

**SASTASUNDAR VENTURES LIMITED**

(Formerly Microsec Financial Services Limited)

Azimganj House, 2nd Floor,  
7 Abanindra Nath Thakur Sarani (Formerly Camac Street),  
Kolkata - 700 017, India. Tel: +91 33 2282 9330; Fax: +91 33 2282 9335  
Email: info@sastasundar.com; Website: www.sastasundarventures.com  
CIN: L65993WB1989PLC047002

**Date: 06-09-2019**

**To**  
**The General Manager**  
**Department of Corporate Services**  
**BSE Limited**  
**Phiroze Jeejeebhoy Tower**  
**Dalal Street, Mumbai – 400 001**

**Manager - Listing**  
**Listing Department**  
**National Stock Exchange of India Limited**  
**Exchange Plaza, Bandra Kurla Complex**  
**Mumbai – 400 051**

**Subject: 30th Annual Report of the Company for the FY 2018-19**

**Ref: Scrip Code at BSE: 533259 and Symbol at NSE: SASTASUNDR**

Dear Sir/Madam,

Please find enclosed herewith copy of Annual Report of our Company for the financial year 2018-19, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further in terms of BSE Circular no. LIST/COMP/40/2018-19 dated 08th February, 2019 and subsequent clarification vide circular no. LIST/COMP/13/2019-20 dated 16th May, 2019 with regards to filing of Annual Report in XBRL mode under Regulation 34 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the same shall be filed in XBRL format in due course.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

For **Sastasundar Ventures Limited**

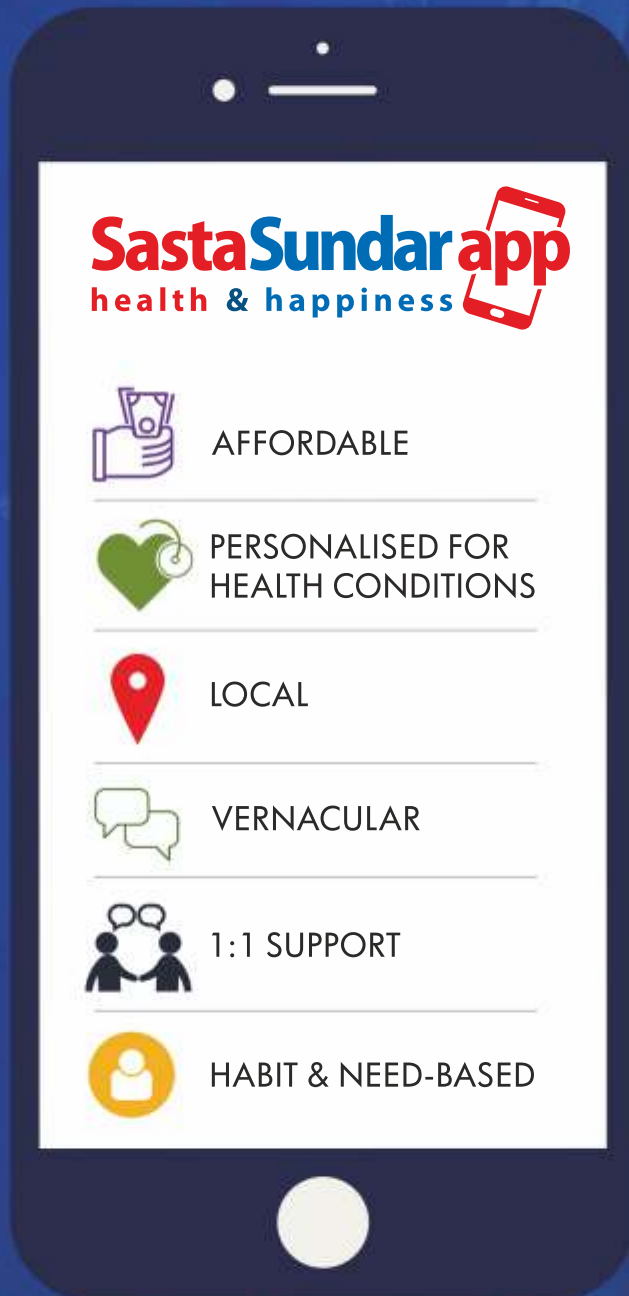
*Biplab K. Mani*



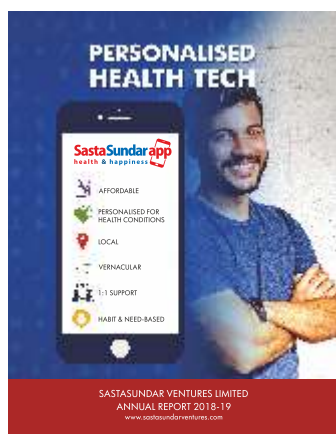
**Biplab Kumar Mani**  
**Company Secretary and Compliance Officer**

**Encl: Copy of Annual Report**

# PERSONALISED HEALTH TECH



SASTASUNDAR VENTURES LIMITED  
ANNUAL REPORT 2018-19  
[www.sastasundarventures.com](http://www.sastasundarventures.com)



This Annual Report is available online at [www.sastasundarventures.com](http://www.sastasundarventures.com)

