

Date: 5th January, 2021

To,

BSE Limited

The Listing Department
P. J. Tower, Dalal Street,
Fort, Mumbai-400001

Scrip Code: 508980

Sub: - Disclosure of approved and adopted Annual Report pursuant to Regulation 34 of Listing (Obligations And Disclosure Requirement) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 34 of Listing (Obligations and Disclosure Requirement) Regulations, 2015 enclosed is the Annual Report for FY 2019-20 as adopted and approved in the Annual General Meeting held on 10th December, 2020.

Yours truly,
For **Frontier Capital Limited**

Hemendranath Choudhary
Whole Time Director
DIN - 06641774

Registered Office:

1503,Lodha Supremus, Senapati Bapat Marg, Lower Parel (west),
Mumbai – 400013, Maharashtra, India
CIN: L65990MH984PLC033128

T: +91 - 88793 10051

Email ID: frontierleasing1984@gmail.com

FRONTIER CAPITAL LIMITED

Annual Report 2019-20

Board of Directors	: Mr. Hemendranath N. Choudhary : Mrs. Usha Iyengar : Mr. Ashok Katra
Company Secretary	: Mr. Aniket Naresh Prabhu
Chief Financial Officer	: Mr. Aniket Naresh Prabhu
Statutory Auditors	: M/s. A. C. Bhuteria & Co. Room 10, 2nd Floor, 2, India Exchange Place Kolkata 700 001, India Phone : +91 33 2230 6990 +91 33 2231 7128 Email : info@acbhuteria.com Web : www.acbhuteria.com
Secretarial Auditors	: M/S AVS and Associates S-27, Haware Fantasia Business Park, Next to Inorbit Mall, Vashi, Navi Mumbai - 400705, Maharashtra, India. Phone : +9122-4978 5430 / 4978 5431 / 2781 0071 Email Id : info@avsassociates.co.in Web : www.avsassociates.co.in
Registered Office	: 1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel (west), Mumbai – 400013, Maharashtra, India Tel.: +91 8879310051 Email Id.: frontierleasing1984@gmail.com Website: www.flflindia.com
Registrar & Share Transfer Agent	: Link Intime India Private Limited C – 101, 247 park, LBS Marg, Vikhroli West, Mumbai – 400 083 Tel: 022-4918 6270 Fax: 022-40986060 E-mail: rnt.helpdesk@linkintime.co.in

SR. NO.	CONTENTS	PAGE NO.
1	Notice of 36 th Annual General Meeting	1
2	Directors' Report	14
3	Annual Return - MGT-9 (Annexure 1)	26
4	Secretarial Audit Report (Annexure 2)	33
5	Policy Relating to Directors Appointment And Remuneration (Annexure 3)	38
6	Particular of employees as per Section 197 (12) of the Companies Act, 2013 (Annexure 4)	42
7	Management Discussion and Analysis Report (Annexure 5)	43
8	Corporate Governance Report (Annexure 6)	46
9	Certificate from Company Secretary in Practice	54
10	Independent certificate on compliance with the conditions of Corporate Governance	55
11	General Shareholders Information	56
12	Independent Auditors' Report	57

NOTICE IS HEREBY GIVEN that the Thirty Sixth Annual General Meeting of the Members of Frontier Capital Limited will be held on Thursday, 10th December, 2020 at 11.00 A.M. IST at the registered office of the Company at 1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel west, Mumbai – 400 013 to transact the following business:

ORDINARY BUSINESS -

1. ADOPTION OF ACCOUNTS:

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020 together with the Reports of the Board of Directors' and Auditors' thereon.

2. RETIRE BY ROTATION:

To appoint a Director in place of Hemendra nath Choudhary, Director (DIN: 06641774), who retires by rotation and being eligible offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT Mr. Hemendranath Choudhary, Whole Time Director (DIN: 06641774), who retire by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation”

3. APPOINTMENT OF STATUTORY AUDITOR:

To appoint the Statutory Auditors and to fix their remuneration and in this regard pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139(2) of the Companies Act, 2013 and rules made thereunder, and pursuant to the recommendation of Audit Committee of the Company, M/s. A.C. Bhuteria & Co., (Firm No. 303105E), Chartered Accountants, Kolkata be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 36th Annual General Meeting till the conclusion of 41st Annual General Meeting to be held in year 2026 and that the Board of Directors of the Company be and is hereby authorized to fix the remuneration as may be recommended by the Audit Committee in consultation with the auditors.”

SPECIAL BUSINESS

4. TO APPROVE ALLOTMENT OF 1,65,00,000 EQUITY SHARES OF RS. 10 EACH PURSUANT TO REGULATION 170(2) OF THE CHAPTER V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

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

“RESOLVED THAT pursuant to Regulation 170(2) of the Chapter V of the Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018 and applicable provisions of the Companies Act, 2013 and the Rules framed thereunder including any statutory modification(s) or re-

enactment(s) thereof for the time being in force, and in accordance with the provisions of Memorandum of Association and Articles of Association of the Company and as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“Listing Regulations”) and all other applicable laws, applicable regulations, circulars, notifications issued by the Securities and Exchange Board of India (“SEBI Regulations”), the Reserve Bank of India (“RBI”), stock exchanges on which the equity shares of the Company are listed or such other relevant statutory, governmental and other authorities and/or departments, from time to time, to the extent applicable and other approvals, consents, permissions and sanctions as may be required and subject to such conditions and modifications which may be agreed by Board of Directors, the consent of the members of the Company be and is hereby accorded for an allotment of 1,65,00,000 (One Crore Sixty Five Thousand) Equity Shares of Rs. 10 (Rupees Ten) each of the Company at par, to the following allottees:

Upon Conversion of Compulsory Convertible preference Shares –

- 1. Anirudh Bhuwarka - 9,10,000**
(Against existing 9,100, 0.01% Compulsorily Convertible Preference Shares)
- 2. Inimitable Capital Finance Private Limited (Existing Promoter) - 88,90,000**
(Against existing 88,900, 0.01% Compulsorily Convertible Preference Shares)
- 3. Atul Bhagwat - 22,40,000**
(Against existing 22,400, 0.01% Compulsorily Convertible Preference Shares)
- 4. Vinay Kalantri - 19,60,000**
(Against existing 19,600, 0.01% Compulsorily Convertible Preference Shares)

Upon Issue of Fresh Equity Shares under Private Placement

- 1. Inimitable Capital Finance Private Limited (Existing Promoter) – 25,00,000**

RESOLVED FURTHER THAT the Equity Shares were allotted on 27th August, 2019 and hence Company is non-compliant under Regulation 170(1) of the Chapter V of the Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018;

RESOLVED FURTHER THAT the Equity Shares of the Company allotted pursuant to the conversion of CCPS shall be rank pari passu with the existing fully paid up Equity Shares of the Company in all respects except for entitlement of Dividend which will be on pro rata basis;

RESOLVED FURTHER THAT upon receipt of the approval from the Stock Exchange for listing of securities, the Company shall apply to the Depositories CDSL and NSDL for the credit of the securities in Dematerialised form.

RESOLVED FURTHER THAT the Equity Shares allotted on a preferential basis shall remain locked-in in accordance with the provisions of the ICDR Regulations;

RESOLVED FURTHER THAT as per the Regulation 170(1) of the Chapter V of the Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018, the “Relevant Date” for the purpose of determining the issue price of the Equity Shares shall be. 10th November, 2020 being the date thirty days prior to the date on which the meeting of shareholders is held;

RESOLVED FURTHER THAT (i) Mr. Hemendranath Choudhary; Whole Time Director (ii) Ms. Usha Iyengar, Director and (iii) Mr. Aniket Prabhu, Company Secretary be and are hereby authorized to file such returns and forms under the Companies Act, 2013 with the office of the Registrar of Companies, Ministry of

Corporate Affairs, and be also authorized to appoint Advisors, banks and other intermediaries, or other agencies concerned, to issue any deed, documents and writing, to pay any fees, remuneration, expenses relating thereto, to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in their absolute discretion as they may deem fit in the best interest of the Company and be authorized generally to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolution.”

For and on behalf of the Board of Directors

Sd/- 
Hemendranath Choudhary

Whole Time Director

DIN:6641774

Place: Mumbai

Date: 10th November, 2020

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto and forms the part of this notice.
2. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote, in case of poll only, on his/ her behalf and a proxy need not be a member of the Company.
3. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.
4. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority as applicable.
5. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is Link Intime India Private Limited having their Registered Office at C – 101, 247 park, LBS Marg, Vikhroli West, Mumbai – 400 083.
6. The Register of Members and the Share Transfer Books of the Company shall remain closed from 3rd December, 2020 to 10th December, 2020 (both days inclusive) for determining the name of members eligible for dividend on Equity and preference shares, if approved by the members at the ensuing Annual General Meeting.
7. All documents referred in the accompanying notice are open for inspection at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
8. Dividends that are unclaimed/unpaid for a period of Seven Years are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government. Due dates of transferring unclaimed and unpaid dividends declared by the Company for the financial year 2011-12, 2012-13, 2013-14, 2014-15 & 2015-16 (final dividend) and thereafter to IEPF are as follows:

Financial Year Ended	Date of Declaration of Dividend	Last date for claiming unpaid/unclaimed dividend
31st March, 2012	28 th September, 2012	5 th November, 2019
31st March, 2013	20th September, 2013	28th October, 2020
31 st March, 2014	15 th September, 2014	23 rd October 2021
31 st March, 2015	25 th September, 2015	3 rd October 2022
31 st March, 2016	29 th September, 2016	07 th October 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim to Link Intime India Private Limited well in advance of the above due dates. It may be noted that once the amounts in the unpaid dividend accounts are transferred to IEPF, no claim shall lie against the IEPF or the Company in respect thereof and the Members would lose their right to claim such dividend.

10. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2019-20 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents.

Members are requested to support this Green Initiative by registering/ updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with Link Intime India Private Limited (in case of Shares held in physical form).

11. Corporate Members are requested to send duly certified copy of the Board resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting (including through e-voting).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN details to their respective Depository Participants with whom they have their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company – Link Intime India Private Limited.
13. Members are requested to:
 - a. intimate to the Company’s Registrar and Transfer Agents, Link Intime India Private Limited, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;
 - b. intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialised form;
 - c. quote their folio numbers/ Client ID/ DP ID in all correspondence; and
 - d. Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
 - e. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
 - f. Members/Proxies/Representatives are re-quested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.
14. Voting through electronic means –
 - a. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Regulation 44 of the Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to its Members in respect of the businesses to be transacted at the 36th Annual General Meeting (“AGM”). The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) as the Authorised Agency to provide e-voting facilities, on the resolutions mentioned in the notice of the 36th Annual General Meeting of the Company (the AGM Notice).
 - b. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means.
 - c. The facility for voting through polling papers shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through polling paper.
 - d. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - e. The remote e-voting shall commence on Monday, 7th December, 2020 (9.00 a.m.) and ends on Wednesday, 9th December, 2020 (5.00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 3rd December, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - f. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, 3rd December, 2020.
 - g. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Thursday, 3rd December, 2020 only shall be entitled to avail the facility of remote e-voting and voting at Meeting through ballot papers.
 - h. The Board of Directors of the Company has appointed CS ANAND SUBROTO MUKHARJEE, Partner of M/s. AVS & Associates, Company Secretaries, as Scrutinizer to scrutinize the voting through polling papers and remote e-voting process in a fair and transparent manner.

- i. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Thursday, 3rd December, 2020, may obtain the User ID and password by sending a request at helpdesk.evoting@cdsl.in. However, if the member is already registered with CDSL for remote e-voting then he can use his existing user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evotingindia.com or contact CDSL at the following toll free no.: 1800-200-5533.
- j. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make , not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman or person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company and on the website of the CDSL <https://www.evotingindia.com/>.
- k. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. Thursday, 10th December, 2020.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on from Monday 7th December, 2020 (9.00 a.m.) and ends on Wednesday 9th December, 2020 (5.00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday 3rd December, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for Frontier Capital Limited on which you choose to vote.
- xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. *Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.*
- xx. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

A. Please follow all steps from Sl. no. (i) to sl. no. (xvii) above to cast vote

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item No. 2:

Mr. H. N. Choudhary (DIN: 06641774) was appointed as an Whole Time Director on the Board of the Company with effect from 21st April, 2016 with the approval of the members in Annual General Meeting.

The Board of Director of the Company reappointed Mr. Hemendranath Choudhary as a Whole-Time Director with effect from the date 31st July, 2018 for a period of three years with the approval of the members in Annual General Meeting.

Mr. Hemendranath Choudhary is hereby liable for retire by rotation being eligible offers himself for re-appointment. Your Directors, therefore recommend for approval of members for re-appointment of Mr. H. N. Choudhary, by passing the Ordinary resolution set out at Item No. 2 of the notice as a Ordinary Resolution.

Except Mr. H. N. Choudhary and his relatives, none of the Directors and / or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

Details of the Whole-Time Director Seeking re-appointment in the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

I. General Information	
Nature of industry	The Company is engaged in the business of a non-banking financial institution. The Company is not systematically important non-deposit taking NBFC.
Financial performance	During the period under review, the Company has earned a total revenue of Rs. 21.99 Lakhs as against Rs. 0.40 Lakhs in the previous year. The loss before the tax was Rs. 12.01 Lakhs as against the loss of Rs. 113.33 Lakhs in previous year. The loss after tax was Rs. 628.04 Lakhs as against the loss of Rs. 113.33 Lakhs in previous year.
Foreign collaboration or investments	NIL
II. Information about appointee	
Name of Director	Hemendranath R. Choudhary
Date of birth	1 st October 1948
Date of appointment	31 st July, 2018
Remuneration last drawn	Rs. 12,00,000/- p. a.
Experience/ Expertise in specific functional area/Brief Resume	Mr. H N Choudhary is a Master of Engineering in Computer-Aided Design and Computer-Aided Manufacturing. He has more than 2 years of experience in Non-Banking Financial Company. He is also associated with famous companies like Engo Tea Company Limited, A-One Parts and Services Limited, AMW Finance Limited and Asia Motorworks Limited.

Qualification	ME (CAD and CAM)
Shareholding in the Company (Equity shares of Rs. 10/- each)	NIL
List of Directorship in other listed entities	NIL
Membership/Chairmanship of Committees of other listed entities (includes only Audit Committee and Stakeholder's Relationship Committee)	NIL
No. of Board Meetings attended during the year	7
Terms and Conditions of re-appointment	Same as before
Remuneration to be paid (if applicable)	Rs. 12,00,000/- p. a.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel	Not related
III. Other Information	
Reasons of loss	Due to 100% provisions against NPAs and Doubtful Debts, the Company has suffered loss in previous year. Due to financial restructuring and applicability of IND Accounting Standards adjustments were made as required.
Steps taken for improvement	Issuing legal notices for recoveries and timely follow ups.
Expected Increase in profits	As soon as the Borrowers comes out of NPAs and reversals of provisions.

Item No. 4:

In order to comply with the 170(2) of the Chapter V of the Securities and Exchange Board of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018, Company recommend the approval of the members for allotment of 1,65,00,000 Equity Shares of Rs. 10 each with delay of one day as per 170(1) of the Chapter V of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018.

Company had passed the special resolution through postal ballot and E-voting on 11th August for Preferential Issue of 1,65,00,000 Equity Shares of Rs. 10 each and In-principal approval for the same was obtained from the Bombay Stock Exchange on 1st August, 2019. Accordingly, as per Regulation 170(1) of the Chapter V of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018 (hereinafter called as "ICDR Regulations") allotment pursuant to the special resolution shall be completed within a period of fifteen days from the date of passing of such resolution i.e. 11th August, 2019. As Company has made the allotment of 1,65,00,000 Equity Shares of Rs. 10 each on 27th August, 2019, there is non-compliance of Regulation 170(1) of ICDR Regulations. Hence Company is required to pass Special Resolution pursuant to Regulation 170(2) of the Chapter V of ICDR Regulations.

The disclosures prescribed under the Companies Act, 2013 and Regulation 73 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended, or Regulation 163 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable, in respect of the Resolution proposed at Item Nos. 4 are as follows:

A. THE OBJECTS OF THE PREFERENTIAL ISSUE:

(As per Regulation 163 (1) (a) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

The object(s) for varying the terms of existing 0.1% Non-Convertible Redeemable Preference Shares and issue of Fresh Equity to the promoters i. e. ICFPL, is to meet the guidelines and maintain minimum Net Owned Fund under Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

B. TYPE AND MAXIMUM NUMBER OF SECURITIES TO BE ISSUED:

(As per Regulation 163 (1) (b) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

It is proposed to issue and allot in aggregate and maximum upto 1,40,00,000 (One Crore Forty Lakh) Equity Shares at a price of Rs. 10/- per share, aggregating to Rs. 14,00,00,000/- to Proposed Allottee against conversion of CCPS issued and maximum upto 25,00,000 Equity shares of Rs. 10 each under fresh issue.

Maximum 100 Equity Shares of Rs. 10 each shall be allotted against 1 Non-Convertible Redeemable Preference Shares of Rs. 1000.

C. PROPOSAL / INTENT OF THE PROMOTERS, DIRECTORS OR KEY MANAGEMENT PERSONNEL OF THE COMPANY TO SUBSCRIBE TO THE OFFER:

(As per Regulation 163 (1) (c) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

M/s. Inimitable Capital Finance Private Limited, Promoter Group entity, and Mr. Anirudh Bhuwalka, Promoter and Ultimate Beneficial Owner of Inimitable Capital Finance Private Limited is intending to participate / subscribe to the proposed issue and no other Director(s) or Key Managerial Personnel(s) are subscribing to this offer.

D. SHAREHOLDING PATTERN OF THE ISSUER BEFORE AND AFTER THE PREFERENTIAL ISSUE AND ALLOTMENT:

(As per Regulation 163 (1) (d) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

The table mentioned below shows the shareholding pattern of the Company consequent to conversion of CCPS into Equity and issue and allotment of fresh equity as per resolutions at Item No. 4:

Pre - Issue				Post issue of new Equity to promoter			
A	Promoters Holding (No. of Shares)			Promoters Holding (No. of Shares)			
1	Indian			1	Indian		
	Individuals/Hindu undivided Family	1	16,900		Individuals/Hindu undivided Family	1	9,26,900
	Any Other (Body Corporate)	1	1,76,610		Any Other (Body Corporate)	1	1,15,66,610
2	Foreign Promoter	0	0	2	Foreign Promoter	0	0
	Sub-total (A)	2	1,93,510		Sub-total (A)		1,24,93,510
B	Non- promoter shareholding			Non- promoter shareholding			
1	Individuals - (Individual shareholders holding nominal share capital up to Rs. 2 lakhs)	19	16,335	1	Individuals - (Individual shareholders holding nominal share capital up to Rs. 2 lakhs)	19	16,335
2	Any other	7	52,318	2	Any other	9	42,52,318
	Sub-total (B)	26	68,653		Sub-total (B)	28	42,68,653
	Total (A+B)	28	2,62,163		Total (A+B)	30	1,67,62,163

Name of allottees and the percentage of post Conversion and preferential issue of Equity Share capital that shall be held by them:

Sr. No.	Name of the Allottees	Current Equity Holding		Post Preferential Issue	
		No. of shares	%	No. of shares	%
1	Anirudh Bhuwalka	16,900	6.45	9,26,900	5.53
2	Inimitable Capital Finance Private Limited	1,76,610	67.37	1,15,66,610	69.00
3	Atul Bhagwat	0		22,40,000	13.77
4	Vinay Kalantri	0		19,60,000	12.05

E. PROPOSED TIME FRAME WITHIN WHICH THE PREFERENTIAL ISSUE SHALL BE COMPLETED:

(As per Regulation 163 (1) (e) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

As required under the SEBI (ICDR) Regulations, Equity Shares shall be issued and allotted by the Company within a period of Fifteen (15) days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of Fifteen (15) days from the date receipt of last of such approvals.

