	0.78	0.78
<b>2</b>	<b>Others :</b>				
	Statutory Remittance	15.42		-	
	Prepaid Insurance	-		0.06	
			15.42		0.06
	<b>Total</b>		<b>246.32</b>		<b>1.32</b>

**Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2018**

**14 Revenue from Operations**

**(Amount in Lakh)**

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1	<b>Revenue from Operations</b>				
	<b>Sale of Products</b>				
	Traded Goods	1,008.29	1,008.29	1,132.72	1,132.72
			-		
2	<b>Other Operating Revenue</b>	-	-		
	Discount	0.00	0.00	1.30	1.30
	<b>Total</b>		<b>1,008.29</b>		<b>1,134.02</b>

**15 Other Income**

**(Amount in Lakh)**

Sr. No.	Particulars	As at 31st March 2018		As at 31st March 2017	
	<b>Interest Income</b>	-	-		
	Interest on refund	0.00		0.13	
	Interest on Loans & Advances	13.76		6.91	
	Interest from Fixed Deposits	3.21	16.97	1.27	8.31
	Kasar		0.00		0.11
	Misc. Income		0.00		0.00
	<b>Total</b>		<b>16.97</b>		<b>8.42</b>

**16 Purchase of Stock in Trade**

**(Amount in Lakh)**

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
	Trading Goods Purchase	1,204.37	1,204.37	1,047.71	1,047.71
	<b>Total</b>		<b>1,204.37</b>		<b>1,047.71</b>

**17 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**
**(Amount in Lakh)**

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1	<u>Stock in Trade</u>				
	Opening Stock	142.78		114.48	
	Less: Closing Stock	440.20	-297.42	142.78	-28.30
	<b>Total</b>		<b>-297.42</b>		<b>-28.30</b>

**18 Employee Benefits Expense**
**(Amount in Lakh)**

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
<b>(A)</b>	<b>Salary &amp; Wages</b>				
	- Director Remuneration	11.66		11.47	
	- Bonus	1.85		1.26	
	- Salary	40.60		29.60	
	- Contribution to P.F. & E.S.I	2.43	<b>56.54</b>	0.97	<b>43.29</b>
<b>(B)</b>	<b>Staff Welfare Exp.</b>				
	- Staff Welfare Exp.	0.95	<b>0.95</b>	0.03	<b>0.03</b>
	<b>Total</b>		<b>57.49</b>		<b>43.32</b>

**19 Finance Costs**
**(Amount in Lakh)**

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1	Interest Expense				
	- Interest Exp	0.02		0.55	
	- Interest on Prof Tax	0.00		0.00	
	- Interest on Service Tax/VAT	0.00		0.13	
	- Interest on TDS/Others	0.00	<b>0.03</b>	0.04	<b>0.72</b>
2	Other Borrowing Costs				
	- Bank Charges	0.06		0.07	
	- Credit Card Charges	1.06		0.92	
	- Loan Processing Charges	0.00	<b>1.12</b>	0.00	<b>0.99</b>
	<b>Total</b>		<b>1.15</b>		<b>1.71</b>

## 20 Depreciation

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
	Depreciation	9.43	<b>9.43</b>	4.17	<b>4.17</b>
	<b>Total</b>		<b>9.43</b>		<b>4.17</b>

## 21 Other Expenses

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
	<b>Head Office</b>				
<b>1</b>	<b>Payment to Auditors</b>				
	As Auditor	0.25	<b>0.25</b>	0.25	<b>0.25</b>
	Power and Fuel				
	-Electricity Exp.	5.85		4.29	
	-Petrol Exp	0.46	<b>6.31</b>	0.15	<b>4.44</b>
	Repairs & Maintenance	0.63	<b>0.63</b>	0.60	<b>0.60</b>
	Insurance	0.34	<b>0.34</b>	0.18	<b>0.18</b>
	Rent, Rate & taxes	7.94		5.16	
	Account Charges	1.81		1.20	
	Advertisement Exp	0.00		0.20	
	Alteration Exp	0.04		0.64	
	Professional Fees	2.55		8.29	
	Courier and Postage	0.02		0.02	
	Domain Exp	0.05		0.01	
	Trademark Exp	0.10		0.00	
	Housekeeping Expense	0.68		1.05	
	Internet Exp	0.02		0.00	
	Misc. Exp	0.21		0.17	
	Office Exp	2.25		1.41	
	Freight Expense	0.00		1.50	
	Preliminary Exp W/O	0.00		0.09	
	Kasar Exp	0.62		0.00	
	ROC Exp	1.02		5.15	
	Stationery	0.42		0.34	
	Software Exps	1.91		1.03	
	Short/Excess Provision Written Off	6.21		0.00	

	Telephone Expense	0.73		0.58	
	Transportation Exp	0.39		0.07	
	Travelling Exp	0.68		0.78	
			<b>27.64</b>		<b>27.69</b>
	<b>Total</b>		<b>35.18</b>		<b>33.16</b>

## 22 Current Tax

(Amount in Lakh)

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1	Current Tax	5.00	<b>5.00</b>	2.63	<b>2.63</b>
	<b>Total</b>		<b>5.00</b>		<b>2.63</b>

## 23 Earning Per Share

Sr. No	Particulars	As at 31st March 2018		As at 31st March 2017	
1.	Profit attributable to the Equity Shareholders	A	8.19	A	37.53
	Total Equity Shares Outstanding during the end of the Year		69,83,000.00		50,87,000.00
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	58,97,645.00	B	30,71,247.00
3	Nominal value of Equity Shares (Rs.)		10.00		10.00
4	Basic Earnings per Share (Rs.)	A / B	0.14	A / B	1.22
5	Diluted Earning per Share (Rs.)		0.14		1.22