## Corporate Information

### BOARD OF DIRECTORS

**Mr. Banwari Lal Mittal**  
Chairman and Managing Director

**Mr. Ravi Kant Sharma**  
Non-Executive Director

**Mr. Parimal Kumar Chattaraj**  
Independent Director

**Mr. Rajeev Goenka**  
Independent Director

**Mrs. Abha Mittal**  
Non-Executive Director

**Mr. Bimal Kumar Patwari**  
Independent Director  
[with effect from July 24, 2019]

**Mr. Raj Narain Bhardwaj**  
Independent Director  
[upto March 31, 2019]

**Mr. Deba Prasad Roy**  
Independent Director  
[upto March 31, 2019]

**Dr. Saibal Chandra Pal**  
Independent Director  
[with effect from April 1, 2019  
upto August 19, 2019]

### CHIEF FINANCIAL OFFICER

**Mr. Deepak Kumar Agarwal**  
[with effect from March 2, 2019]

**Mr. Amrit Daga**  
[upto March 2, 2019]

### COMPANY SECRETARY

Biplab Kumar Mani

### REGISTERED OFFICE

Azimganj House, 2nd Floor  
7, Abanindra Nath Thakur Sarani  
(Formerly Camac Street)  
Kolkata - 700 017  
CIN : L65993WB1989PLC047002  
Phone:+91 33 2282 9330  
Fax:+91 33 2282 9335  
E-mail: [info@sastasundar.com](mailto:info@sastasundar.com)  
Website : [www.sastasundarventures.com](http://www.sastasundarventures.com)

### BANKERS

HDFC Bank Limited

### AUDITORS

Singhi & Co.  
Chartered Accountants  
161, Sarat Bose Road  
Kolkata - 700 026

### REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
59C, Chowringhee Road, 3rd Floor  
Kolkata - 700 020  
Phone :+91 33 2289 0539/40  
Fax :+91 33 2289 0539  
E-mail :[kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)  
Website :[www.linkintime.co.in](http://www.linkintime.co.in)

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## CHAIRMAN'S MESSAGE

*Dear Shareholders,*

We appreciate your continuous support in our mission towards providing consistent access to affordable healthcare and in a convenient manner. SastaSundar continues to focus on consumer experience and cost efficiency.

Personalised Health Tech to provide a personalised experience is one of our core focus areas. Though the majority of our revenue is driven by the sale of medicines, but we see this only as our first stepping stone to reach the consumer. Our holistic purpose is to provide healthcare solution, and medicine is just one of them. SastaSundar has taken the following initiatives to provide a delightfully personalised experience to its consumer base:

1. YANA Diet Clinic to provide the support of diet counselling linked to personal health conditions.
2. The medical history of medicines are being collaborated with Genu Path Lab's test results, and the prescription, being the best document of sick care, is converted into a data point of comprehensive wellness.
3. Customisation of buying behaviour has helped us in mapping affordability and locality with consumer profile. Our automated process connects resources according to consumer affordability and locality.
4. Through customisation using technology, medicines are being supplemented by personalised health supplement DNAVITA.
5. The entire ecosystem of health service providers including doctors, nurses, hospitals, fitness experts, dietitians, etc. is collaborated according to different needs in the SastaSundar ecosystem which is, again, linked to individual needs.
6. Personalised health information, available on the SastaSundar app, is based on personal health conditions. The entire health information system and delivery is customised to cater to specific diseases and related care.
7. The personalised contents are provided in languages as per user choice. Further, there is interchangeability between audio and visual media for availing health information.
8. Integration of search algorithms to provide personalised reference to product and services.

The Healthbuddy network of SastaSundar provides personalised human connection in the most cost efficient manner. SastaSundar is now established as an efficient model in terms of cost efficiency and consumer experience. Connecting global resources with local care is our theme. We are a fully integrated player covering offline plus online platforms and optimally utilising both the channels of logistics and data.

We shall be continuously working on using technology for personalisation of services and improving efficiency by optimising our Healthbuddy network. We continue to expand our business model with our eyes on our mission for a positive change in healthcare in India along with developing a business of sustainable cash flow. Both growth and discipline are our basic principles, and we are continuously investing in expanding our consumer base, brand building, technology, HR and our Healthbuddy network.

Your views and ideas are most appreciated. They constitute the wind beneath SastaSundar's wings. Please write to me with your suggestions at my personal email id: [blmittal@sastasundar.com](mailto:blmittal@sastasundar.com).

Thanking you,

**B L Mittal**

*Chairman and Managing Director*

## LETTER FROM THE CEO

*Dear Shareholders,*

I am delighted to write to you about the performance of your Company for the year that paved the way for us to collectively move towards the next orbit. Buoyed by the response from expansion in Delhi, UP and Haryana in Financial Year 2017-18, we have expanded our operations in the 5th state of Jharkhand during the year in a uniquely different model. With this, we have now 2 Area Logistics Centres (ALCs) based at Kolkata and Noida, and we are serving 5 states through these 2 ALCs. Our strategy to scale the business block by block – Set up ALCs, Penetrate geography, Set up Healthbuddy stores across geography, Garner leadership and Move to new geography - is yielding the desired results. In my last year's letter, I talked about the next 5mn order's milestone that we were set to achieve in the shortest time; I am pleased to share that the milestone was achieved over a time period of 17 months, and now, we are geared up to achieve the next 5mn order's milestone within less than 12 months.

We have started offering diagnostic services during the year under Genu Path Labs Ltd. We have set up the most advanced technological lab for esoteric testing, testing of complexity and prompt reporting of general testing. At Genu Path Labs, everything revolves around Meticulous Assay of Quality Evidence. We follow a stringent Process Control (we call it QuaGen) to ensure Accurate Test Results. This quality-focussed approach led Genu Path Labs to get accreditation from NABL within a short period of operation.

Our initiative during the Year 2017 to leverage our supply chain capabilities to build a Platform for Retailers – RetailerShakti is performing very well. It now has more than 10,000 retailers on board. RetailerShakti is assisting retailers in increasing their sales and enabling them to maintain lesser inventory by facilitating real-time purchase and keeping track of stocks available on their mobile phones.