Hence Company allotted the Equity Shares on 16th day from the date of passing of this resolution, and therefore require Special Resolution As per Regulation 170 (2) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

F. IDENTITY OF THE NATURAL PERSONS WHO ARE ULTIMATE BENEFICIAL OWNERS OF THE SHARES PROPOSED TO BE ALLOTTED AND / OR WHO ULTIMATELY CONTROL THE PROPOSED ALLOTTEES:

(As per Regulation 163 (1) (f) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

Mr. Anirudh Bhuwalka is the Ultimate Beneficial owner of the proposed allottee (i. e. ICFPL) holding 99.9% of the shareholding of ICFPL and is also promoter of the Company. There is no change in the control of the issuer consequent to the proposed Preferential Issue.

Percentage of Pre and Post holding is mentioned in table hereunder

Sr. No.	Name of the Proposed Allottees	Category	Name of the natural persons who are the ultimate beneficial owners	Current Equity Holding		Post Conversion of preferential issue	
				No. of shares	%	No. of shares	%
1	Anirudh Bhuwalka	Promoter (Individual)	NA	16,900	6.45	9,26,900	5.53
2	Inimitable Capital Finance Private Limited	Promoter entity (Private Limited Company)	Anirudh Bhuwalka	1,76,610	67.37	1,15,66,610	69.00
3	Atul Bhagwat	Public (Individual)	NA	0		22,40,000	13.36
4	Vinay Kalantri	Public (Individual)	NA	0		19,60,000	11.69

G. UNDERTAKING THAT THE ISSUER SHALL RE-COMPUTE THE PRICE OF THE SPECIFIED SECURITIES IN TERMS OF THE PROVISION OF THESE REGULATIONS WHERE IT IS REQUIRED TO DO SO:

(As per Regulation 163 (1) (g) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

This clause is not applicable to the Company as shares of the Company have been listed on a recognized stock exchange (BSE) for a period of more than twenty six weeks as on the relevant date.

H. UNDERTAKING THAT IF THE AMOUNT PAYABLE ON ACCOUNT OF THE RE-COMPUTATION OF PRICE IS NOT PAID WITHIN THE TIME STIPULATED IN THESE REGULATIONS, THE SPECIFIED SECURITIES SHALL CONTINUE TO BE LOCKED- IN TILL THE TIME SUCH AMOUNT IS PAID BY THE ALLOTTEES.

(As per Regulation 163 (1) (g) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

This clause is not applicable to the Company as shares of the Company have been listed on a recognized stock exchange (BSE) for a period of more than twenty six weeks as on the relevant date.

I. DISCLOSURES SPECIFIED IN SCHEDULE VI, IF THE ISSUER OR ANY OF ITS PROMOTERS OR DIRECTORS IS A WILFUL DEFAULTER:

(As per Regulation 163 (1) (i) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

- ✓ It is hereby confirmed that neither the Company nor its Directors and to the Company's Knowledge any of its Promoters is a wilful defaulter.
- ✓ The Proposed Allottees has not sold any equity shares during the six months preceding the Relevant Date.

LOCK IN:

(As per Regulation 167 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018)

The Equity Shares, to be allotted to the Proposed Allottees upon conversion and fresh issue including the pre-preferential allotment shareholding of the Proposed Allottees will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 78 and 79 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended or Regulations 167 and 168 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable.

The entire pre-preferential allotment shareholding of the allottees shall be locked-in from the relevant date up to a period of six months from the date of trading approval:

Auditor's Certificate

A copy of the certificate from the Company's statutory auditor certifying that the issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations, 2009 as amended, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable, shall be open for inspection at the registered office of the Company between 11:00 am to 1:00 pm on all working days except, Saturday, Sunday and National Holiday until the Last date for receipt of votes by Postal Ballot / e-voting i.e. 11th August, 2019.

In accordance with the ICDR Regulations, (i) all the Equity Shares held by the Proposed Allottees in the Company are in dematerialized form only; (ii) the Company and none of its Promoters or Directors is a wilful defaulter or a fugitive economic offender; and (iii) valuation requirement is not applicable as the securities are proposed to be issued for cash consideration.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, at Item No. 4 of the Notice.

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole Time Director

DIN:6641774

Place: Mumbai

Date: 10th November, 2020

Registered Office: 1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel (west), Mumbai – 400013, Maharashtra, India

CIN: L65990MH1984PLC033128

Email:- frontierleasing1984@gmail.com

Website: www.flindia.com

Tel: +91 8879310051

to the provisions of Section 152 of the Companies Act, 2013 read with the Companies

DIRECTORS' REPORT

To,
The Members,
Frontier Capital Limited

Your Directors have pleasure in presenting the Thirty Sixth Director's Report of the Company and the Audited Financial Statements for the Financial Year (FY) ended 31st March 2020.

1. AFFAIRS OF THE COMPANY:**A. Financial Results:**

(Amount in Rs.)

Particulars	31 st March, 2020	31 st March, 2019
Income	83,38,630	1,78,000
Less: Expenses	95,39,592	1,15,11,000
Less: Exceptional Items	6,16,03,169	-
Profit / (Loss) before tax	-6,28,04,131	-1,13,33,000
Less: Tax expenses		-
(Including deferred tax and tax for earlier years)	-	5,92,473
Profit / (loss) After Taxation	-6,28,04,131	-1,19,25,000
Less: Proposed Dividend	-	-
Less: Corporate Dividend Tax	-	-
Less: Transfer to Statutory Reserve	-	-
Add: Balance Brought Forward from Last Year	-18,53,32,895	-17,34,07,895
Balance Carried Forward to Balance Sheet	-24,81,37,026	-18,53,32,895

B. Operations

During the period under review, the Company has earned a total income of Rs. 83,38,630 as against Rs. 1,78,000 in the previous year. The loss before the tax was Rs. 6,28,04,131 as against the loss of Rs. 1,13,33,000 in previous year. The loss after tax was Rs. 6,28,04,131 as against the loss of Rs. 1,19,25,000 in previous year.

Note: Current year and previous years figures are revised and represented as per IND AS. IND AS were applicable to your company from 1st April, 2019. According to which current year and previous year financials are prepared.

C. Business review and outlook

The details of the Company's affairs including its operations are more specifically given in the Management Discussion and Analysis Report, which is given in this Annual Report.

Outlook for the coming financial year continues to remain uncertain, with the COVID-19 situation evolving each day. Apart from agriculture and related activities, most other sectors of the economy have been adversely impacted by the pandemic and are expected to show de-growth.

D. Dividend

The company has formulated a dividend distribution policy in compliance with regulation 43A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (Listing Regulations).

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy and loss incurred, has decided that it would be prudent, not to recommend any Dividend for the year under review.

E. Transfer to Reserves

The Company did not transfer any amount to reserves in view of the losses incurred by the Company during the year under review.

F. Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which this financial statement relate and the date of the report

No material changes and commitments affecting the financial position of the Company during the period from the end of the financial year on 31st March 2020 to the date of this Report. There has been no change in the nature of business of the Company.

2. Share Capital

The Company has converted Rs. 14,00,00,000 of CCPS into 1,40,00,000 Equity Shares of Rs. 10 each and issued 25,00,000 Equity Shares of Rs. 10 each to Inimitable Capital Finance Private Limited issued any shares in the year 2019-20. Hence as on 31st March, 2020, the paid up share capital of the company is Rs. 16,76,21,630 divided into 1,67,62,163 Equity shares of Rs. 10/- each.

3. Management

A. Directors and Key Managerial Personnel:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the Articles of Association of the Company, Ms. Usha Iyengar, is entitled to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible has offered himself for re-appointment.

- ✓ During the year, special resolution was passed for re-appointment of Mr. Hemendranath Choudhary as a Whole – time director, for the period of 2 years.

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), brief resume of the Director proposed to be re-appointed in the ensuing Annual General Meeting is annexed in Notice of 36th Annual General Meeting of the Company.

Following is the list of Directors and KMPs as on 31st March 2020. There is no change in the same till the date of Annual Report

Name	Begin date	DIN/PAN	Designation
HEMENDRANATH RAJENDRANATH CHOUDHARY	21/04/2016	06641774	Whole – Time Director
USHA SUNDAR IYENGAR	01/04/2015	03447551	Non – Executive Woman Director
ASHOK KATRA	15/03/2017	07799527	Independent Director
ANIKET NARESH PRABHU	31/08/2018	BPYPP3319B	Company Secretary and Chief Financial Officer

B. Declaration by Independent Director:

All the Independent Directors have given declaration as required under the provisions of section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulations 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

C. Number of Board Meetings:

During the year under review, 7 Board Meetings were convened and held.

Name of the Director	Director Identification Number	Category	No. of Board Meetings attended during the year	Attendance at the last AGM
Mrs. Usha Iyengar	03447551	Non – Executive Women Director	7	Yes
Mr. H. N. Choudhary	06641774	Whole Time Director	7	Yes
Mr. Ashok Katra	07799527	Independent Director	7	Yes

D. Audit Committee:

- i. The Audit Committee functions according to its charter defines its composition, authority, responsibility and reporting functions in accordance with the Act, listing requirements and the regulations applicable to the Company and is reviewed from time to time.

As on 31st March, 2020, the Audit Committee comprised of three Directors viz. Mr. Ashok Katra (chairman), Mr. H. N. Choudhary and Ms. Usha Iyenger. All of them are financially literate and have relevant finance and/or audit exposure.

- ii. During the period under review, 4 Audit Committee meetings were held.
- iii. Each Board Meeting which considers financial results is preceded by meeting of Audit Committee Members along with Auditors.

Composition of the Audit Committee and attendance at its meetings are as follows:

Composition	Meetings Attended
Mr. Ashok Katra (Chairman)	4
Mrs. Usha Iyenger	4
Mr. H.N. Choudhary	4

E. Company's Policy Relating to Directors Appointment And Remuneration

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board framed a Policy relating to the selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Policy includes criteria for determining qualifications, positive attributes and independence of a director and other matters. The same is attached herewith and marked as **Annexure 3**.

F. Particulars of Employees

Disclosure with respect to the ratio of remuneration of each Directors to the median employees' remuneration as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure 4 to this Report.

During the year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of Section 136 of the Act, the reports and accounts are being sent to the shareholders and others entitled thereto, excluding the said information which will be made available for inspection by the shareholders at the Registered Office of the company during business hours on any working days of the Company up to the date of the ensuing Annual General Meeting. If any

shareholder is interested in inspecting the same, such shareholders may write to the Company Secretary in advance

G. Board Evaluation:

Pursuant to the provisions of Sub Section (3), Section 134 of the Companies Act, 2013, the Board has carried out evaluation of its own performance, the directors individually as well as the working of its Audit Committee. The Board has devised questionnaire to evaluate the performance of each directors. Such questions are prepared considering the business of the Company and the expectations that the Board has from each of the Directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- ✓ Attendance of Board Meetings and Board Committee Meetings;
- ✓ Quality of contribution to Board deliberations;
- ✓ Strategic perspectives or inputs regarding future growth of Company and its performance;
- ✓ Providing perspectives and feedback going beyond information provided by the management.

H. Remuneration Structure for Board and Senior Management:

Composition of the Board of Directors of the Company reflects in-depth understanding of the Company, including its strategies, operations, financial condition and compliance requirements.

The remuneration is fixed considering various parameters such as qualification, expertise, experience, prevailing remuneration in the industry and financial position of the Company.

The Independent Directors and Woman Director do not draw any remuneration from the Company except sitting fees of Rs. 20,000/- for each meeting attended by them, during the financial year 2019-20.

There is no increase in the remuneration of Whole-time Director from FY 2019-20.

I. Directors' Responsibility Statement:

The board of directors have instituted / put in place a framework of internal financial controls and compliance systems, which is reviewed by the management and the relevant board committees, including the audit committee and independently reviewed by the internal, statutory and secretarial auditors.

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, confirm that:

- ✓ in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- ✓ your directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 of the Company for that period;
- ✓ your directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- ✓ your directors had prepared the annual accounts on a going concern basis;
- ✓ your directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were opening effectively; and
- ✓ your directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

J. Internal Control Systems and Their Adequacy

Pursuant to Rule (8)(5) of the Companies (Accounts) Rules, 2014 the Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Company monitors and evaluates the efficacy and adequacy of internal control system in place, its compliance with operating systems, accounting procedures and policies.

During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

4. Holding, Subsidiaries, Joint Ventures and Associate Companies

The Company has no subsidiaries, Joint Venture or associate company during the period under review within the meaning of Section 2(6) of the Companies Act, 2013.

The Company continues to be subsidiary of Inimitable Capital Finance Private Limited.

5. Deposits:

Your company has not accepted any Deposits during the financial year under review falling under provisions of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

6. Particulars of loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Being a Non-Banking Finance Company, the provision of Section 186 of Companies Act, 2013 are not applicable to the Company.

7. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013:

All Contracts/ Arrangements/ transactions entered by the Company during the Financial Year with related parties were on arm's length basis, in ordinary course of business and were in the compliance with the applicable provisions of the Act and the Listing Agreement.

There are no significant related party transactions made by the Company with Promoters, Directors, Key Managerial personnel or other designated persons as defined under Section 188 of the Companies Act, 2013.

Accordingly there are no material transactions that are required to be reported in **Form AOC 2** and as such do not form part of the report.

The Company has made adequate disclosures regarding related party transactions, contingent liabilities, and significant accounting policy in the Notes to Accounts as an integral part of the Balance Sheet and Statement of Profit & Loss.

8. Corporate Social Responsibility Report (CSR):

The provisions relating to Corporate Social Responsibility under Section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the Company. Therefore, the Company has not developed and implemented any policy on Corporate Social Responsibility initiatives.

9. Particulars of Conservation of energy, technology absorption, foreign exchange earnings and outgo:

Considering the nature of business activities of the Company, your Directors have nothing to report with respect to conservation of energy and technology absorption.

During the year under review, there were neither any foreign exchange earnings nor outgo.

10. Business Risk Management:

The Company has constituted a Risk Management Policy which has been entrusted with responsibility to Board in overseeing the Company's Risk Management process and controls, risk tolerance and capital liquidity and funding and also setting the strategic plans and objections for the risk management and review of risk management of the company and also review the company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as guidelines, policies and processes for monitoring and mitigating such risks.

The Board takes responsibility for the overall process of the risk management in the organization. The business risk is managed through cross functional involvement and communication across businesses.

11. Vigil Mechanism:

The Vigil Mechanism/Whistle Blower Policy has been put in place in accordance with Section 177 of the Companies Act, 2013 for the Directors and Employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against the victimization of Director(s) and Employee(s) who avail of the mechanism. Directors and Employees may make protected disclosure under the policy to the Compliance Committee constituted by the Company to administer the internal code of business conduct. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee. Further no personnel have been denied access to the Compliance Committee/ Chairman of the Audit Committee, as the case may be.

No complaints were received under whistle blower mechanism during the year under review.

The Company has adopted a Whistle Blower Mechanism Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The policy provides for adequate safeguard against victimization of employees who avail the mechanism. No employee or directors of the Company has been denied access to the Audit Committee.

12. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the period under review, no significant or material order was passed by any regulatory authority or court or tribunals which may have bearing on going concern status or on operations of the company in future.

13. Auditors:

A. Appointment of Auditors:

Pursuant to the provision of Section 139(2) of the Act and the Rules framed thereunder, M/s A.C Bhuteria, Chartered Accountants, Kolkata (having FRN: 303105E) were appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the 31st Annual General Meeting held on 25th September, 2015 till the conclusion of the 36th Annual General Meeting to be held for the year ending 31st March, 2020.

However, M/s A.C Bhuteria, Chartered is hereby proposed to reappointment for the period of 5 years i. e. from the conclusion of the 36th Annual General Meeting held till the conclusion of the 41st Annual General Meeting to be held in year 2026.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as the Statutory Auditors.

B. Remarks or qualifications by Statutory Auditors:

There are no negative remarks or qualification from Statutory Auditors.

C. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed AVS & Executives, partnership firm, Company Secretaries to undertake the Secretarial Audit of the company. The Report of the Secretarial Audit is annexed herewith as **Annexure – 2**.

D. Remarks or qualifications by Secretarial Auditors:

There are several remark made by the Auditor in their report, as attached in annexure 2. In respect to the Secretarial Auditors' remarks in their report, the Company would like to state as under:

1. Due to lack of IT personnel website of the company and Structured Digital Database as required under SEBI (PIT), 2015 is not maintained by the Company. Company is looking for suitable candidates or proposals from third party for maintenance of website and to look after IT compliances on regular basis.
2. Due to financial stress from last 3 years with minimal transaction and no income generation, company was unable to appoint Internal auditor and is looking for the same.
3. Provision related Chapter IV of SEBI (LODR), 2015 was not applicable to the company until the issue and allotment of 1,65,00,000 Equity shares took place in August, 2019. According to the Reg 15 of SEBI (LODR), 2015 company shall comply with the provision withing six months from the applicability of these chapter.

Company is looking for the suitable candidates to appoint on Board as required under Chapter IV of SEBI (LODR) 2015, but due to amended Independent Directors guidelines, and COVID 19 pandemic with prolonged lockdowns imposed, company has not received any application for the same. Company is still in the search for suitable Independent Director candidate.

4. Some of the E-forms as required under Companies Act, 2013 and information or details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not filed / delayed. Board took the note for the same and shall take the necessary steps file the same and condone the delay of non-compliances.
5. Indian Accounting standards were applicable to the Company from 1st April, 2019 and company was required to submit the financials from 1st April, 2019 under IND AS only. This was further required company to make valuation of all assets and liabilities under fair value methods and prepare previous year financials under IND AS also for comparison purpose.