## NOTES ON ACCOUNTS:

a) **Foreign Currency Earning / Expenditure:- NIL**

b) **Related Party Disclosures:-**

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

<b>Enterprises over which Key Managerial Personnel exercises significant influence</b>	NIL
Key Managerial Personnel ( KMP) on the Board	
Mr. Pinal Shah	Promoter- Managing Director
Mrs. Riddhi Shah	Promoter- Director
Mrs. Nutanben Patel	Promoter
Miss. Shaili Mehta	Company Secretary
Mr. Mittal Shah	CFO (appointed w.e.f 14 <sup>th</sup> November, 2018)
Mr. Kunjal Panchal	CFO (Resigned w.e.f 21 <sup>st</sup> August, 2017)

b) **Particulars of Related Party Transactions:-**

**(Amount in Lakh)**

Particulars	Salary/ Remuneration		Purchase/ Sale				O/S Payable	
	2017-18	2016-17	2017-18		2016-17		2017-18	2016-17
			Purchase	Sale	Purchase	Sale		
Pinal Shah	6.00	4.25	Nil	Nil	Nil	Nil	0.45	Nil
Riddhi Shah	5.66	4.10	Nil	Nil	Nil	Nil	0.43	Nil
Nutan Patel	2.90	3.12	Nil	Nil	Nil	Nil	Nil	Nil
Shaili Mehta	2.15	0.37	Nil	Nil	Nil	Nil	0.22	0
Kunjal Panchal	0.80	0.19	Nil	Nil	Nil	Nil	Nil	0
Mittal Shah	0.79	0	Nil	Nil	Nil	Nil	0.16	0
7NR Inc	NA	NA	0.50	0.66	7.33	16.81	11.13	9.48

c) **Capacity & Production:-**

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

d) In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.

e) The balance of Sundry Creditors, Sundry Debtors, and Loans & Advances are unsecured, considered good and reconciled from subsequent transaction and/ or confirmations are obtained.

f) Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.

g) As informed to us, there are no contingent liabilities as on Balance Sheet Date.

- h) During the year, the Company had raised fund through IPO amounting to Rs 511.92 lakh and the said funds to be used in Issue Expenses amounting To Rs. 30.00 lakh and balance Rs. 481.92 lakh in working capital requirements. However, the Company had used the funds as per object of the issue and Interim Utilisation of Balance IPO proceeds as on balance sheet date was as a Fixed Deposits in Banks amounting to Rs 40.00 lakh.
- i) As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
- j) As certified by Company that it has received written representation from all the Directors, that Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.

As per our report of even date.

**For, Loonia & Associates,  
Chartered Accountants**

Sd/-  
**Hitesh Loonia**  
Proprietor  
M.No. 135424  
Firm Reg No 130883W

Place: Ahmedabad  
Date: 30.05.2018

**For and on behalf of Board of Directors**

Sd/-  
**Pinal Shah**  
Managing Director

Sd/-  
**Riddhi Shah**  
Director

Sd/-  
**Shaili Mehta**  
Company Secretary

Sd/-  
**Mittal Shah**  
Chief Financial Officer





**ATTENDANCE SLIP**  
**Annual General Meeting-2018**

**Regd Office:** B-308 Titanium Heights, Nr. Vodafone House Corporate Road Prahladnagar,  
Makarba Ahmedabad-380015, Gujarat.

Regd. Folio/DP ID & Client ID	
Name & Address of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	
No. of Shares	

I hereby certify that I/we a Registered Shareholder/Proxy for the registered Shareholder of the Company.

I/we hereby record my presence at the 6<sup>th</sup> Annual General Meeting of the Company at the Registered Office of the Company situated at B-308 Titanium Heights, Nr. Vodafone House Corporate Road Prahladnagar, Makarba Ahmedabad-380015, on Friday, 7<sup>th</sup> September, 2018 at 10:00 A.M.

\_\_\_\_\_  
Member's/Proxy's Signature

**Note:** Please bring the attendance slip to the meeting and handover at the entrance dully filled in.

**PROXY FORM**

**7NR RETAIL LIMITED**  
**(Formerly known as 7NR Retail Private Limited)**

**CIN:** L52320GJ2012PLC073076

**Regd. Office:** B-308 Titanium Heights, Nr. Vodafone House Corporate Road Prahladnagar,  
Makarba Ahmedabad- 380015.

**Website:**www.7nrretailtd.in;**Phone:**079-29708299;**E-mail:** info@7nrretailtd.in

**FORM NO. MGT-11**

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

Name of Member(s):	
Registered Address:	
Email Id:	
*DP Id:	
Regd. Folio No./ *Client Id:	

(\*Applicable for Members holding shares in electronic form)

I/ We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_  
or failing him;

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_  
or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 6<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, 7<sup>th</sup> September, 2018 at 10:00 A.M at the registered office of the Company at B-308, Titanium Heights Nr. Vodafone House Corporate Road Prahladnagar, Makarba Ahmedabad-380015, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against
	<b>Ordinary Business</b>		
1.	To consider and adopt Audited Financial Statement, Reports of Board of directors and Auditors thereon.		
2.	To declare dividend on equity shares for the financial year ended on 31 <sup>st</sup> March, 2018.		
2.	Reappointment of Mrs. Riddhi Shah as Director, who retires by rotation.		

	<b>Special Business</b>		
4.	Regularization of Mr. Vinay Raval as Independent Director of the Company.		
5.	Increase in Authorized Share Capital of the Company and alteration in Memorandum of Association.		
6.	To Issue Bonus Shares.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Signature of Shareholder(s): \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Revenue Stamp
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**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.