We believe Personalisation is going to be the key differentiating factor and for SastaSundar, it's of the highest priority. Our Digital outreach in combination with the physical presence of Healthbuddy Stores provides unparalleled patient engagement, delivers healthcare services to the consumers in a more convenient, more accessible, more affordable and more consumer-focussed manner – we call it Personalised Health Tech - a patient-centric technology which is customised to individual health conditions, needs, affordability, locality, habits, support system and languages.

Data and Analytics constitute the spine of the SastaSundar ecosystem. We believe that information across all points of care can help in taking smarter decisions and ensuring better health for patients.

We are creating differentiated products and services that will drive meaningful value for both the consumers and the sector.

We clearly have reasons to be confident in our operating model's ability to expand and grow rapidly. The model is very effective in scaling up the business from Metro to Tier 1 and Tier 2 to Last Village without the requirement of much additional capital, and the sector provides a brilliant opportunity for integrated players like us to be the leader in space.

We are working towards creating a platform that will enable us to transform healthcare delivery, one which will connect global expertise with local healthcare and summarily, which will make the life of millions of people healthy and happy.

I want to thank our Board of Directors, our Shareholders and more than 1,000 colleagues – Team GenSS - who contribute on a daily basis to make healthcare accessible, affordable, consistent and convenient for all. I highly appreciate the untiring efforts and commitment of Team GenSS towards our mission.

I would like to highlight the following paragraph from the letter I wrote to you in 2016; it keeps us driving closer to our Goal.

*"We learn. We innovate. We act. We transform. We get better. We continuously work on being more than what we are today. We are committed to deliver for you. Join us as we create the next wave of growth."*

This is what drives each one of us at SastaSundar.com every second and every minute of every day.

*Yours Sincerely,*

**Ravi Kant Sharma**

*Chief Executive Officer*

**SastaSundar.com**

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Thirtieth (30<sup>th</sup>) Annual Report together with Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2019.

### FINANCIAL HIGHLIGHTS

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Total Revenue	309.67	152.28	22,094.55	16,196.03
<b>Profit/(Loss) before Interest, Depreciation &amp; Tax</b>	<b>118.08</b>	<b>(39.20)</b>	<b>(3,502.93)</b>	<b>(1,281.57)</b>
Less: Depreciation	20.70	22.74	598.44	554.42
Less: Interest	-	-	167.62	52.13
<b>Profit/(Loss) before Tax and Exceptional Item</b>	<b>97.38</b>	<b>(61.94)</b>	<b>(4,268.99)</b>	<b>(1,888.12)</b>
Exceptional Item	18.12	1,390.65	-	651.98
<b>Profit/(Loss) before Tax</b>	<b>115.50</b>	<b>1,328.71</b>	<b>(4,268.99)</b>	<b>(1,236.14)</b>
Less: Tax Expenses				
- Current Tax	24.17	196.79	28.13	197.75
- Adjustment of tax relating to earlier periods	(1.08)	-	(0.26)	(0.05)
- Deferred Tax	-	-	71.72	39.07
<b>Profit/(Loss) for the year before Minority Interest</b>	<b>92.41</b>	<b>1,131.92</b>	<b>(4,368.58)</b>	<b>(1,472.91)</b>
Less: Minority Interest	-	-	(532.81)	(284.84)
<b>Profit/(Loss) for the year</b>	<b>92.41</b>	<b>1,131.92</b>	<b>(3,835.77)</b>	<b>(1,188.07)</b>

### Consolidated Financial Statements

As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and in accordance with the Indian Accounting Standard AS-21, Consolidated Financial Statements of the Company and its subsidiaries form part of the Annual Report and are reflected in the consolidated financial statements of the Company. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by their respective Boards.

### DIVIDEND

The Board of Directors do not recommend any dividend for the financial year 2018-19.

### TRANSFER TO RESERVE

The Company has not transferred any amount to the General Reserve Account during the financial year ended 31st March, 2019.

### OPERATIONAL UPDATE

During the year, the Company has executed a Share Subscription Agreement (SSA) on 28<sup>th</sup> January, 2019 with Sastasundar Healthbuddy Limited and Rohto Pharmaceuticals Co. Limited. In terms of the SSA, the Company has invested Rs. 35.24 crores in Sastasundar Healthbuddy Limited, subsidiary Company and has subscribed 36,000 Cumulative Compulsory Convertible Preference Shares (CCPS).

During the year, the Company also entered in to a Share Purchase Agreement (SPA) with Genu Path Labs Limited and Sastasundar Healthbuddy Limited on 5<sup>th</sup> March, 2019. In terms of such SPA, the Company has sold the investment in Genu Path Labs Limited to Sastasundar Healthbuddy Limited for a consideration of Rs. 6.00 crores. The entire transaction had completed on 9<sup>th</sup> April, 2019.

### OPERATIONS

On a standalone basis, the revenue of your Company is Rs. 309.67 Lacs as against Rs. 152.28 Lacs during the previous year. EBIDTA for the current year is Rs. 118.08 Lacs as compared to EBIDTA of Rs. (39.20) Lacs during the previous financial year. The net profit for the year under review is Rs. 92.41 Lacs as against Rs. 1,131.92 Lacs in the previous year.

On a consolidated basis, the revenue of your Company stood at Rs. 22,094.55 Lacs as against Rs. 16,196.03 Lacs during the previous year. The EBIDTA for the current year is Rs. (3,502.93) Lacs as compared to EBIDTA of Rs. (1,281.57) Lacs during the previous financial year. The net loss for the year under review is Rs. 3,835.77 Lacs as against loss of Rs. 1,188.07 Lacs in the previous year.