Due to unavailability of professional account team support with lack of funds to take third party support, financial results was filed delayed with the BSE for the 1st Quarter of FY 2019-20. Company has received the penalty for the same from BSE.

As COVID 19 pandemic has effected the entire world, your company is no exception for the same. There are no business transaction and income generation in the Company from last several years and this year also has no income generation. Board and senior management is working on the edge to meet the compliances as required under various acts and Listing regulations. Company has maintained the minimum net worth criteria as required under RBI Guidelines. Board is looking for potential investments to revive the company and are also open for the M & A or takeover strategies.

E. Internal Audit:

Pursuant to provision of section 138 of the Companies Act, 2013 & Rule 13 of Companies (Accounts) Rules, 2014, management is in search for the right candidature to appoint as an internal auditor for Financial Year 2019-20.

14. Secretarial Standards:

Company complies with all applicable mandatory secretarial standards issued by Institute of Company Secretaries of India.

15. Extract of the Annual Return:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in (**Annexure 1 MGT-9**) and is attached to this Report.

16. Other Compliance:

A. Reserve Bank of India:

The Company is registered with RBI as an Asset Financing Non-Deposit Accepting NBFC. The Company has complied with and continues to comply with the applicable Regulations and Directions of the RBI and it does not carry on any activities other than those specifically permitted by the RBI.

B. Accounts and Accounting Standards:

The Company adheres to the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 and Rule 7 of the Companies (Accounts) Rules, 2014 in the preparation of its financial statements and also to the guidelines prescribed by the RBI.

C. Stock Exchanges – Compliance of Listing Agreements/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company's shares are listed on the BSE Ltd. The Company has paid the requisite listing fees to the Stock Exchange. Further, the Company has demat connectivity with both the Depositories, NSDL and CDSL and paid Annual Fees to both the Depositories.

D. Green Initiative:

Section 136 of the Companies Act, 2013 and the Rules made there under allow the Company to send its financial statements by electronic mode to such members whose shareholding is in dematerialized format and whose email addresses are registered with Depository for communication purposes. As a responsible corporate citizen, the Company proposes to effect electronic delivery of the Annual Report of the Company in lieu of the paper form to the Members who have registered their email IDs with the Depositories. However, as a matter of practice, a physical copy of the Annual Report has also been sent to the members at their address registered with the Company and the Depository Participants.

A copy of this Annual Report along with the Annual Report of each of the Company for FY 2018-19 will be placed on the website of the Company.

E. Prevention of Sexual harassment:

The company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to provide equal opportunities to their race, caste, sex, religion, color, nationality, disability, etc. All women associates (permanent, temporary, contractual and trainees) as well as women visiting the company's office premises or women service providers are covered under this policy. All are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

During Fiscal Year 2019, the Company has not received any complaint on sexual harassment.

17. Management Discussion and Analysis Report (MDAR):

Pursuant to regulation 34(2) of the Listing Regulations, Management Discussion and Analysis Report is attached in the Annexure 5

18. Corporate Governance Report:

A report on corporate governance as per the Listing Regulations is attached and forms part of this report Annexure 6. The report also contains the details as required to be provided on the composition

and category of directors, number of meetings of the board, composition of the various committees, annual board evaluation, remuneration policy, criteria for board nomination and senior management appointment, whistle blower policy/vigil mechanism, disclosure of relationships between directors inter-se, state of company's affairs, etc.

19. Acknowledgement:

The Directors would like to place on record their gratitude for the valuable guidance and support received from the Reserve Bank of India, Securities and Exchange Board of India, Bombay Stock Exchange Limited and other Government and Regulatory Authorities and convey their appreciation to all the stakeholders, customers, bankers, lenders, vendors and all business associated for their valuable and continuous support and encouragement towards the conduct of the efficient operations of the company.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Hemendranath Choudhary

Usha Iyengar

Whole - Time Director

Director

DIN:6641774

DIN: 03447551

Place: Mumbai

Date: 10.11.2020

Annexure I

FORM NO. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2020

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

I. Registration and Other Details:

CIN	L65990MH1984PLC033128
Registration Date	13-06-1984
Name of the Company	Frontier Capital Limited
Category / Sub-Category of the Company	Public Company/ Company Limited by Shares/ Indian Non - Government Company
Address of the Registered office and contact details	1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel (west), Mumbai – 400013, Maharashtra, India Phone No.: 022-3382-6000; Fax Number : 022-3382-6123 Email : frontierleasing1984@gmail.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 1 st Floor, 44-E, M Vasanti Marg Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072

II. Principal Business Activities of the Company:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
01	Hire Purchase, Commercial Vehicle Finance, Construction Equipment Finance, Bill Discounting, Channel Finance, Corporate Funding (ICD)	64990	100

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr. No.	Name and Address of The Company	CIN/ GLN	Holding/ Subsidiary/ Associate	Percentage of Shares Held	Applicable Section

01	Inimitable Capital Finance Private Limited 1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel (west), Mumbai – 400013, Maharashtra, India	U74999TN2008PTC067735	Holding	67.37	Section 2(46)
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IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity):

(a) Category-wise Share Holding –

Category of Share Holders	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	
A) Promoters									
I) Indian									
Individual/HUF	16,900	-	16,900	6.45	16,900	9,10,900	9,26,900	5.53	-0.92
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt .(s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	176,610	-	176,610	67.37	176,610	1,13,90,000	11,566,610	69.00	1.63
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	193,510	-	193,510	73.82	193,510	1,23,00,000	1,24,93,510	74.53	0.71
II) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter	193,510	-	193,510	73.82	193,510	1,23,00,000	1,24,93,510	74.53	0.71
B) Public Shareholding									
I) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-

c) Central Govt		-	-	-	-	-	-	-	-
d) State Govt(s)		-	-	-	-	-	-	-	-
e) Venture Capital Funds		-	-	-	-	-	-	-	-
f) Insurance Companies		-	-	-	-	-	-	-	-
g) FIIs		-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds		-	-	-	-	-	-	-	-
i) Others (specify)		-	-	-	-	-	-	-	-
Sub-total (B)(1)		-	-	-	-	-	-	-	-
II) Non - Institutions									
a) i) Bodies Corp. (Indian)	52318	52318	19.95	52,318	-	52318	0.31	-19.64	
a) ii) Bodies Corp.(Overseas)		-	-		-	-	-	-	
b) i) Individuals (Individual shareholders holding nominal share capital upto Rs. 1 lakh)	16335	16335	6.23	16,335	-	16335	0.1	-6.13	
b) ii) Individuals (Individual shareholders holding nominal share capital in excess of Rs 1 lakh)	-	-	-	-	42,00,000	42,00,000	25.06	25.06	
c) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(2)	68,653	68,653	26.18	68,653	42,00,000	42,68,653	25.47	-0.71	
Total Public Shareholding	68,653	68,653	26.18	68,653	42,00,000	42,68,653	25.47	-0.71	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	2,62,163	2,62,163	100.00	2,62,163	1,65,00,000	1,67,62,163	100	-	

(b) Shareholding of Promoters:

Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	No. of Shares	% of total Shares	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares	% of Shares Pledged / encumbered to total shares	
Inimitable Capital Finance Private Limited	176,610	67.37	-	11,566,610	69.00	-	1.63
Anirudh Bhuwarka	16,900	6.45	-	9,26,900	5.53	-	-0.92
Total	193,510	73.82	-	1,24,93,510	74.53	-	0.71

(c) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of Total Shares of the Company	No. of shares	% of Total Shares of the Company
At the beginning of the year	193,510	73.82	193,510	73.82
Pursuant to Preferential issue	1,23,00,000	73.38		
At the End of the year	1,24,93,510	74.53	1,24,93,510	74.53

(d) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and GDR & ADR Holders):

Sr. No	Particulars	Shareholding at the beginning of the year		Shareholding at the end 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	No. of shares	% of Total Shares of the company
1.	Mr. Atul Bhagwat	0	0	22,40,000	13.36	22,40,000	13.36
2.	Mr. Vinay Kalantri	0	0	1960000	11.69	1960000	11.69
3.	Adel Shipping Holdings Limited	15,120	5.76	15,120	0.09	15,120	0.09
4.	Jubilee Shipping & Logistics Holdings Limited	15,026	5.732	15,026	0.09	15,026	0.09
5.	Sivanarayanan Financial Services Private Limited	14,906	5.686	14,906	0.09	14,906	0.09
6.	Santosh Narayan Rathi	5,866	2.238	5,866	0.03	5,866	0.03
7.	Neha Rajat Lahoty	3,200	1.221	3,200	0.02	3,200	0.02
8.	Richa Rathi	3,200	1.221	3,200	0.02	3,200	0.02
9.	Essen Consultants Private Limited	2,400	0.915	2,400	0.01	2,400	0.01
10.	Madhumilan Credit Capital Private Limited	2400	0.915	2,400	0.01	2,400	0.01

(e) Shareholding of Directors and Key Managerial Personnel:***

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	**Usha Iyengar	8	0.00	8	0.00
	End of the year	8	0.00	8	0.00

** Mrs. Usha Iyengar has been appointed as a Trustee of 08 (Eight) new equity shares representing fraction shares resulted out of the allotment of 17,163 number of bonus equity shares issued against existing 51,490 fully paid equity shares to the shareholders at Board of Director's meeting held on Tuesday, 02nd August, 2016.

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	58,47,868	-	58,24,868
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	58,47,868	-	58,24,868
Change in Indebtedness during the financial year				
Addition	-	1,75,000	-	1,75,000
Reduction	-	56,22,868	-	56,22,868
Net Change	-	(54,47,868)	-	(54,47,868)
Indebtedness at the end of the financial year				
i) Principal Amount	-	4,00,000	-	4,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	4,00,000	-	4,00,000

VI. A) Remuneration of Directors and Key Managerial Personnel:

Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	HEMENDRANATH RAJENDRANATH CHOUDHARY	

Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	12,00,000	12,00,000
Stock Option	-	-
Sweat Equity	-	-
Commission - as % of profit - others, specify...	- - -	-
Others, please specify	Rs. 20, 000 per Meeting	-
Ceiling as per the Act	60,00,000	60,00,000

B) Remuneration to other Directors: Non – Executive directors are not paid any salaries other than sitting fees of Rs. 20,000 per Meeting held for Board as well as Audit committee.

C) Remuneration of Directors and Key Managerial Personnel:

Particulars of Remuneration	Key Managerial Personnel		
	CEO	Company Secretary & CFO	Total
Name of the KMP	-	Aniket Naresh Prabhu	-
Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	7,20,000	7,20,000
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - Others, specify...	-	-	-
Total	-	7,20,000	7,20,000
Ceiling as per the Act	As per Section 197 read with Schedule V of the Companies Act, 2013		

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section Of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees Imposed	Authority [RD / NCLT / Court]	Appeal Made, If Any (Give Details)
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers In Default					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place: Mumbai
Date: 10.11.2020Hemendranath Choudhary
Whole - Time Director
DIN:6641774Usha Iyengar
Director
DIN: 03447551

AVS & ASSOCIATES

Company Secretaries

Regd. Office:S-27,Haware Fantasia Business Park, Next to Inorbit Mall, Sector 30A, Vashi, Navi Mumbai
-400703, Maharashtra, India

Email:avsassociates16@gmail.com

Tel: 022-49785430 / 49785431 / 27810071

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FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31stMarch, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
FRONTIER CAPITAL LIMITED
Add: 1503, Lodha Supremus, Senapati Bapat Marg, Lower
Parel (West), Lower Parel,
Mumbai-400013, Maharashtra, India

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit Period covering the financial year ended on 31st March, 2020 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**)

- (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, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period);**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the 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 the audit period)** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period)**
 - i. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following law applicable specifically to the Company;
 - Rules, regulations and guidelines issued by the Reserve Bank of India for Non-Deposit taking Non-Banking Financial Companies.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the mentioned in Annexure – I.

We further report that:

The Board of Directors of the Company are not 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 not carried out in compliance with the provisions of the Act.

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

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

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

We further report that during the audit period, the Company taken approval of its shareholders as Special Resolution through Postal Ballot for Issue of 140,00,000 equity shares pursuant to conversion of preference shares and fresh issue of 25,00,000 equity shares as Preferential Issue to promoter/non-promoter of the Company.

**For AVS & Associates
Company Secretaries**

Sd/-

Shashank Ghaisas

Partener

Membership No.A40386

C.P. No: 16893

UDIN: A040386B000712299

Date: 14.09.2020

Place: Dombivali, Thane

‘Annexure – I’

1. Structured Digital Database as required under Regulation 3(6) of SEBI (PIT), 2015 not maintained by the Company as on March 31, 2020 and Intimation of Trading Window closures has been submitted in delay with BSE Limited for declaration of financial results for all the quarters during the F.Y. 2019-20;
2. Internal Auditor has not been appointed by the Company under section 138 of the Companies Act, 2013 for the F.Y. 2019-20;
3. The Company has filed Form MGT.14 for issue of 165,00,000 equity shares pursuant to conversion of preference shares & fresh issue but in Form instead of attaching resolutions attached the notice of postal ballot. Further, Form MGT.14 for Loan Granted to TMW Fintech Pvt. Ltd. and for appointment of Secretarial Auditor for FY 2018-19 not filed with ROC;
4. Shareholding Pattern as required under Reg.31(1)(c) of SEBI (LODR), 2015 due to capital restructuring not filed with BSE Ltd;
5. Disclosures in Form–C for allotment of equity shares as preferential issue to the Promoters of the Company not filed with BSE as per Regulation 7(2) of SEBI (PIT), 2015;
6. Composition of Board, Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee is not in accordance with Companies Act, 2013 and SEBI (LODR), 2015;
7. Website of the Company is not functional and requisites policies as per applicable provisions of the Companies Act, 2013, SEBI (LODR), 2015 and SEBI (PIT), 2015 not available in the records of the Company;
8. Company has approved its financial result for the quarter ended June 30, 2019 with delay;
9. Disclosure under Regulation 74(5) of SEBI (Depositories Participant) Regulation, 2018 for the quarter ended March, 2019 has been submitted with delay;

Due to non availability of documents/details related to transfer of unclaimed final dividend declared in AGM held on 28th September, 2012 along with its shares to IEPF Authority, we are not able to comment on status relevant compliances of the same.

“Annexure –A”

To,
The Members
FRONTIER CAPITAL LIMITED
Add: 1503, Lodha Supremus, Senapati Bapat Marg,
Lower Parel (West), Lower Parel,
Mumbai-400013, Maharashtra, India

Our Secretarial Audit Report of even date is to be read along with this letter;

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company along with explanations wherever so required.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period and in few instances, procedural delay, not material, have been noticed in compliances of the provisions of the Companies Act, 2013.
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 check basis for the purpose of issue of the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Due to lockdown in the state because of COVID-19, we were not able to personally visit at the office of the company for verification of documents physically and hence obtained all the documents, details, information in electronic mode and taken necessary explanations, clarifications and representations either telephonically or electronically whenever required.

For AVS & Associates
Company Secretaries

Sd/-
Shashank Ghaisas
Partener

Membership No.A40386
C.P. No: 16893
UDIN: A040386B000712299

Date: 14.09.2020
Place: Dombivali, Thane

Annexure 3

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (LODR) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel**” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

“**Senior Managerial Personnel**” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective:

The objective of the policy is to ensure that

- ✓ the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- ✓ relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- ✓ remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- ✓ To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- ✓ To formulate criteria for evaluation of Independent Directors and the Board.
- ✓ To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- ✓ To carry out evaluation of Director’s performance.
- ✓ To recommend to the Board the appointment and removal of Directors and Senior Management.
- ✓ To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- ✓ To devise a policy on Board diversity, composition, size.
- ✓ Succession planning for replacing Key Executives and overseeing.

- ✓ To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ✓ To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- ✓ The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- ✓ A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- ✓ The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE:

A. MANAGING DIRECTOR/ WHOLE-TIME DIRECTOR:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

B. INDEPENDENT DIRECTOR:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

C. EVALUATION:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

D. REMOVAL:

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

E. RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

A. Remuneration to Managing Director / Whole-time Directors:

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

B. Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

C. Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Hemendranath Choudhary

Usha Iyengar

Whole - Time Director

Director

DIN:6641774

DIN: 03447551

Place: Mumbai

Date: 10.11.2020

Annexure 4

Disclosure as per Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2019-20 :-	
Name of the Director		Ratio of remuneration to the median remuneration of the employees
Mr. Hemendranath Choudhary		NA
(ii)	The percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year 2019-20.	There is no increase in the remuneration of the Whole-Time Director and Company Secretary during the FY 2019-20
(iii)	The percentage increase in the median remuneration of employees in the financial year 2019-20.	NA
(iv)	The number of permanent employees on the rolls of the company as on March 31 st , 2020.	Nil
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	NA
We hereby confirm that the remuneration paid during the year is as per the remuneration policy of the Company and as adopted by the company.		

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place: Mumbai
Date: 10.11.2020**Hemendranath Choudhary**
Whole - Time Director
DIN:6641774**Usha Iyengar**
Director
DIN: 03447551

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A. INDUSTRY AND ECONOMIC SCENARIO:**

Non-Banking Financial Companies (“NBFCs”), along with banks, have been the mainstay for the financial services ecosystem in India. They have served as an alternative channel of credit flow to both retail as well as commercial sectors in a bank-dominated financial system like India, bringing in efficiency and diversity into financial intermediation. NBFCs play an important role in the Indian financial system by complementing and competing with banks, specializing in credit delivery to a wide variety of segments ranging from auto loans to microfinance and consumer durables and infrastructure. They play a critical role in participating in the development of the economy by providing an impetus to employment generation, wealth creation, credit in rural segments and much needed credit support to new customer segments.

The financial year 2019-20 began with the Lok Sabha elections in April – May and the newly formed government took a strong stance on economic development, with the aspiration to reach a \$5 trillion economy by 2024. The Economic Survey published in July 2019 with the theme of wealth creation, pro-business policies and corporate tax rate cuts of September 2019 were in line with the aspirations.

At the end of August 2019, the ministry of finance announced that 10 Public Sector Banks were to be merged into 4. Meanwhile, RBI systematically reduced the repo policy rates over the course of the year, from 6.25% at the end of FY 19 to 4.40% at the end of FY 20.

B. COVID-19 PANDEMIC AND LOCKDOWN

The Indian economy had witnessed an average GDP growth rate of 6% over the last decade and is one of the fastest growing economies in the world.

The novel Corona virus outbreak originated in Wuhan province of China. The World Health Organization (WHO) declared novel Corona virus as pandemic on 11th March, 2020. In anticipation of lower global demand following the outbreak of the COVID-19 pandemic (‘pandemic), and its rapid geographical spread, the Brent crude oil prices crashed to USD 32 per barrel on March 9, 2020, plunged to US\$ 25 per barrel on March 18, 2020 and fell further to US\$ 23 on March 30, 2020. Financial markets across the world experienced extreme volatility since January 2020 on account of outbreak of the pandemic. The global equity markets and commodity prices also fell sharply since January, 2020.