## DIRECTORS' REPORT

### DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

### SHARE CAPITAL

The paid up Equity share capital of the Company as at 31st March, 2019 stood at Rs. 31.81 crores divided into 3,18,10,500 equity shares of face value of Rs. 10 each. There has been no change in the Authorised and Paid up Share Capital of the Company during the year under review.

- A) **Issue of equity shares with differential rights** : The Company did not issue equity shares with differential voting rights during the financial year 2018-19
- B) **Issue of sweat equity shares**: The Company did not issue sweet equity shares during the financial year 2018-19.
- C) **Issue of employee stock options**: The Company did not issue stock options during the financial year 2018-19.
- D) **Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees**:  
The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

### CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company during the financial year ended 31st March, 2019.

### LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which financial statements relates and the date of this report.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR/COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the operations of the Company in future.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all dividends remaining unpaid or unclaimed for a period of seven years are required to be transferred by the Company to the IEPF, established by the Government of India. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

During the year, the Company has transferred the unclaimed and unpaid dividends of Rs. 97,015/- to IEPF. Further, 4031 corresponding shares on which dividends were unclaimed for seven consecutive years were transferred to IEPF as per the requirements of the IEPF rules. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the Company's website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information.

The Audit Committee have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company 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.

## DIRECTORS' REPORT

An external independent firm carries out the internal audit of the Company operations and reports to the Audit Committee on a regular basis. Internal Audit provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting.

### SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2019 the Company has ten subsidiaries (both direct and step down). During the year under review a new subsidiary was incorporated in the name and style "HappyMate Foods Limited" to venture into Food business.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiaries which forms part of the Annual Report. Further a statement containing the salient features of the financial statements of each of the subsidiaries, associates in the prescribed format Form AOC-1, forms part of the Annual Report. The annual accounts of the subsidiary companies will be made available to the shareholders on request and will also be kept for inspection by the shareholders at the registered office of your Company.

Further as per section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company are available at our website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

A Policy has been formulated for determining the Material Subsidiaries of the Company pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as SEBI (LODR) Reg, 2015]. The said Policy has been posted on the Company's website at the [http://www.sastasundarventures.com/Pdf/SVL\\_PolicyforDeterminationofMaterialSubsidiary.pdf](http://www.sastasundarventures.com/Pdf/SVL_PolicyforDeterminationofMaterialSubsidiary.pdf)

The Company does not have any Joint Venture or Associate Company as per the provisions of the Companies Act, 2013.

### BOARD OF DIRECTORS:

#### a) Directors and Key Managerial Personnel

As per the provision of the Companies Act, 2013 Mr. Ravi Kant Sharma (DIN: 00364066) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommended the re-appointment of Mr. Ravi Kant Sharma as Director.

The tenure of Mr. Banwari Lal Mittal (DIN: 00365809) as Managing Director was expired on 30th June, 2018. The Board of Director at their meeting held on 21<sup>st</sup> May, 2018, on the recommendation of Nomination and Remuneration Committee, had appointed Mr. Banwari Lal Mittal as Managing Director & CEO without any remuneration for a period of 5 years w.e.f. 1st July, 2018 and the said appointment was approved by the members at the Annual General Meeting held on 14<sup>th</sup> August, 2018.

Mr. Banwari Lal Mittal and Mr. Ravi Kant Sharma is on the Board of Sastasundar Healthbuddy Limited (SHBL), subsidiary of the Company and draws remuneration from SHBL.

Mr. Rajeev Goenka was appointed as an Independent Non-Executive Director to hold office for three consecutive years upto 25th May, 2020 by the Members of the Company at the 28th AGM. The Board based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations recommends re-appointment of Mr. Goenka as an Independent Director of the Company for the second term from 26th May, 2020 upto the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2021.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect. Mr. Parimal Kumar Chattaraj who was reappointed as an Independent Director of the Company at the 29th Annual General Meeting of the Company held on August 14, 2018 for a period of five years by way of special resolution. The present age of Mr. Chattaraj is 74 years. In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Nomination and Remuneration Committee discussed the matter and recommended the continuation of Directorship of the above Independent Director for the remaining period of his term subject to compliance of the same.

Details of the directors being appointed/ re-appointed as required under SEBI (LODR) Reg, 2015 and Secretarial Standard -2 are provided in the Corporate Governance Report and notice of 30th Annual General Meeting.

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.



## DIRECTORS' REPORT

During the year under review Mr. Deepak Kumar Agarwal has appointed as Chief Financial Officer in place of Mr. Amrit Daga who has resign from the post of Chief Financial Officer w.e.f. 2<sup>nd</sup> March, 2019.

Pursuant to Section 203 of the Companies Act, the Key Managerial Personnel of the Company are Mr. Banwari Lal Mittal, Managing Director, Mr. Deepak Kumar Agarwal, Chief Financial Officer and Mr. Biplab Kumar Mani, Company Secretary.

The term of Mr. Raj Narain Bhardwaj and Mr. Deba Prasad Roy as Independent Directors expired on 31<sup>st</sup> March, 2019. They have not been appointed as an Independent Director for the second term. CS (Dr.) Saibal Chandra Pal appointed as an Independent Director (additional) w.e.f. 1<sup>st</sup> April, 2019 subject to the approval of the members at the forthcoming AGM.

### b) Declaration by the Independent Director(s)

All the Independent Directors have furnished the requisite declarations that they meet the independence criteria as laid down under section 149(6) of the Companies Act, 2013 read with the rules made thereunder and Regulation 16(1)(b) of the SEBI (LODR) Reg, 2015. Further, the Board of Directors has taken on record the declaration and confirmation submitted by the Independent Director under regulation 25(8) after assessing its veracity. The Independent Directors have complied with the code for Independent Director as prescribed under Schedule IV of the Companies Act, 2013.

### c) Familiarization Programme undertaken for Independent Director

In terms of Reg 25 (7) of the SEBI (LODR) Reg, 2015, your Company is required to conduct Familiarisation Programme for Independent Directors to familiarise them about your Company including nature of Industry in which your company operates, business model, responsibilities of the Ids etc. Further, pursuant to Reg 46 of the SEBI (LODR) Reg, 2015, your Company is required to disseminate on its website, details of familiarization programmes imparted to the Ids including the details of the same. During the year, the Company has organised one familiarisation Programme of the Independent Directors. The details of the familiarisation programme of Independent Directors are provided in the Corporate Governance Report. The link to the details of familiarization programmes imparted to the Ids is [http://www.sastasundarventures.com/Pdf/1\\_Familiarization\\_Programme\\_for\\_Independent\\_Director.pdf](http://www.sastasundarventures.com/Pdf/1_Familiarization_Programme_for_Independent_Director.pdf)

### d) Board Evaluation

The Nomination and Remuneration Committee of the Company has formulated and laid down criteria for Performance evaluation of the Board (including Committees) and every director (including independent directors) pursuant to the provisions of Section 134, Section 149 read with the code of Independent Director (Schedule IV) and Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19(4) read with Part D of Schedule II of SEBI (LODR) Reg, 2015.

For annual evaluation of the Board as a whole, its Committee(s) and Individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

During the year under review, the Independent Directors of the Company reviewed the performance of Non-independent Directors, the board as a whole and the chairperson of the Company, taking into account the views of executive and non executive directors.

### e) Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration Policy, which *inter alia* includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The remuneration policy of the Company aims to attract, retain and motivate qualified people at the Executive and at the Board levels. The remuneration policy seeks to employ people who not only fulfill the eligibility criteria but also have the attributes needed to fit into the corporate culture of the Company. The said Policy has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

## MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEE

### a) Board of Directors

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board business. However, in case of special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. During the year under review, four Board Meetings were convened and held on 21<sup>st</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 as well as the SEBI (LODR) Reg, 2015.

## DIRECTORS' REPORT

### b) Audit Committee

The composition, number of meetings held and attended and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

### c) Nomination and Remuneration Committee

The composition, number of meetings held and attended and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### d) Stakeholders Relationship Committee

The composition, number of meetings held and attended and terms of reference of the Stakeholders Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### e) Investment Committee

The composition, number of meetings held and attended and terms of reference of the Investment Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### f) Strategic Committee

The composition, number of meetings held and attended and terms of reference of the Strategic Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

### g) Separate Meeting of Independent Directors

The Independent Directors met on 12<sup>th</sup> November, 2018 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## AUDITOR

### (a) Statutory Auditors

M/s. Singhi & Co., Chartered Accountants (Firm registration No. 302049E), the Statutory Auditors have submitted their Independent Auditor Report for the financial year ended 31st March, 2019 and they have made no qualification, reservation, observation or adverse remarks or disclaimer in their report.

### (b) Secretarial Auditor

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed M/s MKB & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Report of the Secretarial Audit is annexed herewith as "Annexure - I". There are no qualifications in the Report.

None of the auditors of the Company have reported any fraud during the FY 2018-19.

## RELATED PARTY TRANSACTIONS

During the financial year 2018-19, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and SEBI (LODR) Reg, 2015. During the financial year 2018-19, there were no transactions with related parties which qualifies as material transactions under the Listing Regulation. Thus a disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required.

All Related Party Transactions are placed before the Audit Committee and also before the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which were of repetitive nature. Transactions entered into pursuant to omnibus approval of all the Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

## DIRECTORS' REPORT

The Company has formulated a policy on related party transactions for purpose of identification and monitoring of such transactions. The said policy on related Party transactions as approved by the Board is posted at the Company's website at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_RelatedPartyTransactionPolicy.pdf](http://www.sastasundarventures.com/Pdf/SVL_RelatedPartyTransactionPolicy.pdf)

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as per section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure - II".

### PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as "Annexure - III" and forms part of the Report.

### EXTRACT OF THE ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return in Form No. MGT - 9 is included in this report as "Annexure - IV" and forms an integral part of this report.

The Annual Return of the Company will be available at the web address of the Company at [www.sastasundarventures.com](http://www.sastasundarventures.com)

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concern about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_whistle\\_blower\\_policy.pdf](http://www.sastasundarventures.com/Pdf/SVL_whistle_blower_policy.pdf)

During the year under review, no complaints have been received/reported.

### CORPORATE SOCIAL RESPONSIBILITY

The provisions relating to the Corporate Social Responsibility ("CSR") are not applicable to the Company.

### POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code for Prevention of Insider Trading with a view to Regulate trading in equity shares of the Company by the Directors and designated employees of the Company. The said Code of Conduct is available on the website of the Company at [www.sastasundarventures.com](http://www.sastasundarventures.com). The Code requires preclearance for dealing in Company's shares and prohibit the purchase or sale of shares in your Company by the Directors and designated employees, while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed.

### CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS REPORT

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as set out by SEBI. The Company has also implemented several best corporate governance practices. The report on Corporate Governance and Management Discussion & Analysis Report as stipulated under Schedule V of the SEBI (LODR) Reg, 2015 forms an integral part of this report.

### PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

In Compliance with the provisions of Regulation 34 of the SEBI (LODR) Reg, 2015 read with Schedule V of the said Regulations, the Corporate Governance Certificate issued by the Practicing Company Secretaries' M/s. MKB & Associates, Company Secretaries regarding compliance with the conditions of Corporate Governance as stipulated is annexed to this report.

Your Company has taken adequate steps for strict compliance with the Corporate Governance guidelines, as amended from time to time.

### COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

During the year under review, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## DIRECTORS' REPORT

### LISTING WITH STOCK EXCHANGES:

Your Company is listed with BSE Ltd. and National Stock Exchange of India Ltd. and the Company has paid the Listing Fees to both the exchanges on time.

### CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under Regulation 17(8) of the SEBI (LODR) Reg, 2015, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

### RISK MANAGEMENT POLICY

Your Company's risk management strategy strives to balance the trade off between risk and return and ensure optimal risk-adjusted return on capital, and entails independent identification, measurement and management of risks across the various businesses of your Company.

The Company has formulated a Risk Assessment & Management Policy which identify, evaluate business risks and opportunities. The risk management system of the Company is reviewed by the Audit Committee and the Board of Directors on a regular basis. During the year, no major risks were noticed, which may threaten the existence of the company.

The details of the same are covered in the Corporate Governance Report forming part of the Board's Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

The Directors acknowledges the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 and provisions of the SEBI (LODR) Reg, 2015 and in the preparation of the annual accounts for the year ended 31st March, 2019 states that —

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

### GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted Companies to send copies of Annual report, Notices, etc., electronically to the email IDs of shareholders. Your Company has arranged to send the soft copies of these documents to the registered email IDs of the shareholders, wherever available. In case, any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request in this respect.

### HUMAN RESOURCES

Our employees are our core resource and the Company has continuously evolved policies to strengthen its employee value proposition. Your Company was able to attract and retain best talent in the market and the same can be felt in the past growth of SastaSundar Group. The Company is constantly working on providing the best working environment to its Human Resources with a view to inculcate leadership, autonomy and towards this objective, your Company spends large efforts on training. Your Company shall always place all necessary emphasis on continuous development of its Human Resources. The belief "great people create great organization" has been at the core of the Company's approach to its people.

### DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to provide a safe and secure environment to its women employees across its functions, as they are considered as integral and important part of the Organisation. Your Company has in place an Anti-Sexual Harassment Policy in

## DIRECTORS' REPORT

line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

In terms of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, your Company has duly adopted a Policy and has also complied with the provisions relating to the constitution of Internal Complaints Committee (ICC).

There was no case of sexual harassment reported during the year under review.

### ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the Regulatory and Government Authorities, Bankers, Business Associates, Shareholders and the Customers of the Company for their continued support to the Company. The Directors express their deep sense of appreciation towards all the employees and staff of the Company and wish the management all the best for achieving greater heights in the future.

For and on behalf of the Board

Date: May 22, 2019  
Place: Kolkata

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
DIN: 00365809

**ANNEXURE TO THE DIRECTORS' REPORT****ANNEXURE-I**

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To

The Members,

**SASTASUNDAR VENTURES LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SASTASUNDAR VENTURES 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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 31<sup>st</sup> March, 2019 generally 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 31<sup>st</sup> March, 2019, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
  - b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
  - e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008
  - f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
  - i) The Company was deregistered as a Non- Banking Financial Company vide order dated 21<sup>st</sup> March, 2015 of Reserve Bank of India (RBI). Thereafter Company is functioning as a Core Investment Company (CIC).

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ANNEXURE TO THE DIRECTORS' REPORT**

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice 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.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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 period under audit, the Company has passed special resolution for reappointment of Mr. Parimal Kumar Chattaraj as independent director of the company for a further period of five years.

We further report that during the audit period:

1. The Company has entered into a Share Purchase Agreement with Sastasundar Healthbuddy Limited, a subsidiary company to sell and transfer the entire stake held by the Company in Genu Path Labs Limited, subsidiary company.
2. The Company has invested Rs. 35,24,76,000/- in its subsidiary, Sastasundar Healthbuddy Limited by subscribing to 36,000 Cumulative Compulsory Convertible Preference Shares of face value of Rs. 100/- each at premium of Rs. 9,691/-.

This report is to be read with our letter of even date which is annexed as **Annexure – A** which forms an integral part of this report.

For **MKB & Associates**  
*Company Secretaries*

**Neha Somani**  
[Partner]

ACS no. 44522

COP no. 17322

FRN: P2010WB042700

Date: 22nd May, 2019

Place: Kolkata

**ANNEXURE TO THE DIRECTORS' REPORT****Annexure- A**

To  
The Members,  
**SASTASUNDAR VENTURES LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **MKB & Associates**  
*Company Secretaries*

**Neha Somani**  
[Partner]

ACS no. 44522

COP no. 17322

FRN: P2010WB042700

Date: 22nd May, 2019

Place: Kolkata



**ANNEXURE TO THE DIRECTORS' REPORT****Annexure- II****DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014****A) CONSERVATION OF ENERGY:**

i)	the steps taken or impact on conservation of energy;	The Company is a Core Investment Company engaged in the business of healthcare services through its subsidiary companies and as such its operations do not account for energy consumption. However, the Company is taking all possible measures to conserve energy by using efficient computer systems and procuring energy efficient equipment. As an ongoing process, your Company evaluates new technologies and techniques to make its infrastructure more energy efficient.
ii)	the steps taken by the company for utilising alternate sources of energy	
iii)	the capital investment on energy conservation equipments;	

**B) TECHNOLOGY ABSORPTION:*****From B: Disclosure of particulars with respect to Technology absorption*****Technology, absorption, adaptation and innovation:-**