The nationwide lockdown paralysed economic and social activities and resulted into severe blow to economy. In order to strike the balance between the economic priority and to save the country from recession and large scale unemployment, the government of India took decision to progressively unwind the lockdown (Unlocking-1) with effective from June 1, 2020. The state governments are empowering to decide the scope and extent of Unlocking in a phased manner depending upon severity of the spread of the pandemic at zones classified as red, orange and green zones. No relaxation/exemptions have been given in Containment areas.

To arrest this situation, the Government and the Regulator have announced a number of measures to support these vulnerable segments as well as facilitate availability of funds at favourable rates for the financiers. With this much needed support, coupled with a relentless execution, it is possible that the economy may be able to maintain an overall positive growth rate with an earlier-than-expected recovery during the next financial year. Furthermore, managing asset quality may take higher precedence over loan growth and the sector may see some consolidation. Tata Capital has a cautious outlook for the next year while keeping a close watch on the fiscal and monetary policy measures to support the economy, monsoons, commodity prices as well as protectionist tendencies of large global economies.

C. FINANCIAL SERVICES SECTOR

India's financial services sector comprises of commercial banks/co-operative banks, non-banking financial companies, insurance companies, pension / mutual funds and other various entities. India is expected to be fourth largest private wealth market globally by 2028.

The country's financial services sector consists of the capital markets, insurance sector and non-banking financial companies (NBFCs). India's gross national savings (GDS) as a percentage of Gross Domestic Product (GDP) stood at 30.50 per cent in 2019.

D. FINANCIAL AND OPERATIONAL PERFORMANCE (AS PER IND AS)

There are no significant changes in key financial ratios of the Company for F.Y. 2019-20 as compared to F.Y. 2018-19.

As Company is under its re-structuring process, 100% provision was made on all NPA's earlier. Indian Accounting Standards were applicable to your Company from 1st April, 2020, according to which valuation of all Debt components, Investments and Loans are made on Fair Value basis.

E. SWOT ANALYSIS

Strengths

- Unique relationship-based business model with extensive experience and expertise in credit appraisal and collection process
- Strong brand name
- A well-defined and scalable organizational structure based on product, territory and process knowledge
- Experienced senior management team
- Strong relationships with public, private as well as foreign banks, institutions and investors,

Weakness

- Business and growth directly linked with the GDP growth of the country
- Company's Customers-SRTOs and FTUs are more vulnerable to negative effects of economic downturn

Opportunities

- Growth in the commercial vehicles, passenger vehicles and tractors market
- Meeting working capital needs of persons in commercial vehicles eco-system
- Higher budgetary allocation by the Government to give boost to infrastructure sector involving construction of roads, new airports, ports etc. creating huge demand for Commercial Vehicle
- Cross selling of insurance products, invoice discounting etc.

Threats

- Competition from captive finance companies and small banks
- Ad-hoc policies on phasing out of older vehicles
- Inadequate availability of bank finance and upsurge in borrowing cost
- External risks associated with liquidity stress, political uncertainties, fiscal slippage concerns, etc.

F. FUTURE STRATEGY

The Board has determined the following medium-term and longterm strategies to achieve its corporate goals over a period of next 3-5 years:

- Further strengthening the leadership position in financing vehicles
- Further enhancing quality of loan portfolio Maintaining customer loyalty through winning relationship and customer satisfaction

The Board is also looking for potential investors and is open for takeover/Acquisition strategies.

For and on behalf of the Board of Directors**Sd/-****Hemendranath Choudhary**
Whole - Time Director
DIN:6641774**Sd/-****Usha Iyengar**
Director
DIN: 03447551Place: Mumbai
Date: 10.11.2020

CORPORATE GOVERNANCE REPORT

Corporate governance is about commitment to values and ethical business conduct. It is also about how an organisation is managed viz., its corporate and business structure, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the company, its performance and ownership forms part of the corporate governance.

The company believes that sound corporate governance practices are crucial to the smooth and efficient operation of a company and its ability to attract investment, protect the rights of its stakeholders and provide shareholder value. Everything the company does is defined and conditioned by the high standards of governance, which serve its values.

BOARD OF DIRECTORS

The corporate governance practices of the company ensure that the board of directors (the board) remains informed, independent and involved in the company and that there are ongoing efforts towards better governance to mitigate “non-business” risks.

The board is fully aware of its fiduciary responsibilities and recognizes its responsibilities to shareholders and other stakeholders to uphold the highest standards in all matters concerning the company and has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes.

The board is committed to representing the long-term interests of the stakeholders and in providing effective governance over the company’s affairs and exercise reasonable business judgment on the affairs of the company.

COMPOSITION

The board has been constituted in a manner as per reg. 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Companies Act, 2013 (the Act). The board has a mix of executive / non-executive and independent directors, including a woman independent director to ensure proper governance and management. The board members have collective experience in diverse fields like banking and financial services, audit, finance, compliance and technology. The directors are elected based on their qualification and experience in varied fields. None of the directors are *inter-se* related.

All the Directors are in compliance with the regulation 26 of the Listing Regulations and the Act.

In the opinion of the board, the independent directors of the company fulfill the conditions specified in Listing Regulations and are independent of the management of the company.

BOARD MEETINGS

The board meets at regular intervals with an annual calendar and a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The board is regularly briefed and updated on the key activities of the business and is provided with briefings and presentations on operations, quarterly financial statements and other matters concerning the company. Besides, information about statutory compliance, minutes of all the subsidiary companies and committees of the board and information as required under the Listing Regulations are also provided to the directors on a quarterly basis. The board at every meeting also reviews the important regulatory changes and correspondence between two meetings.

During the year, the Board met 7 times on 02.04.2019, 23.05.2019, 10.07.2019, 06.09.2019, 17.10.2019, 28.11.2019, 11.02.2020. The company also provides the option to participate through video conferencing to enable the directors' participation at the meetings.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

M/s. AVS & Associates has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority. A certificate to this effect has been enclosed with this report.

AUDIT COMMITTEE

Terms of Reference

The committee acts as a link between the board, the statutory auditors and the internal auditors. The role of the audit committee includes overseeing the financial reporting process and disclosure of financial information, review of financial statements, adequacy of internal financial controls and risk management systems, review and approval of transactions with related parties, findings of internal audits / investigations, whistle blower policy, monitoring the usage of funds from issue proceeds, review the financial statements, compliance with the provisions of SEBI Prohibition of the Insider Trading Regulations at least once a financial year.

The committee also verifies the adequacy in the systems for internal controls, to grant approvals for related party transactions which are in the ordinary course of business and on an arm's length basis, scrutiny of inter-corporate loans and investments, besides recommending the appointment / removal of the statutory auditors, the internal auditors and fixing their remuneration and review of the effectiveness of audit process.

Composition & Meetings

As at 31 March, 2020 the committee comprised three directors. The committee comprised Mr. Ashok Katra, independent director as the chairman, Ms. Usha Iyengar as its members and Mr. Hemendranath Choudhary, chairman of the board. The company secretary acts as the secretary to the committee. During the year, the committee met five times.

All members of audit committee have knowledge of financial management, audit and accounts. The statutory auditors, the internal auditors and senior management are invited to attend the meetings of the committee. The committee met the statutory auditors as well as internal auditors during the year.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The role of the committee is to determine the company's policy on remuneration to executive directors and senior management, including periodic increments in salary. The committee is also empowered to determine the annual commission / incentives of the executive directors and the minimum remuneration of the executive directors in the event of inadequacy of profits besides implementing, remuneration including commission payable to non-executive directors, administering and monitoring the employee stock option plan / schemes of the company. The terms of reference inter alia includes the role of the committee to further consider and recommend persons who are qualified for board positions, evaluate directors performance prior to recommendation for re-appointments, identify persons who are qualified to be in senior management and recommend their appointments, remuneration payable and removal, formulate the criteria for determining qualifications, positive attributes and independence of a director and devising a policy on board diversity, determine whether to extend or continue the terms of appointment of independent director on the basis of the report of performance evaluation.

Composition & Meetings

As at 31 March, 2020, the committee comprised Mr. Ashok Katra, independent director as the chairman, Ms. Usha Iyengar as its members. The committee met once during the year ended 31st March, 2020.

Remuneration Policy

The success of any organisation in achieving good performance and governance depends on its ability to attract quality individuals on the board. The company has in place a remuneration policy which is guided by the principles and objectives as enumerated in section 178 of the Act.

Currently, Mr. Hemendranath Choudhary is the Whole Time Director on the board. The compensation to Mr. Mr. Hemendranath Choudhary is within the scale approved by the shareholders. He is also paid sitting fees for Committee Meetings. Remuneration paid to Mr. Hemendranath Choudhary is Rs. 12,00,000 p.a. other than sitting fees.

Your company is not paying any Compensation other than sitting fees to non-executive directors. Non-Executive Directors of the Company are paid a sitting fees of Rs. 20,000 per meeting.

STAKEHOLDERS' RELATIONSHIP COMMITTEE AND RISK MANAGEMENT COMMITTEE

Provision of Chapter IV of Listing Regulations were not applicable to the Company initially as paid up capital of the Company was less than Rs. 10 Crore.

Company allotted Equity shares of Rs. 16,50,00,000/- on August 27, 2019 effect of which paid up capital crossed the threshold limit under Chapter IV of Listing Regulations. According to Reg 15 of Chapter IV of Listing Regulations Company shall comply with the requirements regulations within six months from the date on which the provisions became applicable to the listed entity.

Hence, Board constituted the above mentioned committees in their meeting held in February, 2020.

As on March 31, 2020 Mrs. Usha Iyengar is the Chairperson of the Committees with Mr. Ashok Katra and Mr. Hemendranath Choudhary as members.

Committee has not met in the period concerned.

ATTENDANCE AT BOARD, COMMITTEE AND GENERAL MEETINGS

All the Directors have attended all the meetings during the year including general meetings.

During the year, the company passed special resolutions for the following items in Annual General Meeting held on 29th September, 2019 at the registered office of the Company:

1. Re-appoint Mr. Hemendranath Choudhary as a whole-time director
2. To approve alteration of articles of association
3. To increase borrowing powers of the board and authorization limit to secure the borrowings under Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013
4. To Approve allotment of 1,65,00,000 Equity Shares of Rs. 10 each pursuant to Regulation 170(2) of the Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

All the resolutions were passed with requisite majority by the shareholders.

POSTAL BALLOT

During the year, the company passed special resolutions for the following items through postal ballots on 12th May, 2019:

1. To approve the Alteration of Memorandum of Association
2. To approve variation in the terms of existing 0.01% Non-Convertible Redeemable Preference Shares
3. To consider issue of Equity Shares for upto Rs. 2 Crore to Inimitable Capital Finance Private Limited

The postal ballots were conducted in accordance with the procedure laid down under section 110 of the Act read with rule 22 of the Companies (Management and Administration) Rules, 2014. Mr. Vipin Tiwari of M/s. Vipin Tiwari & Company, company secretaries acted as the scrutiniser for postal ballots. All the resolutions were passed with requisite majority by the shareholders.

During the year, the company passed special resolutions for the following items through postal ballots on 12th August, 2019:

1. To approve variation in the terms of existing 0.01% Non-Convertible Redeemable Preference Shares.

2. To issue and allot fresh Equity Shares upto Rs. 2,50,00,000 to Inimitable Capital Finance Private Limited

The postal ballots were conducted in accordance with the procedure laid down under section 110 of the Act read with rule 22 of the Companies (Management and Administration) Rules, 2014. Mr. Vipin Tiwari of M/s. Vipin Tiwari & Company, company secretaries acted as the scrutiniser for postal ballots. All the resolutions were passed with requisite majority by the shareholders.

Proposed resolutions through postal ballot:

No special resolution is proposed to be conducted through postal ballot.

SECRETARIAL AUDIT

The company annually conducts a secretarial audit by an independent practicing company secretary. For the year ended 31 March, 2020, M/s. AVS & Associates, company secretaries, have conducted the secretarial audit and the certificate was placed before the board and attached to this report.

RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the company's share capital is being carried out by an independent auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The certificate issued by an independent practicing Chartered Accountant is submitted to the stock exchanges and is also placed before the board of directors.

CEO/CFO CERTIFICATION

Chief financial officer have given a compliance certificate to the board with regard to financial statements and internal control systems as contemplated under regulation 17(8) of the Listing Regulations.

COMPLIANCE REPORT

A detailed compliance report is placed before the board every quarter and highlights of the report is circulated to the board along with the agenda every quarter. The company secretary submits a compliance certificate to the board on a quarterly basis. The board reviews the compliance of all applicable laws every quarter and gives appropriate directions, wherever necessary.

CODE OF CONDUCT

The board has laid down a "Code of Conduct" for all the board members and the senior management of the company and the Code of Conduct has been posted on the website of the company. All directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the

company for the year ended March 31, 2020, as envisaged in schedule V under regulation 34 (3) of the Listing Regulations.

CODE FOR PREVENTION OF INSIDER TRADING

The board has adopted a code to regulate, monitor and report trading by insiders in securities of the company. The code inter alia requires pre-clearance for dealing in the securities of the company and prohibits the purchase or sale of securities of the company while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The board has further approved the code for practices and procedures for fair disclosure of unpublished price sensitive information and policy governing the procedure of inquiry in case of actual or suspected leak of unpublished price sensitive information. The code has also been hosted on the website of the company.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The certificate on compliance of corporate governance norms from a practicing company secretary is annexed to the report.

DISCLOSURES

Related party transactions

All transactions with related parties that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There were no material transactions with related parties i.e., transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of company at large.

The board has put in place a policy on related party transactions and the same has been uploaded on the company's website (weblink:<http://www.flfindia.com>)

Fee disclosures as required by clause 10(k), Part C, Schedule V of the Listing Regulations:

Total fees for all services paid by the company on a consolidated basis, to M/s. A. C. Bhuteria and Company, statutory auditors of the company for the year ended 31 March, 2020, is Rs.2,50,000 for yearly audit and Rs.29,500 for Quarterly review report.

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

During the year, the company had not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Whistle blower policy / vigil mechanism

The company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimisation of directors / employees / customers who avail of the mechanism and also for appointment of an ombudsperson who will deal with the complaints received.

During the year, no personnel have been denied access to the audit committee.

The policy is available on the website (weblink:<http://www.flflindia.com>).

Penalties

There were several penalties imposed on the company by stock exchange(s) on non-compliance of regulations with late filing during the last three years.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

Provisions of regulation 17 to regulation 27 of the Listing Regulations and clauses (b) to (i) of the sub-regulation (2) of regulation 46 were not applicable to the Company for entire FY 2019-20 and became applicable to the Company at the end of year.

The company is looking for several candidatures to comply with all mandatory requirements of corporate governance norms as enumerated in chapter IV of the Listing Regulations. The requirements of regulation 17 to regulation 27 of the Listing Regulations and clauses (b) to (i) of the sub-regulation (2) of regulation 46.

Due to COVID 19 pandemic and lockdowns imposed by governments from March 2020, Board is finding it difficult to appoint candidates to comply with all the regulations of Listing Regulations.

The company has also adopted the following discretionary requirements specified in Part E of Schedule II in terms of regulation 27(1) of the Listing Regulations:

- i. Modified opinion(s) in audit report: Company's financial statements have unmodified audit opinions.

MEANS OF COMMUNICATION

The audited financial results, quarterly results and other major announcements like notices of board meetings, book closures were published in English and Marathi and are also available on the company's website www.flflindia.com. Press releases are given in the leading newspapers and also posted on the company's website.

MANAGEMENT DISCUSSION & ANALYSIS

A management discussion & analysis forms part of the annual report.

GENERAL SHAREHOLDER INFORMATION

A separate section on the above has been included in the annual report.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Hemendranath Choudhary

Usha Iyengar

Whole - Time Director

Director

DIN:6641774

DIN: 03447551

Place: Mumbai

Date: 10.11.2020

Certificate from Company Secretary in Practice

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

AVS & ASSOCIATES **Company Secretaries**

Regd. Office: S-27, Haware Fantasia Business Park, Next to Inorbit Mall, Sector 30A, Vashi, Navi Mumbai - 400703, Maharashtra, India

Email: avsassociates16@gmail.com

Tel: 022-49785430 / 49785431 / 27810071

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Frontier Capital Limited
Add: 1503, Lodha Supremus, Senapati Bapat Marg,
Lower Parel (west), Lower Parel, Mumbai-400013.

We have examined the relevant records, information, forms, returns and disclosures received from the Directors of **M/s. Frontier Capital Limited** having **CIN: L65990MH1984PLC033128** and having registered office at **1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel (west), Lower Parel, Mumbai-400013**. (hereinafter referred to as '**the Company**') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ('DIN') status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that, none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the financial year ending on March 31, 2020.

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1.	Usha Sundar Iyengar	03447551	01/04/2015
2.	Hemendranath Rajendranath Choudhary	06641774	21/04/2016
3.	Ashok Katra	07799527	15/03/2017

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For AVS & Associates
Company Secretaries

SD/-
Shashank Ghaisas
Partner
Membership No. A40386
C.P. No: 16893
UDIN: A040386B000712301
Place: Dombivli, Thane
Date: 14/09/2020

Independent certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

AVS & ASSOCIATES
Company Secretaries

Regd. Office:S-27,Haware Fantasia Business Park, Next to Inorbit Mall, Sector 30A, Vashi, Navi
Mumbai -400703, Maharashtra, India

Email:avsassociates16@gmail.com

Tel: 022-49785430 / 49785431 / 27810071

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To
The Members of
Frontier Capital Limited

We have examined the compliance of conditions of corporate governance by **M/s. Frontier Capital Limited ('the Company')** for the year ended 31st March, 2020, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except mentioned in the Secretarial Audit Report issued by us.

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

For AVS & Associates
Company Secretaries

SD/-

Shashank Ghaisas
Partner
Membership No.A40386
C.P. No: 16893
UDIN: A040386B000712310

Place: Dombivli, Thane
Date: 14/09/2020

General Shareholders Information

Registered Office:

1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel Mumbai – 400 0163 001.

Company do not have any other branches.

Corporate Identity Number (CIN):

L65990MH984PLC033128

Annual General Meeting:

Annual General Meeting of the Company will be held on 10th December, 2020 at 11.00 am at the registered office of the Company

Financial Year:

1 April to 31 March.

Dividend payment date:

The Board has not declared any Dividend for the year.

Listing on Stock Exchanges:

Equity Shares:

BSE Limited

Floor 25, Phiroze Jeejeebhoy
Towers Dalal Street, Fort,
Mumbai - 400 001. Stock Code:

ISIN:

The ISIN for the equity shares of the company has been us INE977E01013.

Debt Securities:

Company do not have any debt securities issued and listed.

Payment of Listing fees:

The listing fees for equity shares FY 20 were not paid to the stock exchanges.