Efforts made towards technology absorption	There is no change in technology used by the Company
The benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable

**Research & Development (R & D) -**

The expenditure incurred on Research and Development	There were no activities in the nature of research and development involved in the business of the Company.
--	---

**C) FOREIGN EXCHANGE EARNING AND OUTGO:**

	<b>FY 2018-19</b>	<b>FY 2017-18</b>
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

For and on behalf of the Board

Date: 22nd May, 2019

Place: Kolkata

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN: 00365809

**ANNEXURE TO THE DIRECTORS' REPORT****Annexure-III****INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

	<b>Requirements of Rule 5(1)</b>	<b>Details</b>
i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Banwari Lal Mittal, Managing Director - Nil Mr. Ravi Kant Sharma, Non-Executive Director - Nil Mr. Parimal Kumar Chattaraj, Independent Director - 0.45:1 Mr. Raj Narain Bhardwaj, Independent Director - 0.75:1 Mr. Deba Prasad Roy, Independent Director - 0.75:1 Mrs. Abha Mittal, Non-Executive Director - Nil Mr. Rajeev Goenka, Independent Director - 0.17:1 (*Independent Directors are only entitled to sitting fees and no fees being paid to Non-executive Directors)
ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Director:</b> Mr. Banwari Lal Mittal : Nil Mr. Ravi Kant Sharma : Nil Mr. Parimal Kumar Chattaraj : Nil Mr. Raj Narain Bhardwaj : Nil Mr. Deba Prasad Roy : Nil Mrs. Abha Mittal : Nil Mr. Rajeev Goenka : Nil <b>Key Managerial Personnel:</b> Mr. Amrit Daga, CFO - 34% * Mr. Deepak Kumar Agarwal, CFO - 0% ** Mr. Biplab Kumar Mani, CS - 15%
iii)	the percentage increase in the median remuneration of employees in the financial year;	During the year under review, the percentage increase in the median remuneration of employees as compared to previous year was approximately 3.66 %
iv)	the number of permanent employees on the rolls of company	There were 3 employees as on 31.03.2019
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;	During the year under review, the average salary increase of managerial and non-managerial employees is 21.35%. There are no exceptional circumstances for increase in the managerial remuneration.
vi)	affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration paid during the financial ended 31st March, 2019 is as per the remuneration policy of the Company.

\* resigned w.e.f. 02.03.2019

\*\* appointed w.e.f. 02.03.2019

**ANNEXURE TO THE DIRECTORS' REPORT****THE STATEMENT SHOWING THE LIST OF TOP TEN EMPLOYEES AND THEIR REMUNERATION AS ON 31<sup>ST</sup> MARCH, 2019:**

Sr. No.	Name of Employee	Designation	Remuneration (Rs. in lacs)	Qualification and experience of the employee	Date of commencement of employment	Age of the employee	The last employment held by such employee before joining the Company	the percentage of equity shares held by the employee in the Company within meaning of clause (iii) of sub rule (2) above	whether such employee is a relative of any other director or manager of the company	Nature of employment, whether contractual or otherwise
1	Amrit Daga*	Chief Financial Officer	23.95	ACA, ACS	12.08.2015	34	Microsec Capital Limited	NIL	No	Permanent
2	Biplab Kumar Mani	Company Secretary	18.42	ACS, LL.B.	19.02.2007	43	RCL Cements Limited	50 equity shares	No	Permanent
3	Mahuya De <sup>s</sup>	AVP-HR	7.34	B.A., M.A., MBA (HR)	01.09.2008	39	Bajaj Allianz Financial Distribution Ltd.	NIL	No	Permanent
4	Subir Basu	Manager - Accounts	4.10	M.Com	11.02.2011	50	Merit Investment Ltd.	NIL	No	Permanent
5	Manisha Sethia <sup>#</sup>	AVP-Finance & Taxation	9.99	CA, CS	01.04.2017	31	PRP Technologies Ltd.	NIL	No	Permanent
6.	Deepak Kumar Agarwal**	Chief Financial Officer	1.48	CA, CS	02.03.2019	41	Microsec Wealth Management Ltd.	NIL	No	Permanent

\* resigned w.e.f. 02.03.2019

\$ resigned w.e.f. 20.01.2019

# resigned w.e.f. 20.03.2019

\*\* joined w.e.f. 02.03.2019

For and on behalf of the Board

Date: 22nd May, 2019  
Place: Kolkata

**Banwari Lal Mittal**  
Chairman & Managing Director  
DIN: 00365809

**ANNEXURE TO THE DIRECTORS' REPORT**

Annexure - IV

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2019

[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	L65993WB1989PLC047002
Registration Date	6th June, 1989
Name of the Company	Sastasundar Ventures Limited
Category / Sub-Category of the Company	Public Limited Company
Address of the Registered office and contact details	Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata – 700 017 Tel: 033 2282 9330 Fax: 033 2282 9335
Whether listed company (Yes / No)	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 59C, Chowringhee Road, 3rd Floor, Kolkata – 700 020 Tel: 033 2289 0540 Fax: 033 2289 0539

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Other Financial Service Activities	64990	98.84%

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

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Microsec Resources Private Limited Azimganj House, 7 Camac Street, 2nd Floor, Kolkata - 700017	U51109WB1994PTC066509	Subsidiary	100	2(87)
2.	Innogrow Technologies Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U72200WB2002PLC094642	Subsidiary	100	2(87)
3.	Sastasundar Healthbuddy Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U15411WB2011PLC160195	Subsidiary	86.77	2(87)
4.	Bharatiya Sanskriti Village Private Limited Jindal Towers, 21/1A/3 Darga Road, Block - B, Unit - 502, 5th Floor, Kolkata - 700017	U92140WB2011PTC166740	Subsidiary	100	2(87)