Share price data:

Shares of the Company are listed but not traded during last three years on the stock exchange.

Price of the shares is Rs. 3.72 with same 52 week High and low. Securities are not suspended during last 3 years.

Registrar & Share Transfer Agent:

Link Intime India Private Limited

C – 101, 247 park, LBS Marg, Vikhroli West, Mumbai – 400 083

Tel: 022-4918 6270

Fax: 022-40986060

E-mail: rnt.helpdesk@linkintime.co.in

Share Transfer System:

Effective 1 April, 2019 SEBI has disallowed listed companies from accepting request for transfer of securities which are held in physical form. The shareholders who continue to hold shares in physical form after this date, will not be able to lodge the shares with company / its RTA for further transfer. Shareholders shall mandatorily convert

them to demat form if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the company / RTA.

All the shares of the Company are in demat form.

Nomination facility:

The company is accepting nomination forms from shareholders in the prescribed form. All those who are desirous of making a nomination are requested to contact the RTA.

Details of complaints received and redressed:

During the year, No investor service complaint was received and are pending as at 31 March, 2020.

Contact details of the designated official for assisting and handling investor grievances:

In terms of regulation 46(2)(k) of the Listing Regulations, the contact details of the designated official for assisting and handling investor grievances are as below:

Mr. Aniket Naresh Prabhu

1503, Lodha Supremus, Senapati Bapat Marg, Lower Parel (west), Mumbai – 400013, Maharashtra, India

Email ID: frontierleasing1984@gmail.com, Phone: +91 88793 10051

Credit Rating:

Company has not obtained any credit rating during the year.

Distribution of Shareholding as on 31 March, 2020:

Sl. No.	Category	No. of holders	%	No. of shares	%
1	1 - 5	5	16.12	166,93,510	99.59
2	5 - 31	26	83.88	68,653	0.41
	TOTAL	31	100.00	167,62,163	100.00

Shareholding Pattern:

Category	No. of shares	%
Promoter and promoter group	124,93,510	74.53
Resident Individuals and others	42,68,653	25.47
TOTAL	167,62,163	100.00

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole - Time Director

DIN:6641774

Sd/-

Usha Iyengar

Director

DIN: 03447551

Place: Mumbai

Date: 10.11.2020



**INDEPENDENT AUDITOR'S REPORT
TO
THE MEMBERS OF FRONTIER CAPITAL LIMITED**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **FRONTIER CAPITAL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS Financial Statements.

Emphasis of Matter

We draw attention to Note No. 39 of the Ind AS financial statements, which describes the management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the Ind AS financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its loans and net realisable values of other assets. Based on information available as of this date, Management believes that no further adjustments are required to the financial position. However, in view of the highly uncertain economic environment impacting this industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual results may differ from those estimated as at the date of approval of the Ind AS financial statements.

Our Opinion is not modified in respect of the aforesaid matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Descriptions of Key Audit Matters are given below-:

SI No.	Key Audit Matters	Auditor's Response
1	<p>Change in financial reporting framework – First time adoption of Indian Accounting Standards ('Ind AS') <i>(as described in Note 2 of the Ind AS Financial Statements)</i></p> <p>In accordance with the roadmap for implementation of Ind AS for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the Company has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For periods up to and including the year ended March 31, 2019, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Previous GAAP). In order to give effect of the transition to Ind AS these financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS.</p> <p>The transition to Ind AS has involved changes in the Company's policies and processes relating to financial reporting. Further, the management has also exercised judgement (wherever applicable) in giving effect to various principles of Ind AS in its first-time adoption. In view of the complexity and the resultant risk of a material misstatement arising from an error or omission in correctly implementing the principles of Ind AS at the transition date, which could result in a misstatement of one or more periods presented in these Ind AS financial statements, this has been an area of significance in our audit.</p>	<p>Our audit procedures with regard to the 1st time adoption of Ind AS included assessing the judgements applied by the Management in this regard:</p> <ul style="list-style-type: none"> • Reading the Ind AS impact assessment performed by the management to identify areas which were impacted on account of Ind AS transition; • Understanding the financial statement closure process and the controls established by the Company for transition to Ind AS; • Reading and assessing the changes made to the accounting policies due to the requirements of the new financial reporting framework; <p>Assessing the judgements exercised by the management in applying the first-time adoption principles of Ind AS 101 as at transition date;</p> <ul style="list-style-type: none"> • Testing accounting adjustments posted as at the transition date, and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS; • Assessing the disclosures included in the Ind AS Financial Statements in accordance with the requirements of Ind AS (including with respect to the previous periods presented). <p><u>Procedures in connection with Sl. No. 1:</u></p> <p>Our audit response included (as applicable in each case):</p> <ul style="list-style-type: none"> • Assessing the items which has been considered as part of effective interest rate as well as the related computation on a test basis; and • Assessing the related IT system and manual controls implemented for effective interest rate accounting. <p><u>Procedures on the matter discussed in Sl. No. 2</u></p> <p>We gained an understanding of the Company's key credit processes comprising granting, recording and monitoring of loans as well as impairment provisioning. In addition</p> <ul style="list-style-type: none"> • We read and assessed the Company's impairment provisioning policy as per Ind AS 109;

<p>Some of the key adjustments made to the financial statements on first-time adoption of Ind AS for the year ended March 31, 2020 are as follows:</p> <p>1. The Company earns certain interest income and incurs certain expenses which are directly attributable to the origination of loans disbursed by the Company. Under Ind AS, the accounting for these upfront charges and interest income are based on the effective interest rate method for loans which is based on the loan cash flows.</p> <p>2. Under the Previous GAAP, the identification of delinquent accounts and consequent provisions for loan losses were made on the loans based on the guidelines prescribed by the Reserve Bank of India ('RBI') in this regard. Under Ind AS, estimates regarding the impairment provision against financial assets are based on the expected credit loss model developed by the Company based on the principles prescribed under Ind AS 109.</p> <p>As explained in the notes to the financial statements for the year ended March 31, 2020, the impairment provision based on the expected credit loss model requires the management of the Company to make significant judgments in connection with related computation. These include:</p> <p>(a) Identification of exposures where there is a significant increase in credit risk and those that are credit impaired;</p> <p>(b) Determination of the 12 month and life-time probability of default for each of the segments identified; and</p> <p>(c) Loss given default for various exposures based on past trends / experience, management estimates etc.</p> <p>Note 3.5 to the Ind AS Financial Statements explains the various matters that the management has considered for developing this expected credit loss model.</p>	<ul style="list-style-type: none"> • Obtained an understanding of the Company's Expected Credit Loss ('ECL') methodology, the underlying assumptions and performed sample tests to assess the staging of outstanding exposures; • We assessed the Exposure at Default used in the impairment calculations on a test basis; • Obtained an understanding of the basis and methodology adopted by management to determine 12 month and life-time probability of defaults for various homogenous segments and performed test checks; • Obtained an understanding of the basis and methodology adopted by management to determine Loss Given Defaults for various homogenous segments based on past recovery experience, qualitative factors etc., and performed test checks; • Assessed the items of loans and advances, credit related contingent items as at the reporting date which are considered in the impairment computation as at the reporting date; • Assessed the data used in the impairment computation (including the data integrity of information extracted from the Company's IT systems); • Enquired with the management regarding significant judgments and estimates involved in the impairment computation; • Assessed analytical reviews of disaggregated data to observe any unusual trends warranting additional audit procedures; <p>and</p> <ul style="list-style-type: none"> • Read the financial statement disclosures made as per Ind AS 109 and Ind AS 107.
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Information Other than the Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS financial statements

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

In preparing the Ind AS financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

Due to Complete lockdown, imposed by the Government, to restrict the spread of COVID-19 the audit finalization process, for the year under report, was carried out from remote locations i.e. other than the office of the Company, based on the data/ details made available and based on financial information/records remitted by the management through digital medium. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ("the Directions") issued by the Reserve Bank of India ("the Bank") in exercise of powers conferred by Section 45MA(1A) of the Reserve Bank of India Act, 1934 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we hereby report on the matters specified in paragraphs 3 and 4 of the said Directions to the extent applicable:
 - i. The Company is engaged in the business of a non-banking financial institution and has duly obtained a Certificate of Registration (COR) from the Bank.
 - ii. The Company has more than 50% of its assets in financial assets and it has earned more than 50% of its income from financial assets. In terms of its principal business criteria (financial asset/income pattern) as on 31st March, 2020, the Company is entitled to continue to hold CoR issued by the Bank.
 - iii. The Company meets the Net Owned Fund requirement as laid down in the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
 - iv. The Board of Directors of the company have duly passed a resolution for non-acceptance of the "Public Deposits" within the meaning of paragraph 3 (xv) of the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions 2016, for the financial year ended 31st March, 2020.
 - v. The Company has not accepted any "Public Deposits" within the meaning of paragraph 3 (xv) of the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions 2016, during the year ended 31st March, 2020.
 - vi. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
 - vii. The Company is not systematically important non-deposit taking NBFC as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 & accordingly para 3(C)(iv) of the Directions is not applicable.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in the paragraph 3 and 4 of the Order to the extent applicable.

3. As required by Section 143 (3) of the Act, we report that:

- i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii) 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.
- iii) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- iv) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) rules, 2014.
- v) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- viii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A.C. Bhuteria & Co.
Chartered Accountants
Firm's Registration No. 303105E

Bikas Kumar Burnwal
Partner
Membership No. 311785
UDIN: 20311785AAAABL6544

Place of Signature: Kolkata

Date: 30/07/2020

Annexure 'A' to Independent Auditor's Report referred to in Paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Property, Plant and Equipment have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its business. No discrepancies were noticed on such verification.
 - (c) The Company does not have an immovable property held as fixed assets, therefore paragraph 3(i)(c) of the Order is not applicable.
- (ii) The Company does not have any inventory and therefore paragraph 3(ii) of the Order is not applicable.
- (iii) In our opinion and according to the information and explanations given to us and examination of records we considered necessary, the Company has not granted any loan, secured or unsecured, to Companies, firms, limited liability partnerships or parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan/guarantee/security to or on behalf of any party referred to in Section 185 of the Companies Act 2013. The Company being a Non-Banking Finance Company is engaged in the business of financing of companies, hence, provisions of Section 186 of the Companies Act 2013 is not applicable to the Company.
- (v) On the basis of our examination of books and records of the Company, in our opinion and according to the information and explanations given to us, the company has not accepted deposits during the year and therefore the directives issued by the Reserve bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable to the Company.
- (vi) In our opinion, the Company is not required to maintain Cost records under section 148(1) of the Companies Act 2013.
- (vii)
- (a) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the company is not regular in depositing undisputed statutory dues (except income-tax) and other material statutory dues with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, no undisputed amounts payable in respect of income tax, GST, cess and other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable, except for Service tax payable under reverse charge mechanism amounting to ` 18,600/-, Profession Tax of ` 11,800/- and Goods and Services Tax of ` 1,29,600/-.

- (b) According to the information & explanation give to us, there are no dues of Income tax and other applicable Statutory Dues which have not been deposited on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks or government. The company has not issued any debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) On the basis of our examination of books and records of the Company and according to the information and explanation provided to us, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) On the basis of our examination of books and records of the Company and according to the information and explanation provided to us, the managerial remuneration paid is according to the provisions of Section 197 read with Schedule V of the Companies Act 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013. Details of transactions with the related parties have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with provisions of Section 42 of the Companies Act, 2013 in respect of preferential allotment of shares during the year. The amount raised by preferential allotment of shares has been used for the purposes for which it was raised. No debentures whether fully or partly convertible debentures have been issued during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Finance Company and the registration has been so obtained.

For A. C. Bhuteria & Co.
Chartered Accountants
Firm's Registration No. 303105E

Bikas Kumar Burnwal
Partner
Membership No. 311785
UDIN: 20311785AAAABL6544

Place of Signature: Kolkata
Date: 30/07/2020

Annexure 'B' to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Frontier Capital Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to these financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. C. Bhuteria & Co.

Chartered Accountants

Firm's Registration No. 303105E

Bikas Kumar Burnwal

Partner

Membership No. 311785

UDIN: 20311785AAAABL6544

Place of Signature: Kolkata

Date: 30/07/2020

Independent Auditors Report (Continues)

Standalone Ind AS Balance Sheet as at March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
1. Financial Assets			
a. Cash and Cash Equivalents	5	0.23	2.15
b. Bank balances other than Cash and Cash Equivalents	6	0.44	0.18
c. Loans	7	271.99	-
d. Other Financial Assets	8	0.79	2.98
Total Financial Assets		273.45	5.31
2. Non-Financial Assets			
a. Current Tax Assets (Net)	9	-	16.75
b. Property, Plant and Equipment	10	-	-
c. Other Non-Financial Assets	11	-	22.00
Total Non-Financial Assets		-	38.75
TOTAL ASSETS		273.45	44.06
LIABILITIES AND EQUITY			
Financial Liabilities			
a. Payables			
(I) Trade Payables	12		
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		18.54	11.50
(II) Other Payables	13		
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		9.46	24.79
b. Debt Securities	14	-	750.03
c. Borrowings (Other than Debt Securities)	15	4.00	58.48
d. Other Financial Liabilities	16	24.45	11.71
Total Financial Liabilities		56.45	856.51
Non-Financial Liabilities			
a. Current Tax Liabilities (Net)	17	2.87	-
b. Provisions	18	-	0.01
c. Other Non-Financial Liabilities	19	6.83	2.20
Total Non-Financial Liabilities		9.70	2.21
Equity			
a. Equity Share Capital	20	1,676.22	26.22
b. Other Equity	21	(1,468.92)	(840.88)
Total Equity		207.30	(814.66)
TOTAL LIABILITIES AND EQUITY		273.45	44.06
Significant Accounting Policies	3		

The accompanying notes are integral part of the financial statements. As per our report of even date attached.

For A.C. Bhuteria & Co.

Chartered Accountants

ICAI Firm Regn No. 303105E

Bikas Kumar Burnwal

Partner

Membership No: 311785

Date: 30/07/2020

Place: Kolkata

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole Time Director

Sd/-

Usha Iyengar

Director

Date: 30/07/2020

Place: Mumbai

Sd/-

Ashok Katra

Independent Director

Sd/-

Aniket Naresh Prabhu

Company Secretary & CFO

Independent Auditors Report (Continues)

Standalone Ind AS Statement of Profit & Loss
For the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
(I) Revenue from Operations			
- Interest Income	22	21.99	0.40
Total Revenue from Operations (I)		21.99	0.40
(II) Other Income	23	61.40	1.38
(III) Total Income (I) + (II)		83.39	1.78
(IV) Expenses			
-Finance Costs	24	34.56	75.38
-Employee Benefits Expenses	25	18.71	15.88
-Depreciation and Amortisation Expenses	10	-	0.73
-Other Expenses	26	42.12	23.12
Total Expenses (IV)		95.40	115.11
(V) Profit before exceptional items and tax (III) - (IV)		(12.01)	(113.33)
(VI) Exceptional Items			
- Loss on Conversion of CCPS to Equity		616.03	-
(VII) Profit before tax (V) - (VI)		(628.04)	(113.33)
(VIII) Tax Expense			
-Current Tax		-	5.92
-Deferred tax		-	-
Net Tax Expense (VIII)		-	5.92
(A) Profit for the year (VII) - (VIII)		(628.04)	(119.25)
(B) Other Comprehensive Income			
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-
(ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
Other comprehensive income/(loss) for the year (B)		-	-
Total Comprehensive Income for the year (A+B)		(628.04)	(119.25)
Earnings per equity share of ₹ 10 each			
-Basic (₹)		(6.28)	(45.49)
-Diluted (₹)		(6.28)	(45.49)

For A.C. Bhuteria & Co.

Chartered Accountants

ICAI Firm Regn No. 303105E

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole Time Director

Sd/-

Ashok Katra

Independent Director

Bikas Kumar Burnwal

Partner

Membership No: 311785

Date: 30/07/2020

Place: Kolkata

Sd/-

Usha Iyengar

Director

Date: 30/07/2020

Place: Mumbai

Sd/-

Aniket Naresh Prabhu

Company Secretary & CFO

Standalone Ind AS Cash Flow Statement
For the Year Ended 31st March, 2020

(₹ in Lakhs)

Particulars		Year Ended 31.03.2020	Year Ended 31.03.2019
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/ (Loss) Before Exceptional Items and Tax		(12.01)	(113.33)
Adjustments For :			
Depreciation and Amortisation Expenses		-	0.73
Bad Debts		2.93	-
Interest on Debt Securities		33.93	74.94
Interest on Borrowings Other than Debt Securities		0.30	0.30
Reversal of Contingent Provision against Standard Assets		(0.01)	(0.01)
Liability no Longer Required Written Back		(56.46)	-
Interest Income		(21.99)	(0.40)
Interest on Income Tax Refund		(4.93)	(1.24)
Operating Profit Before Working Capital Changes		(58.23)	(39.01)
Movements in Working Capital			
Decrease/ (Increase) in:			
Bank balances other than Cash and Cash Equivalents		(0.26)	2.66
Loans		(250.00)	2.00
Other Financial Assets		(0.74)	2.29
Other Non-Financial Assets		22.00	(0.08)
Payables			
Trade Payables		7.50	(0.81)
Other Payables		(15.33)	24.96
Other Financial Liabilities		12.96	7.90
Other Non-Financial Liabilities		4.63	0.88
Cash Generated From Operations		(277.47)	0.79
Direct Taxes Paid (Net)		24.55	-
Interest Received		-	-
Net Cash Flow From (Used In) Operating Activities	(A)	(252.92)	0.79
B. CASH FLOW FROM INVESTING ACTIVITIES			
Net Cash Flow From (Used In) Investing Activities	(B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Shares		250.00	-
Proceeds/(Repayment) from Borrowings		1.52	0.23
Interest Paid		(0.53)	(0.03)
Net Cash Flow From (Used In) Financing Activities	(C)	250.99	0.20
Net Increase in Cash & Cash Equivalents	(A+B+C)	(1.93)	0.99
Cash & Cash Equivalents at the beginning of the Year		2.15	1.16
Cash & Cash Equivalents at the end of the Year		0.22	2.15

Note: The fully paid up preference share capital of the Company being 1,40,000 0.01% Non-Convertible Redeemable Preference Shares of Rs. 1,000 each (NCRPS) aggregating to Rs. 14,00,00,000/- has been altered/varied to 1,40,000 0.01% Compulsorily Convertible Redeemable Preference Shares of the Company (CCPS) of Rs. 1,000/- each amounting to Rs. 14,00,00,000/- and thereafter converted with immediate effect into 1,40,00,000 equity shares of Rs. 10/- each by way of preferential allotment basis in due compliance with section 42, 48, 55 and 62(l)(c) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

For A.C. Bhuteria & Co.

Chartered Accountants

ICAI Firm Regn No. 303105E

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole Time Director

Sd/-

Ashok Katra

Independent Director

Bikas Kumar Burnwal

Partner

Membership No: 311785

Date: 30/07/2020

Place: Kolkata

Sd/-

Usha Iyengar

Director

Date: 30/07/2020

Place: Mumbai

Sd/-

Aniket Naresh Prabhu

Company Secretary & CFO

Standalone Ind AS Statement of Changes in Equity
for the year ended March 31, 2020

(` in Lakhs)

a)	Equity Share Capital	
	Particulars	Amount
	Balance as at April 01, 2018	26.22
	Changes in equity share capital during the year	-
	Balance as at March 31, 2019	26.22
	Changes in equity share capital during the year - Issue of Share Capital	1,650.00
	Balance as at March 31, 2020	1,676.22

b)	Other Equity	
	(` in Lakhs)	

Particulars	Statutory reserve	General Reserve	Retained earnings	Equity Component of Compound Financial Instrument	Total
Balance as at April 01, 2018	89.23	11.86	(1,734.08)	911.36	(721.63)
Profit for the year	-	-	(119.25)	-	(119.25)
Other Comprehensive Income	-	-	-	-	-
Transferred to statutory reserve	-	-	-	-	-
Balance as at March 31, 2019	89.23	11.86	(1,853.33)	911.36	(840.88)
Profit for the year	-	-	(628.04)	-	(628.04)
Other comprehensive income	-	-	-	-	-
Transferred to statutory reserve	-	-	-	-	-
Compulsory Convertible Preference Shares	-	-	-	-	-
Balance as at March 31, 2020	89.23	11.86	(2,481.37)	911.36	(1,468.92)

The accompanying notes form an integral part of the financial statements
In terms of our report of even date attached.

For A.C. Bhuteria & Co.

Chartered Accountants

ICAI Firm Regn No. 303105E

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole Time Director

Sd/-

Ashok Katra

Independent Director

Bikas Kumar Burnwal

Partner

Membership No: 311785

Date: 30/07/2020

Place: Kolkata

Sd/-

Usha Iyengar

Director

Date: 30/07/2020

Place: Mumbai

Sd/-

Aniket Naresh Prabhu

Company Secretary & CFO

Notes forming part of the Financial Statements**For the year ended March 31, 2020****1. Corporate Information**

Frontier Capital Limited ("the Company") (CIN L65990MH1984PLC033128) is a public limited company domiciled in India. The Company is listed on Bombay Stock Exchange. The Company is a non-systemically important non-deposit taking non-banking finance company, engaged in the business of granting of loans and advances. The financial statements are presented in Rupees (₹) which is also functional currency of the Company.

2. Statement of Compliance

"The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

For all periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2020 are the first the Company has prepared in accordance with Ind AS. Refer to notes for information on how the Company adopted Ind AS."

2.1 Basis of preparation

"The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities measured at fair value or amortised cost (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

The regulatory disclosures as required by Master Directions for Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company Directions, 2016 issued by the RBI ('RBI Master Directions') to be included as a part of the Notes to Accounts are not prepared as per the Ind AS financial statements. Note 41 to the financial statements provides the basis of preparation of such regulatory disclosures included in Note 42 to Note 44."

"Estimation of uncertainties relating to Global Healthcare Pandemic from COVID - 19

The Company has considered the possible effects that may result from the pandemic relating to COVID - 19 on the carrying amount of assets including investments, loans, other financial and non-financial assets etc. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company expects that the carrying amount of these assets will be recovered. The impact of COVID - 19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements."

2.1.2 Presentation of financial statements

"The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in notes to the financial statements.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties"

3. Significant accounting policies**3.1 Financial instruments - initial recognition****3.1.1 Date of recognition**

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the company (as per the terms of the agreement with the borrowers). The company recognises debt securities and borrowings when funds reach the company.

Notes forming part of the Financial Statements**For the year ended March 31, 2020****3.1.2 Initial measurement of financial instruments**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at amortised cost, transaction costs are added to, or subtracted from, this amount.

3.1.3 Measurement categories of financial assets and liabilities

"The company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at:

- Amortised cost"

3.2 Financial assets and liabilities**3.2.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost**

"The Company measures Bank balances, Loans, and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below."

"Business model assessment

The Company determines its business model at the level that best reflects how it manages Company's financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward."

"The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set."

3.2.2 Equity instruments at FVOCI

"The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Notes forming part of the Financial Statements**For the year ended March 31, 2020**

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI (Other Comprehensive Income). Equity instruments at FVOCI are not subject to an impairment assessment."

3.2.3 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

3.2.4 Undrawn loan commitments

"Undrawn loan commitments are commitments under which, over the duration of the commitment, the company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these commitments together with the corresponding ECLs are disclosed in notes."

3.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in 2018-19 and 2019-20.

3.4 Derecognition of financial assets and liabilities**3.4.1 Derecognition of financial assets other than due to substantial modification****Financial assets**

"A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement."

"Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities, when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The company cannot sell or pledge the original asset other than as security to the eventual recipients
- The company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients."

"A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer. "

"When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an

Notes forming part of the Financial Statements**For the year ended March 31, 2020**

associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

In case where transfer of a part of financial assets qualifies for de-recognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is recognised as gain or loss on de-recognition of such financial asset previously carried under amortisation cost category. The resulting interest only strip initially is recognised at FVTPL."

3.4.2 Financial liabilities

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

3.5 Impairment of financial assets**3.5.1 Overview of the ECL principles**

"The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in Notes.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date."

"Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

"Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. The company records an allowance for the LTECLs."

3.5.2 The Calculation of ECLs

"The Company calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The key elements of the ECL are summarised below:

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD: The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred."

"LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Notes forming part of the Financial Statements**For the year ended March 31, 2020**

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value."

"The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%."

Loan commitment: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

3.5.3 Forward Looking Information

"In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments."

3.6 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

3.7 Restructured, rescheduled and modified loans

"The Company sometimes makes concessions or modifications to the original terms of loans such as changing the instalment value or changing the tenor of the loan, as a response to the borrower's request. The Company considers the modification of the loan only before the loans gets credit impaired.

When the loan has been renegotiated or modified but not derecognised, the Company also reassesses whether there has been a significant increase in credit risk. The Company also considers whether the assets should be classified as Stage 3. Once an asset has been classified as restructured, it will remain restructured for a period of year from the date on which it has been restructured."

3.8 Recognition of interest income**3.8.1 The effective interest rate method**

Under Ind AS 109 interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

3.8.2 Interest Income

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account of fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the life of the loan.

3.9 Taxes**3.9.1 Current tax**

Notes forming part of the Financial Statements**For the year ended March 31, 2020**

"Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

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

3.9.2 Deferred Tax

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

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

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:"

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised."

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

"Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

3.10 Property, Plant and Equipment

"Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation on tangible property, plant & equipment is charged on written down value method over the useful life/remaining useful life of the asset as per Schedule II of the Companies Act 2013. Depreciation on assets purchased / acquired during the year is charged from the date of purchase / acquisition of the asset or from the day the asset is ready for its intended use. Similarly, depreciation on assets sold / discarded during the year is charged up to the date when the asset is sold / discarded.

Intangible Assets consisting Softwares are amortised over the period of three years."

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115."

Notes forming part of the Financial Statements**For the year ended March 31, 2020****3.11 Impairment of non-financial assets**

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

"Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase."

3.12 Retirement and Other Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

3.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

3.14 Dividends on ordinary shares

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013 in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.15 Determination of Fair value

"The Company measures financial instruments at fair value at each balance sheet date.

Notes forming part of the Financial Statements**For the year ended March 31, 2020**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability"

"The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs."

"In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date."
- Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3."
- Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

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

The company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period."

3.16 Recognition of Income

"Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the company satisfies a performance obligation."

3.16.1 Interest on Overdue Balances and Other Charges

Overdue interest in respect of loans is recognised upon realisation.

Notes forming part of the Financial Statements**For the year ended March 31, 2020****3.16.2 Fee Income & Sale of Service**

"a) Fee income from loans are recognised upon satisfaction of following:

- i) Completion of service
- ii) and realisation of the fee income.

b) Servicing and collections fees on assignment are recognised upon completion of service."

3.17 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

3.18 Earnings Per Share

"Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares."

3.19 Segment Information

"The accounting policies adopted for Segment reporting are in line with the accounting policies of the company with the following additional policies:

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Un-allocable".

3.20 Equity Investment in Subsidiaries and associates

Investment in Subsidiaries and Joint Ventures are carried at Cost in the Separate Financial Statements as permitted under Ind AS 27.

3.21 Cash Flow Statement

"Cash flows are reported using the indirect method, where by profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments

For the purpose of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts as they are considered an integral part of cash management of the company."

3.22 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.23 Leases

"The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term."

Notes forming part of the Financial Statements**For the year ended March 31, 2020****3.24 Trade receivables**

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

4. Significant accounting judgements, estimates and assumptions

"The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year."

4.1 De-recognition of Financial instruments

"The Company enters into securitisation transactions where financial assets are transferred to a structured entity for a consideration. The financial assets transferred qualify for derecognition only when substantial risk and rewards are transferred.

This assessment includes judgements reflecting all relevant evidence including the past performance of the assets transferred and credit risk that the Company has been exposed to. Based on this assessment, the Company believes that the credit enhancement provided pursuant to the transfer of financial assets under securitisation are higher than the loss incurred on the similar portfolios of the Company hence it has been concluded that securitisation transactions entered by the Company does not qualify de-recognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings."

4.2 Fair value of Financial Instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in Accounting policy.

4.3 Impairment of Financial Asset

"The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary."

4.4 Provisions and other contingent liabilities

"When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Notes forming part of the Financial Statements
For the year ended March 31, 2020

Opening as on April 01, 2019	-	-	-	-	-	-	-	-
New Assets Originated/ Increase in Existing Assets	271.99	-	-	271.99	-	-	-	-
Exposure de-recognised / matured / repaid	-	-	-	-	-	-	-	-
Closing as on March 31, 2020	271.99	-	-	271.99	-	-	-	-

8 OTHER FINANCIAL ASSET

(` in Lakhs)

Particulars		As at 31.03.2020	As at 31.03.2019
Unsecured - considered good (unless otherwise stated)			
At amortised cost			
Other advances		0.78	2.98
		0.78	2.98

9 CURRENT TAX ASSETS (NET)

(` in Lakhs)

Particulars		As at 31.03.2020	As at 31.03.2019
Advance Tax / TDS (Net of Provision)		-	16.75
		-	16.75

10 PROPERTY, PLANT AND EQUIPMENT

(` in Lakhs)

Particulars		Vehicles	Total
Gross Carrying Amount			
Deemed cost as at April 01, 2018		14.00	14.00
Additions		-	-
Disposals		-	-
Gross carrying amount as at March 31, 2019		14.00	14.00
Additions*		-	-
Disposals		-	-
Gross carrying amount as at March 31, 2020		14.00	14.00
Accumulated depreciation and impairment			
Balance as at April 01, 2018		13.27	13.27
Depreciation for the year		0.73	0.73
Depreciation on disposals		-	-
Balance as at March 31, 2019		14.00	14.00
Depreciation for the year		-	-
Depreciation on disposals		-	-
Balance as at March 31, 2020		14.00	14.00
Net Carrying amount			
As at April 01, 2018		0.73	0.73
As at March 31, 2019		-	-
As at March 31, 2020		-	-

Note:

The company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e. 1st April, 2018, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. The carrying value as at 1st April, 2018 amounting to ` 0.73 Lakhs of Property, plant and equipment represents

Notes forming part of the Financial Statements
For the year ended March 31, 2020

gross cost of ₹ 14 Lakhs net of accumulated depreciation of ₹ 13.26 Lakhs as at 31st March, 2018.

11 OTHER NON FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured - considered good (unless otherwise stated)		
Prepaid expenses	-	0.14
Income Tax Paid	-	21.86
	-	22.00

12 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	18.54	11.50
	18.54	11.50

13 OTHER PAYABLES

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	9.46	24.79
	9.46	24.79

14 DEBT SECURITIES (at amortised cost)

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
0.01% Non-Convertible Redeemable Preference Shares of ₹ 1,000/- each	-	750.03
	-	750.03
Note: (a)		
i) Debt Securities in India	-	750.03
ii) Debt Securities outside India	-	-

Note: (b)

Rights, Preferences and Restrictions attached to Preference Shares of ₹ 1,000/- each
Pursuant to a resolution approved by the shareholders by way of postal ballot/electronic voting, during of the Financial Year:

i) The existing authorized share capital of ₹ 25,00,00,000/- divided into 50,00,000 equity shares of ₹ 10/- each and 2,00,000 Non-Convertible Redeemable Preference Shares of ₹ 1,000/- each had been reclassified into ₹ 25,00,00,000/- divided into 2,00,00,000 equity shares of ₹ 10/- each and 50,000 preference shares of ₹ 1,000/- each and clause V of the Memorandum of Association had been altered accordingly.

ii) The rights, terms and conditions of the fully paid up preference share capital of the Company being 1,40,000 0.01% Non-Convertible Redeemable Preference Shares of ₹ 1,000 each (NCRPS) aggregating to Rs. 14,00,00,000/- has been altered/varied to 1,40,000 0.01% Compulsorily Convertible Redeemable Preference Shares of the Company (CCPS) of ₹ 1,000/- each amounting to Rs. 14,00,00,000/- and thereafter converted with immediate effect into 1,40,00,000 equity shares of ₹ 10/- each by way of preferential allotment basis in due compliance with section 42, 48, 55 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

Notes forming part of the Financial Statements
For the year ended March 31, 2020

Note: (c)
 Details of shareholding more than 5% shares in the Company

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	% holding in the class	Nos.	% holding in the class
Inimitable Capital Finance Private Limited	-	-	88,900	63.50%
Mr. Anirudh Bhuwalka	-	-	9,100	6.50%
Mr. Atul Bhagwat	-	-	22,400	16.00%
Mr. Vinay Kalantri	-	-	19,600	14.00%
	-	-	1,40,000	100.00%

15 BORROWINGS (Other than Debt Securities) at amortised cost (₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Term Loans		
From Other Parties - Unsecured	4.00	58.48
	4.00	58.48

Note:

(i)

a) BORROWINGS (Other than Debt Securities) in India	4.00	58.48
b) BORROWINGS (Other than Debt Securities) outside India	-	-

ii) The Company has defaulted in the repayment of interest of ₹ 0.32 lakhs to its lenders.

iii) Details of repayment such as terms of repayment, interest rate and amount

As at 31.03.2020 (₹ in Lakhs)

Rate of Interest	Terms of Repayment	Amount Outstanding
7.50% p.a. Compounded Quarterly	The Repayment of the entire facility shall be made on 31st March, 2021.	4.00

As at 31.03.2019 (₹ in Lakhs)

Rate of Interest	Terms of Repayment	Amount Outstanding
8% p.a.	The Repayment of the entire facility shall be made on 31st March, 2020.	58.48

16 OTHER FINANCIAL LIABILITIES (₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Unpaid Dividend	0.04	0.04
Dues to Employees	3.94	0.95
Director Remuneration Payable	19.71	9.90
Interest accrued and due on borrowings	0.59	0.82
Credit Balance in Current Account	0.17	-
Other liabilities	-	-

Notes forming part of the Financial Statements

For the year ended March 31, 2020

	24.45	11.71
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17 Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for Income Tax (Net of Advance tax)	2.87	-
	2.87	-

18 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Other Provisions		
Contingent Provision against Standard Assets	-	0.01
	-	0.01

19 OTHER NON FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Statutory Liabilities	6.83	2.20
	6.83	2.20

20 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	Amount	Nos.	Amount
AUTHORISED				
Equity Shares of ₹ 10 each with voting rights	2,00,00,000	2,000.00	50,00,000	500.00
Non-Convertible Redeemable Preference Shares of ₹ 1,000 each	50,000	500.00	2,00,000	2,000.00
	2,00,50,000	2,500.00	52,00,000	2,500.00
ISSUED				
Equity Shares of ₹ 10 each with voting rights	1,67,62,163	1,676.22	2,62,163	26.22
	1,67,62,163	1,676.22	2,62,163	26.22
SUBSCRIBED AND FULLY PAID UP CAPITAL				
Equity Shares of ₹ 10 each with voting rights	1,67,62,163	1,676.22	2,62,163	26.22
	1,67,62,163	1,676.22	2,62,163	26.22

Notes forming part of the Financial Statements (Contd.)

For the year ended March 31, 2020

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	Amount	Nos.	Amount
Equity Shares				

Notes forming part of the Financial Statements
For the year ended March 31, 2020

At the beginning of the year	2,62,163	26.22	2,62,163	26.22
Add: Issuance of Equity Shares on Conversion of Compulsorily Convertible Preference Shares	1,40,00,000	1,400.00	-	-
Add: Shares issued during the year on Preferential Allotment	25,00,000	250.00	-	-
Outstanding at the end of the year	1,67,62,163	1,676.22	2,62,163	26.22

a) Terms/rights attached to Equity shares

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. Dividend declared towards equity shares will be subject to the approval of shareholder in the Annual General Meeting. The Company has not proposed any dividend for the year ended March 31, 2020.

b) Details of shareholding more than 5% shares in the Company

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	% holding in the class	Nos.	% holding in the class
Inimitable Capital Finance Private Limited	1,15,66,610	69.00	1,76,610	67.37
Mr. Anirudh Bhuwalka	9,26,900	5.53	16,900	6.45
Mr. Atul Bhagwat	22,40,000	13.36	-	-
Mr. Vinay Kalantri	19,60,000	11.69	-	-
Jublee Shipping & Logistic Holding Limited	-	-	15,026	5.73
Adel Shipping Holdings Limited	-	-	15,120	5.77
Sivanarayanan Financial Services Private Limited	-	-	14,906	5.69

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

c) Details of shares held by Holding Company

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	% holding in the class	Nos.	% holding in the class
Equity Shares of ` 10 each				
Inimitable Capital Finance Private Limited	1,15,66,610	69.00	1,76,610	67.37
	1,15,66,610	69.00	1,76,610	67.37

d) Aggregate number of Fully Paid Equity Shares of Rs. 10/- each allotted by way of Bonus In the period of 5 years Immediately preceding the Balance Sheet date:

Particulars	2014-15 (Nos.)	2015-16 (Nos.)	2016-17 (Nos.)	2017-18 (Nos.)	2018-19 (Nos.)	2019-20 (Nos.)
Equity Shares	-	-	17,163	-	-	-

Notes forming part of the Financial Statements

For the year ended March 31, 2020

22 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
(i) Interest - on financial assets measured at amortised cost		
-Loans	21.99	0.40
Total (a)	21.99	0.40

a) Due to Company's nature of business and the type of contracts entered with the customers, the company does not have any difference between the amount of revenue recognized in the statement of profit and loss and the contracted price.

23 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Interest on Fixed Deposit	-	0.12
Liabilities no longer required written back	56.46	0.00
Reversal of Contingent Provisions Against Standard Assets	0.01	0.01
Interest on Income Tax Refund	4.93	1.24
Miscellaneous Income	-	-
	61.40	1.38

24 FINANCE COST

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Interest on financial liabilities measured at amortised cost		
-Debt Securities	33.93	74.94
-Borrowings Other than Debt Securities	0.30	0.30
Others		
-Other Interest	0.33	0.14
	34.56	75.38

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Note : 24 IMPAIRMENT ON FINANCIAL INSTRUMENTS		
Loss Assets Written Off (Net) - Loans	-	-
Loss on disposal of Re-possessed assets	-	-
Impairment provision- Loans - measured at amortised cost	-	-
Investment		
(Reversal) of Impairment provision - Investment at cost	-	-
	-	-

25 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Salaries, Bonus and Incentives	18.71	15.88
	18.71	15.88

26 OTHER EXPENDITURE

Notes forming part of the Financial Statements
For the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Rates & Taxes	1.55	0.63
Legal and Professional Charges	16.94	2.89
Directors Sitting Fees	5.40	3.00
Auditors' Remuneration:		
For Audit Fees	2.95	2.95
For Other Services (Including LR Fees)	1.18	1.18
For Reimbursement of Expenses	-	0.24
Bad-Debts	2.93	-
Manpower Hire Charges	1.51	3.90
Listing & Custodial Fees	3.65	3.06
Travelling and Conveyance	2.29	-
Bank Charges	0.00	0.52
Membership & Subscription	0.15	1.34
Office Expenses	0.26	0.59
Advertisement & Publicity Expenses	0.90	0.67
Late Payment & Filing Charges (BSE & Others)	1.86	1.53
Miscellaneous Expenses	0.54	0.62
	42.12	23.12

27 EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2020
Profit After Tax (₹ in lakhs)	(628.04)	(119.25)
Preference Dividend Paid (including tax thereon) (₹ in lakhs)	-	-
Profit After Tax Attributable to Equity Shareholders (₹ in lakhs)	(628.04)	(119.25)
Weighted Average Number of Equity Shares (Basic)	99,99,868	2,62,163
Add: Dilutive Effects	-	-
Weighted Average Number of Equity Shares (Diluted)	99,99,868	2,62,163
Earnings per Share - Basic (₹)	(6.28)	(45.49)
Earnings per Share - Diluted (₹)	(6.28)	(45.49)
Face Value Per Share (₹)	10	10

Note: Earnings per Share calculations are done in accordance with Ind AS 33 "Earnings per Share".

28 INCOME TAX RECONCILIATION

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31st March 2020 and 31st March 2019 is, as follows:

(₹ in Lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2020
Accounting profit before tax from continuing operations	N.A.	N.A.
Income tax rate of 26% (March 31, 2019: 26%)	NIL	NIL

Notes forming part of the Financial Statements

For the year ended March 31, 2020

Effects of:		
Impact of deduction u/s 35(1)(ii)	NIL	NIL
Other Adjustments		
Provision for diminution in investment	NIL	NIL
Income Tax Expense Reported in Statement of Profit and Loss	NIL	NIL

29 MICRO, SMALL & MEDIUM ENTERPRISES

Based on and to the extent of the information received by the company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, there are no amounts due to MSME as at 31st March 2020 and as at 31st March 2019.

The relevant particulars are furnished below:

(` in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
Principal amount due to suppliers under MSMED Act, as at the year end.	NIL	NIL
Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end.	NIL	NIL
Payment made to suppliers (other than interest) beyond the appointed day, during the year.	NIL	NIL
Interest paid to suppliers under MSMED Act (other than Section 16).	NIL	NIL
Interest paid to suppliers under MSMED Act (Section 16).	NIL	NIL
Interest due and payable to suppliers under MSMED Act, for payments already made.	NIL	NIL
Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act.	NIL	NIL

30 SEGMENT INFORMATION

"The Company is primarily engaged in the business of financing. All the activities of the company revolve around the main business. Further, the Company does not have any separate geographic segments other than India.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on a entity as whole basis and are not allocated to operating segments."

Information about Major Customers as Required by PARA 34

Revenue from One customer of the company is ` 21.99 Lakhs (Previous Year ` 0.40 Lakh) which is more than 10% of the company's total revenue.

31 RELATED PARTY DISCLOSURES

"List of Related Parties

- Holding Company : Inimitable Capital Finance Pvt. Ltd. (ICFPL)

• Key Managerial Personnel:

- a) Mr. Hemendranath Rajendranath Choudhary (HRC) - (w.e.f. 31.07.2018)
- b) Ms. Usha Sundar Iyengar (DP)
- c) Mr. Ashok Katra (AK)
- d) Mr. Aniket Naresh Prabhu

• Enterprise where individuals referred in above point have significant influence:

- a) AMW Auto Components Ltd - (AACL)
- b) Frontier Digital Technologies Private Ltd - (FDTPL)
- c) Riconia Estate Private Ltd - (REPL)"

"Note:

Related party relationships are as identified by the Management and relied upon by the Auditors."

The following transactions were carried out with related parties in the ordinary course of business.

PARTICULARS	Holding Company	KMP	INDIVIDUAL HAVING CONTROL AND RELATIVES OF SUCH INDIVIDUAL AND ENTERPRISES IN WHICH THEY HAVE SIGNIFICANT INFLUENCE	Total

Notes forming part of the Financial Statements

For the year ended March 31, 2020

	ICFPL	HRC	DP	AK	AACL	AHL	AML	FDTPL	REPL	
Income										
Interest on Loans	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
Liabilities no longer required written back	56.00	-	-	-	-	-	-	-	-	56.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
Expenditure										
Interest on Borrowing	-	-	-	-	-	-	-	-	0.30	0.30
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(0.30)	(0.30)
Directors' Remuneration	-	12.00	-	-	-	-	-	-	-	12.00
	(-)	(12.00)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(12.00)
Directors' Sitting Fees	-	-	1.80	1.80	1.80	-	-	-	-	5.40
	(-)	(-)	(1.00)	(1.00)	(1.00)	(-)	(-)	(-)	(-)	(3.00)
Other Receivables										
As at the year end	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(0.84)	(-)	(0.84)
Borrowings										
As at year end	-	-	-	-	-	-	-	-	4.00	4.00
	(54.48)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(4.00)	(58.48)
Interest Accrued and Due on Borrowings										
Payable as at year end	-	-	-	-	-	-	-	-	0.59	0.59
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(0.82)	(0.82)
Directors' Remuneration Payable										
Payable as at year end	-	19.71	-	-	-	-	-	-	-	19.71
	(-)	(9.90)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(9.90)

32 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

	31.03.2020	31.03.2019
(i) Contingent Liabilities shall be classified as:		
(a) Claims against the company not acknowledged as debt;	NIL	NIL
(b) Guarantees excluding financial guarantees; and	NIL	NIL
(c) Other money for which the company is contingently liable	NIL	NIL
(ii) Commitments shall be classified as:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;	NIL	NIL
(b) Uncalled liability on shares and other investments partly paid;	NIL	NIL
(c) Other commitments (specify nature).	NIL	NIL

33 CHANGES IN PROVISIONS

Particulars	As at 31.03.2019	Additional Provision	Utilisation/Reversal	As at 31.03.2020
Provision for Contingencies	0.01	-	(0.01)	-

Notes forming part of the Financial Statements

For the year ended March 31, 2020

Particulars	As at 01.04.2018	Additional Provision	Utilisation/Reversal	As at 31.03.2019
Provision for Contingencies	0.01	-	-	0.01

34 CAPITAL MANAGEMENT

"The company maintains an actively managed capital base to cover risks inherent in the business, meeting the capital adequacy requirements of Reserve Bank of India (RBI), maintain strong credit rating and healthy capital ratios in order to support business and maximise shareholder value. The adequacy of the Company's capital is monitored by the Board using, among other measures, the regulations issued by RBI.

The company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

The company has complied in full with the capital requirements prescribed by RBI over the reported period."

a) Risk Management

"The company has put in place a robust risk management framework to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. Given the nature of the business, the company is engaged in, the risk framework recognizes that there is uncertainty in creating and sustaining value as well as in identifying opportunities. Risk management is therefore made an integral part of the company's effective management practice."

Risk Management Framework: The company's risk management framework is based on (a) clear understanding and identification of various risks (b) disciplined risk assessment by evaluating the probability and impact of each risk (c) Measurement and monitoring of risks by establishing Key Risk Indicators with thresholds for all critical risks and (d) adequate review mechanism to monitor and control risks.

The company has a well-established risk reporting and monitoring framework. The in-house developed risk monitoring tool, Composite Risk Index, highlights the movement of top critical risks. This provides the level and direction of the risks, which are arrived at based on the two level risk thresholds for the identified Key Risk Indicators and are aligned to the overall company's risk appetite framework approved by the board. The company also developed such risk reporting and monitoring mechanism for the risks at business / vertical level. The company identifies and monitors risks periodically. This process enables the company to reassess the top critical risks in a changing environment that need to be focused on.

Risk Governance structure: The Company's risk governance structure operates with a robust board and risk management committee with a clearly laid down charter and senior management direction and oversight. The board oversees the risk management process and monitors the risk profile of the company directly as well as through a board constituted risk management committee. The committee, which meets a minimum of four times a year, reviews the risk management policy, implementation of risk management framework, monitoring of critical risks, and review of various other initiatives with a structured annual plan.

The risk management division has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the company about risk management. The company's risk management initiatives and risk MIS are reviewed monthly by the managing director and business heads. The key risks faced by the company are credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risk, which are broadly classified as credit risk, market risk, operational risk, and liquidity risk.

b) Credit Risk

"Credit risk arises when a borrower is unable to meet financial obligations to the lender. This could be either because of wrong assessment of the borrower's payment capabilities or due to uncertainties in future. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes.

The company has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. The appraisal process includes detailed risk assessment of the borrowers, physical verifications and field visits. The company has a robust post sanction monitoring process to identify credit portfolio trends and early warning signals. This enables it to implement necessary changes to the credit policy, whenever the need arises."

c) Market Risk

"Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The company's exposure to market risk is a function of asset liability management activities. The company is exposed to interest rate risk and liquidity risk. The Company continuously monitors these risks and manages them through appropriate risk limits."

Notes forming part of the Financial Statements

For the year ended March 31, 2020

d) Concentration of Risk/Exposure

"Concentration of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in same geographical area or industry sector so that collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions.

The Concentration of risk is managed by company for each product by its region and its subsegments. The Company did not overly depend on few regions or sub-segments as of March 31, 2020."

e) Operational Risk

"Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the company are managed through comprehensive internal control systems and procedures and key back up processes. In order to further strengthen the control framework and effectiveness, the company has established risk control self- assessment at branches to identify process lapses by way of exception reporting. This enables the management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The company also undertakes Risk based audits on a regular basis across all business units / functions. While examining the effectiveness of control framework through self-assessment, the risk-based audit would assure effective implementation of self-certification and internal financial controls adherence, thereby, reducing enterprise exposure."

f) Liquidity Risk

Liquidity risk is defined as the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of availing funding in line with the tenor and repayment pattern of its receivables and monitors future cash flows and liquidity on a daily basis. The company has developed internal control processes and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and the availability of unencumbered receivables which could be used to secure funding by way of assignment if required. The company also has lines of credit that it can access to meet liquidity needs.

35 A) FAIR VALUE OF FINANCIAL INSTRUMENTS NOT MEASURED AT FAIR VALUE

Set out below is a comparison, by class, of the carrying amounts and fair values of the company's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	31.03.2020		31.03.2019	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets				
Cash and Cash Equivalents	0.23	0.23	2.15	2.15
Bank balances other than Cash and Cash Equivalents	0.44	0.44	0.18	0.18
Loans	271.99	271.99	-	-
Investments	-	-	-	-
Other Financial Assets	0.79	0.79	2.98	2.98
Total Financial Assets	273.45	273.45	5.31	5.31
Payables				
(i) Trade Payables	18.54	18.54	11.50	11.50
(ii) Other Payables	9.46	9.46	24.79	24.79
Debt Securities	-	-	750.03	750.03
Borrowings (Other than Debt Securities)	4.00	4.00	58.48	58.48
Other Financial Liabilities	24.45	24.45	11.71	11.71
Total Financial Liabilities	56.45	56.45	856.51	856.51

"The Management assessed that cash and cash equivalents, bank balance other than Cash and cash equivalents, Loans, Investments, Other financial assets, payables, Debt Securities, Borrowings and other financial liabilities approximates their carrying amount largely due to short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values of financial assets or liabilities disclosed under level 2 category.

i) The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product.

Notes forming part of the Financial Statements

For the year ended March 31, 2020

ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rate near to report date based on comparable rate / market observable data."

Derivative financial instruments

There have been no transfers between the level 1 and level 2 during the period.

B) SUMMARY OF FINANCIAL ASSETS AND LIABILITIES WHICH ARE RECOGNISED AT AMORTISED COST

(` in Lakhs)

Particulars	As at	
	31.03.2020	31.03.2019
Financial Assets		
Cash and Cash Equivalents	0.23	2.15
Bank balances other than Cash and Cash Equivalents	0.44	0.18
Loans	271.99	-
Other Financial Assets	0.79	2.98
Financial Liabilities		
Debt Securities	-	750.03
Borrowings (Other than Debt Securities)	4.00	58.48
Other Financial Liabilities	24.45	11.71

C) FAIR VALUE HIERARCHY

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

Particulars	As at 31-03-2020			As at 31-3-2019		
	Carrying Amount	Level of Input used in		Carrying Amount	Level of Input used in	
		Level 1	Level 3		Level 1	Level 3
Financial Assets						
At Amortised Cost						
Cash and Cash Equivalents	0.23	-	-	2.15	-	-
Bank balances other than Cash and Cash Equivalents	0.44	-	-	0.18	-	-
Loans	271.99	-	-	-	-	-
Other Financial Assets	0.79	-	-	2.98	-	-
Financial Liabilities						
At Amortised Cost						
Trade Payables	18.54	-	-	11.50	-	-
Other Payables	9.46	-	-	24.79	-	-
Debt Securities	-	-	-	750.03	-	-
Borrowings (Other than Debt Securities)	4.00	-	-	58.48	-	-
Other Financial Liabilities	24.45	-	-	11.71	-	-
There have been no transfers between different levels during the period.						

Notes forming part of the Financial Statements
For the year ended March 31, 2020

36 MATURITY ANALYSIS

Particulars	Amount	Within 12 months	After 12 months
As on March 31, 2020			
Financial Assets			
Cash and Cash Equivalents	0.23	0.23	-
Bank balances other than Cash and Cash Equivalents	0.44	0.44	-
Loans	271.99	271.99	-
Other Financial Assets	0.79	0.79	-
Total Financial Assets	273.45	273.45	-
Non-Financial Assets			
Current tax assets (Net)	-	-	-
Property, Plant and Equipment	-	-	-
Other Non-Financial Assets	-	-	-
Total Non-Financial Assets	-	-	-
Financial Liabilities			
Payables			
(i) Trade Payables	18.54	18.54	-
(ii) Other Payables	9.46	9.46	-
Borrowings (Other than Debt Securities)	4.00	4.00	-
Other Financial Liabilities	24.45	24.45	-
Total Financial Liabilities	56.45	56.45	-
Non-Financial Liabilities			
Current Tax Liabilities (Net)	2.87	2.87	-
Provisions	-	-	-
Other Non-Financial Liabilities	6.83	6.83	-
Total Non-Financial Liabilities	9.70	9.70	-

As on March 31, 2019

(` in Lakhs)

Particulars	Amount	Within 12 months	After 12 months
Financial Assets			
Cash and Cash Equivalents	2.15	2.15	-
Bank balances other than Cash and Cash Equivalents	0.18	0.18	-
Other Financial Assets	2.98	2.98	-
Total Financial Assets	5.31	5.31	-
Non-Financial Assets			
Current tax assets (Net)	16.75	16.75	-
Property, Plant and Equipment	-	-	-
Other Non-Financial Assets	22.00	22.00	-
Total Non-Financial Assets	38.75	38.75	-
Financial Liabilities			
Payables			
(i) Trade Payables	11.50	11.50	-
(ii) Other Payables	24.79	24.79	-
Debt Securities	750.03	750.03	-
Borrowings (Other than Debt Securities)	58.48	58.48	-
Other Financial Liabilities	11.71	11.71	-
Total Financial Liabilities	856.51	856.51	-
Non-Financial Liabilities			

Notes forming part of the Financial Statements

For the year ended March 31, 2020

Current Tax Liabilities (Net)	-	-	-
Provisions	0.01	0.01	-
Other Non-Financial Liabilities	2.20	2.20	-
Total Non-Financial Liabilities	2.21	2.21	-

(in Lakhs)

As on April 01, 2018

Particulars	Amount	Within 12 months	After 12 months
Financial Assets			
Cash and Cash Equivalents	1.16	1.16	-
Bank balances other than Cash and Cash Equivalents	2.84	2.84	-
Loans	2.00	2.00	-
Other Financial Assets	5.27	5.27	-
Total Financial Assets	11.27	11.27	-
Non-Financial Assets			
Current tax assets (Net)	21.43	21.43	-
Property, Plant and Equipment	0.73	0.73	-
Other Non-Financial Assets	21.92	21.92	-
Total Non-Financial Assets	44.08	44.08	-
Financial Liabilities			
Payables			
(i) Trade Payables	12.31	12.31	-
(ii) Other Payables	0.36	0.36	-
Debt Securities	675.10	-	675.10
Borrowings (Other than Debt Securities)	58.25	-	58.25
Other Financial Liabilities	3.41	3.41	-
Total Financial Liabilities	749.43	16.08	733.35
Non-Financial Liabilities			
Current Tax Liabilities (Net)	-	-	-
Provisions	0.01	0.01	-
Other Non-Financial Liabilities	1.32	1.32	-
Total Non-Financial Liabilities	1.33	1.33	-

Notes forming part of the Financial Statements
For the year ended March 31, 2020

37 ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY REMAINING CONTRACTUAL MATURITIES

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
As on March 31, 2020								
Financial Assets								
Cash and Cash Equivalents	0.23	-	-	-	-	-	-	0.23
Bank balances other than Cash and Cash Equivalents	0.44	-	-	-	-	-	-	0.44
Loans	-	-	271.99	-	-	-	-	271.99
Other Financial Assets	-	-	0.79	-	-	-	-	0.79
Total Financial Assets	0.67	-	272.78	-	-	-	-	273.45
Non-Financial Assets								
Current tax assets (Net)	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	-	-	-	-	-	-	-
Other Non-Financial Assets	-	-	-	-	-	-	-	-
Total Non-Financial Assets	-	-	-	-	-	-	-	-
Financial Liabilities								
Payables								
(i) Trade Payables	-	-	18.54	-	-	-	-	18.54
(ii) Other Payables	-	-	9.46	-	-	-	-	9.46
Debt Securities								
Borrowings (Other than Debt Securities)	-	-	4.00	-	-	-	-	4.00
Other Financial Liabilities	-	-	24.45	-	-	-	-	24.45
Total Financial Liabilities	-	-	56.45	-	-	-	-	56.45
Non-Financial Liabilities								
Current Tax Liabilities (Net)	-	-	-	-	2.87	-	-	2.87
Provisions	-	-	-	-	-	-	-	-
Other Non-Financial Liabilities	-	-	6.83	-	-	-	-	6.83
Total Non-Financial Liabilities	-	-	6.83	-	2.87	-	-	9.70

(₹ in Lakhs)

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
As on March 31, 2019								
Financial Assets								
Cash and Cash Equivalents	2.15	-	-	-	-	-	-	2.15
Bank balances other than Cash and Cash Equivalents	0.18	-	-	-	-	-	-	0.18
Loans	-	-	-	-	-	-	-	-
Other Financial Assets	-	-	2.98	-	-	-	-	2.98
Total Financial Assets	2.33	-	2.98	-	-	-	-	5.31
Non-Financial Assets								
Current tax assets (Net)	-	-	-	16.75	-	-	-	16.75
Property, Plant and Equipment	-	-	-	-	-	-	-	-
Other Non-Financial Assets	-	-	22.00	-	-	-	-	22.00
Total Non-Financial Assets	-	-	22.00	16.75	-	-	-	38.75
Financial Liabilities								
Payables								

Notes forming part of the Financial Statements

For the year ended March 31, 2020

	(i) Trade Payables	-	-	11.50	-	-	-	-	11.50
	(ii) Other Payables	-	-	24.79	-	-	-	-	24.79
Debt Securities		-	-	-	750.03	-	-	-	750.03
Borrowings (Other than Debt Securities)		-	-	-	58.48	-	-	-	58.48
Other Financial Liabilities		-	-	11.71	-	-	-	-	11.71
Total Financial Liabilities		-	-	48.00	808.51	-	-	-	856.51
Non-Financial Liabilities									
Current Tax Liabilities (Net)		-	-	-	-	-	-	-	-
Provisions		-	-	0.01	-	-	-	-	0.01
Other Non-Financial Liabilities		-	-	2.20	-	-	-	-	2.20
Total Non-Financial Liabilities		-	-	2.21	-	-	-	-	2.21

(₹ in Lakhs)

Particulars	Upto 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	Total
As on April 01, 2018								
Financial Assets								
Cash and Cash Equivalents	1.16	-	-	-	-	-	-	1.16
Bank balances other than Cash and Cash Equivalents	2.84	-	-	-	-	-	-	2.84
Loans	-	-	2.00	-	-	-	-	2.00
Other Financial Assets	-	-	5.27	-	-	-	-	5.27
Total Financial Assets	4.00	-	7.27	-	-	-	-	11.27
Non-Financial Assets								
Current tax assets (Net)	-	-	-	21.43	-	-	-	21.43
Property, Plant and Equipment	-	-	-	0.73	-	-	-	0.73
Other Non-Financial Assets	-	-	21.92	-	-	-	-	21.92
Total Non-Financial Assets	-	-	21.92	22.16	-	-	-	44.08
Financial Liabilities								
Payables								
	(i) Trade Payables	-	-	12.31	-	-	-	12.31
	(ii) Other Payables	-	-	0.36	-	-	-	0.36
Debt Securities		-	-	-	-	675.10	-	675.10
Borrowings (Other than Debt Securities)		-	-	-	-	58.25	-	58.25
Other Financial Liabilities		-	-	3.41	-	-	-	3.41
Total Financial Liabilities		-	-	16.08	-	733.35	-	749.43
Non-Financial Liabilities								
Current Tax Liabilities (Net)		-	-	-	-	-	-	-
Provisions		-	-	0.01	-	-	-	0.01
Other Non-Financial Liabilities		-	-	1.32	-	-	-	1.32
Total Non-Financial Liabilities		-	-	1.33	-	-	-	1.33

Notes forming part of the Financial Statements**For the year ended March 31, 2020****38 FIRST-TIME ADOPTION OF IND AS**

These financial statements, for the year ended 31st March, 2020, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2020, together with the comparative period data as at and for the year ended 31st March, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2018 and the financial statements as at and for the year ended 31st March, 2019.

"Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions/ exceptions:

i) Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

ii) Impairment of financial assets

The company has applied the exception related to impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognized and compared that to the credit risk as at 1st April, 2018."

iii) Classification of debt instruments

The company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVOCI criteria based on the facts and circumstances that existed as of the transition date

iv) Deemed cost for property, plant and equipment and intangible assets

The company has elected to continue with the carrying value of all of its plant and equipment, capital work-in-progress and intangible assets recognised as of 1st April, 2018 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date."

v) Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS."

vi) Derecognition of financial assets and financial liabilities

The company has applied the derecognition requirements in Ind AS 109 retrospectively as the information needed to apply Ind AS 109 to these financial assets derecognised as a result of past transactions was available at the time of initially accounting in the respective years."

The estimates are consistent with those made in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from FVOCI - equity shares and Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

Notes forming part of the Financial Statements
For the year ended March 31, 2020

38 First time adoption of Ind AS - Reconciliations

A. Reconciliations of Balance Sheet

(C in Lakhs)

Particulars	Note	As at 31.03.2019			As at 01.04.2018		
		Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS							
1. Financial Assets							
a. Cash and Cash Equivalents	5	2.15	-	2.15	1.16	-	1.16
b. Bank balances other than Cash and Cash Equivalents	6	0.18	-	0.18	2.84	-	2.84
c. Loans	7	1,019.45	(1,019.45)	-	1,021.45	(1,019.45)	2.00
d. Investments	8	746.34	(746.34)	-	746.34	(746.34)	-
e. Other Financial Assets	9	2.98	-	2.98	5.27	-	5.27
Total Financial Assets		1,771.10	(1,765.79)	5.31	1,777.06	(1,765.79)	11.27
2. Non-Financial Assets							
a. Current Tax Assets (Net)	10	38.61	(21.86)	16.75	43.29	(21.86)	21.43
b. Property, Plant and Equipment	11	-	-	-	0.73	-	0.73
c. Other Non-Financial Assets	12	0.14	21.86	22.00	0.06	21.86	21.92
Total Non-Financial Assets		38.75	-	38.75	44.08	-	44.08
TOTAL ASSETS		1,809.85	(1,765.79)	44.06	1,821.14	(1,765.79)	55.35
LIABILITIES AND EQUITY							
Financial Liabilities							
a. Payables							
(I) Trade Payables	13						
(i) Total outstanding dues of micro and small enterprises		-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		11.50	-	11.50	12.31	-	12.31
(II) Other Payables	14						
(i) Total outstanding dues of micro and small enterprises		-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		24.79	-	24.79	-	0.36	0.36
b. Debt Securities	15	-	750.03	750.03	-	675.10	675.10
c. Borrowings (Other than Debt Securities)	16	58.48	-	58.48	58.25	-	58.25
d. Other Financial Liabilities	17	11.71	-	11.71	3.77	(0.36)	3.41
Total Financial Liabilities		106.48	750.03	856.51	74.33	675.10	749.43
Non-Financial Liabilities							
a. Current Tax Liabilities (Net)	18		-	-		-	-
b. Provisions	19	1,765.80	(1,765.79)	0.01	883.91	(883.90)	0.01
c. Other Non-Financial Liabilities	20	2.20	-	2.20	1.32	-	1.32
Total Non-Financial Liabilities		1,768.00	(1,765.79)	2.21	885.23	(883.90)	1.33
Equity							
a. Equity Share Capital	21	1,426.22	(1,400.00)	26.22	1,426.22	(1,400.00)	26.22
b. Other Equity	22	(1,490.85)	649.97	(840.88)	(564.64)	(156.99)	(721.63)
Total Equity		(64.63)	(750.03)	(814.66)	861.58	(1,556.99)	(695.41)
TOTAL LIABILITIES AND EQUITY		1,809.85	(1,765.79)	44.06	1,821.14	(1,765.79)	55.35

Notes forming part of the Financial Statements
For the year ended March 31, 2020

38 First time adoption of Ind AS - Reconciliations (Contd.)

B. Reconciliation of total comprehensive income for the year ended March 31, 2019

(` in Lakhs)

B. Reconciliation of total comprehensive income for the year ended March 31, 2019				
Particulars	Note No.	Amount as per previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
(I) Revenue from Operations				
- Interest Income	22	0.40	-	0.40
Total Revenue from Operations (I)		0.40	-	0.40
(II) Other Income	23	3.38	(2.00)	1.38
(III) Total Income (I) + (II)		3.78	(2.00)	1.78
(IV) Expenses				
-Finance Costs	24	0.44	74.94	75.38
-Employee Benefits Expenses	25	15.88	-	15.88
-Depreciation and Amortisation Expenses	10	0.73	-	0.73
-Other Expenses	26	23.12	-	23.12
-Provisions		883.90	(883.90)	-
Total Expenses (IV)		924.07	(808.96)	115.11
(V) Profit before exceptional items and tax (III) - (IV)		(920.29)	806.96	(113.33)
(VI) Exceptional Items				
- Loss on Conversion of CCPS to Equity		-	-	-
(VII) Profit before tax (V) - (VI)		(920.29)	806.96	(113.33)
(VIII) Tax Expense				
-Current Tax				
-Adjustment of tax relating to earlier periods		5.92	-	5.92
-Deferred tax		-	-	-
Net Tax Expense (VIII)		5.92	-	5.92
(A) Profit for the year (VII) - (VIII)		(926.21)	806.96	(119.25)
(B) Other Comprehensive Income				
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-	-
(ii) Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-	-
Other comprehensive income/(loss) for the year (B)		-	-	-
Total Comprehensive Income for the year (A+B)		(926.21)	806.96	(119.25)

Notes forming part of the Financial Statements

For the year ended March 31, 2020

38 First time adoption of Ind AS - Reconciliations (Contd.)

C. Effects of IND AS Adoption on Total Equity

(C in Lakhs)			
Particulars	Note below	As at 31.03.2019	As at 01.04.2018
Net Worth under IGAAP		(64.63)	861.58
Add/ (Less):			
Loss (net) on De-recognition of financial assets – Loans	1	-	(508.72)
Loss (net) on De-recognition of financial assets – Investments	2	-	(373.17)
Reclassification of preference shares as financial liability (Debt Component of Compound Financial Instrument)	3	(750.03)	(675.10)
Net Worth under IND AS		(814.66)	(695.41)

"Notes:

1. Loans

i) Under Indian GAAP, the Company has created provision for loans based on guidelines on prudential norms issued by RBI. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss Model (ECL). The differential impact has been adjusted in Retained earnings / Profit and loss during the period.

ii) Under Indian GAAP, NPA provision along with standard asset provision has been disclosed under Provisions. Under Ind AS the ECL provision has been adjusted against loan balance."

iii) Under Indian GAAP, transaction cost incurred in connection with loans are amortised upfront and charged to profit and loss for the period. Under Ind AS, transaction cost are included in the initial recognition amount of financial asset measured at amortised cost and charged to profit and loss using effective interest method.

iv) Under Indian GAAP, the Company has reversed the interest on NPA accounts based on guidelines on prudential norms issued by RBI. Ind AS, Interest income for Stage 3 receivables are recognised on the amortised cost of such receivables (Gross carrying value less impairment provision) and the same is also tested for impairment."

2. Investments

i) Under Indian GAAP, the Company has created provision for diminution in the value of investment. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss Model (ECL). The differential impact has been adjusted in Retained earnings / Profit and loss during the period."

3. Compound Financial Instruments - Preference Shares

i) Under Indian GAAP, the Company has classified Preference shares as part of the Share Capital. Under Ind AS, It has been reclassified as compound financial instrument.

a) Debt Security (Financial Liability)

b) Equity Component (Other Equity)"

4. Figures under previous GAAP have been regrouped/ reclassified for Ind AS purpose wherever applicable.

Notes forming part of the Financial Statements
For the year ended March 31, 2020

38 First time adoption of Ind AS - Reconciliations (Contd.)

D. Effects of IND AS Adoption on Net Profit

Particulars`	(` in Lakh)
	For the year ended March 31, 2019
Net profit after tax as per previous GAAP	(926.21)
Adjustment on account of :	
Loss (net) on De-recognition of financial assets - Loans	508.72
Loss (net) on De-recognition of financial assets - Investments	373.17
Dividend on Preference shares classified as financial liability	(74.94)
Net profit after tax as per Ind AS	(119.26)
Other Comprehensive Income (Net of taxes)	-
Total Comprehensive Income as per Ind AS	(119.26)

E. Effects of IND AS Adoption on Cash Flows

The transition from Previous GAAP to Ind AS has no material impact on the Statement of Cash Flows except treatment of preference dividends debited to the Statement of Profit & Loss which has been considered as non-cash item as these are not yet declared by the company.

- 39 COVID-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's offices had to be closed down for a considerable period of time, including after the year end. The Company is monitoring the situation closely taking into account directives from the Governments. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its loans and the net realisable values of other assets. However, given the effect of these lockdowns on the overall economic activity and in particular on this industry, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial position.

Notes forming part of the Financial Statements

For the year ended March 31, 2020

40 Disclosure of Comparison of Provision as per IRAC Norms and ECL Pursuant to RBI Circular, Vide DNBS.PD.CC.NO.109/22.10.106/2019-20 Dated March 13, 2020 For the Year Ended March 31, 2020

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind As	Loss allowance (provision) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (4) - (3)	(6)	(7) = (4) - (6)
Performing Assets						
Standard	Stage 1	271.99	-	271.99	0.68	(0.68)
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - upto 1 Year	Stage 3	-	-	-	-	-
1 - 3 Years (Unsecured)	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal of NPA		-	-	-	-	-
Total	Stage 1	271.99	-	271.99	0.68	(0.68)
	Stage 3	-	-	-	-	-
Total		271.99	-	271.99	0.68	(0.68)

41 Disclosure On Moratorium – Covid 19 Regulatory Package – Asset Classification And Provisioning For The Year Ended March 31, 2020 In Pursuant To The Notification Vide DOR.NO.BP.BC.63/21.04.048/2019-20 Dated April 17, 2020:

	Particulars	Amount (` in lakhs)
1.	Special Mention Accounts/ SMA Category loans wherein the moratorium was given	NIL
2.	Amount of loan where asset classification was extended	NIL
3.	Provisions made against the assets in (2) @ 5%	NIL
4.	Provisions adjusted against (3) above	NIL

42 Information as required in terms of Paragraph 18 of Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:

Particulars	(Figures in ` in Lakhs)	
	Amount	Amount
	Outstanding	Overdue
Liabilities Side :		
1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
a) Debentures : Secured	-	-
: Unsecured	-	-
(Other than falling within the meaning of public deposits*)		
b) Deferred Credit	-	-
c) Term Loans	-	-
d) Inter Corporate Loans & Borrowings	4.59	-
e) Commercial Paper	-	-

Notes forming part of the Financial Statements

For the year ended March 31, 2020

f)	Other Loans	-	-
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Assets Side :		(Figures in ` in Lakhs)	
2)	Break up of Loans and Advances including bills receivables [other than those included in (4) below] :		
a)	Secured		-
b)	Unsecured		271.99
3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
i)	Lease assets including lease rentals under Sundry Debtors :		
	a) Finance Lease		-
	b) Operating Lease		-
ii)	Stock on hire including hire charges under Sundry Debtors		
	a) Assets on hire		-
	b) Repossessed Assets		-
iii)	Other loans counting towards AFC activities		
	a) Loans where assets have been repossessed		-
	b) Loans other than (a) above		-
4)	Break up of Investments :		
	Current Investments (Including Stock in Trade) :		
	Quoted :		
	a) Shares :		
	i) Equity		-
	ii) Preference		-
	b) Debentures & Bonds		-
	c) Units of Mutual Funds		-
	d) Government Securities		-
	e) Others (Please Specify)		-
	Unquoted :		
	a) Shares :		
	i) Equity		-
	ii) Preference		-
	b) Debentures & Bonds		-
	c) Units of Mutual Funds		-
	d) Government Securities		-
	e) Others - Fixed Deposits		-
	Long Term Investments :		
	Quoted :		
	a) Shares :		
	i) Equity		-
	ii) Preference		-
	b) Debentures & Bonds		-
	c) Units of Mutual Funds		-
	d) Government Securities		-
	e) Others (Please Specify)		-
	Unquoted :		
	a) Shares :		
	i) Equity		-
	ii) Preference		-
	b) Debentures & Bonds		-

Notes forming part of the Financial Statements

For the year ended March 31, 2020

c) Units of Mutual Funds		-
d) Government Securities		-
e) Others		-

5) Borrower group-wise classification of assets financed as in (2) and (3) above

(Figures in ` in Lakhs)			
Category	Secured	Unsecured	Total
1. Related Parties** :			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other Related Parties	-	-	-
2. Other than Related Parties	-	271.99	271.99
TOTAL	-	271.99	271.99
**Related parties in terms of AS-18 "Related Party relationships" have been certified by the management & relied upon by the Auditors.			

6) Investors group - wise classification of all investments (Current and Long Term) in Shares and securities (both quoted and unquoted) :

(Figures in ` in Lakhs)			
Category	Market value / Break up or fair value or NAV	Book Value (Net of provision)	
1. Related Parties** :			
a) Subsidiaries	-	-	
b) Companies in the same group	-	-	
c) Other Related Parties	-	-	
2. Other than Related Parties	-	-	
TOTAL	-	-	
Note: Investments whose market value whereof was not available, have been considered at book value for the purpose of calculation of market value.			

7) Other Information

Particulars	(Figures in ` in Lakhs)
a) Gross Non - Performing Assets	
1. Related Parties	-
2. Other than Related Parties	-
b) Net Non - Performing Assets	
1. Related Parties	-
2. Other than Related Parties	-
c) Assets Acquired in satisfaction of debt	-

43 On consideration of prudence, Deferred Tax asset on business / capital losses available under the Income Tax Act has not been recognized.

For A.C. Bhuteria & Co.

Chartered Accountants

ICAI Firm Regn No. 303105E

Bikas Kumar Burnwal

Partner

Membership No: 311785

Date: 30/07/2020

Place: Kolkata

For and on behalf of the Board of Directors

Sd/-

Hemendranath Choudhary

Whole Time Director

Sd/-

Usha Iyengar

Director

Date: 30/07/2020

Place: Mumbai

Sd/-

Ashok Kutra

Independent Director

Sd/-

Aniket Naresh Prabhu

Company Secretary & CFO