**ANNEXURE TO THE DIRECTORS' REPORT**

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
5.	Myjoy Technologies Private Limited Microsec Block, Azimganj House, 7 Camac Street, 2nd Floor, Kolkata - 700 017	U72200WB2011PTC164402	Step Down Subsidiary	100	2(87)
6.	Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited) Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata – 700156	U74999WB2011PTC165465	Step Down Subsidiary	86.77	2(87)
7.	Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited) Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata – 700156	U51100WB2015PTC205351	Step Down Subsidiary	86.77	2(87)
8.	Genu Path Labs Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U85320WB2017PLC222577	Subsidiary	96.69	2(87)
9.	Microsec Wealth Management Limited Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata - 700017	U65990WB2018PLC224460	Step Down Subsidiary	100	2(87)
10.	Happymate Foods Limited Innovation Tower, Premises No. 16-315, Plot No. DH6/32, Action Area - 1D, Newtown, Rajarhat, Kolkata - 700156	U15118WB2018PLC226457	Step Down Subsidiary	86.77	2(87)

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

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	11452293	0	11452293	36.00	11452293	0	11452293	36.00	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	10709609	0	10709609	33.67	10966064	0	10966064	34.48	+0.81
(e)	Any Other	1241000	0	1241000	3.90	1241000	0	1241000	3.90	0.00
	<b>Sub Total (A)(1)</b>	<b>23402902</b>	<b>0</b>	<b>23402902</b>	<b>73.57</b>	<b>23659357</b>	<b>0</b>	<b>23659357</b>	<b>74.38</b>	<b>+0.81</b>

**ANNEXURE TO THE DIRECTORS' REPORT**

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>	<b>23402902</b>	<b>0</b>	<b>23402902</b>	<b>73.57</b>	<b>23659357</b>	<b>0</b>	<b>23659357</b>	<b>74.38</b>	<b>+0.81</b>
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0	0.00
(e)	Foreign Portfolio Investor	97110	0	97110	0.30	73382	0	73382	0.23	-0.07
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0	0.00
(i)	Any Other (Specify)	0	0	0	0.00	0	0	0	0	0.00
	<b>Sub Total (B)(1)</b>	<b>97110</b>	<b>0</b>	<b>97110</b>	<b>0.30</b>	<b>73382</b>	<b>0</b>	<b>73382</b>	<b>0.23</b>	<b>-0.07</b>
[2]	Central Government/ State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 2 lakh	1859688	177	1859865	5.85	1802574	60	1802634	5.67	-0.18
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	1125648	0	1125648	3.54	1146227	0	1146227	3.60	+0.06
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00

## ANNEXURE TO THE DIRECTORS' REPORT

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	IEPF	0	0	0	0.00	4031	0	4031	0.01	+0.01
	Trusts	1633400	0	1633400	5.13	1483400	0	1483400	4.66	-0.47
	Hindu Undivided Family	222016	0	222016	0.70	205362	0	205362	0.65	-0.05
	Non Resident Indians (Non Repat)	155653	0	155653	0.49	305124	0	305124	0.96	+0.47
	Non Resident Indians (Repat)	13162	0	13162	0.04	32469	0	32469	0.10	+0.06
	Clearing Member	63331	0	63331	0.20	66757	0	66757	0.21	+0.01
	Bodies Corporate	3237413	0	3237413	10.18	3031757	0	3031757	9.53	-0.65
	<b>Sub Total (B)(3)</b>	<b>8310311</b>	<b>177</b>	<b>8310488</b>	<b>26.13</b>	<b>8077701</b>	<b>60</b>	<b>8077761</b>	<b>25.39</b>	<b>-0.74</b>
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>8407421</b>	<b>177</b>	<b>8407598</b>	<b>26.43</b>	<b>8151083</b>	<b>60</b>	<b>8151143</b>	<b>25.62</b>	<b>-0.81</b>
	<b>Total (A)+(B)</b>	<b>31810323</b>	<b>177</b>	<b>31810500</b>	<b>100.00</b>	<b>31810440</b>	<b>60</b>	<b>31810500</b>	<b>100.00</b>	<b>0.00</b>
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Total (A)+(B)+(C)</b>	<b>31810323</b>	<b>177</b>	<b>31810500</b>	<b>100.00</b>	<b>31810440</b>	<b>60</b>	<b>31810500</b>	<b>100.00</b>	<b>0.00</b>

**ANNEXURE TO THE DIRECTORS' REPORT****(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Banwari Lal Mittal	10616000	33.37	0.00	10616000	33.37	0.00	0.00
2	Topview Enclaves LLP	7877745	24.77	0.00	7877745	24.77	0.00	0.00
3	Luv Kush Projects Limited	1779438	5.59	0.00	1788778	5.62	0.00	+0.03
4	Ravi Kant Sharma Jointly with Luv Kush Projects Ltd. as trustees of Microsec Vision Trust One	1241000	3.90	0.00	1241000	3.90	0.00	0.00
5	Ravi Kant Sharma	497393	1.56	0.00	497393	1.56	0.00	0.00
6	Longrange Management Services Pvt. Ltd.	1052426	3.31	0.00	1299541	4.09	0.00	+0.78
7	Bharati Sharma	323200	1.02	0.00	323200	1.02	0.00	0.00
8	Abha Mittal	15700	0.05	0.00	15700	0.05	0.00	0.00
	<b>Total</b>	<b>23402902</b>	<b>73.57</b>	<b>0.00</b>	<b>23659357</b>	<b>74.38</b>	<b>0.00</b>	<b>+0.81</b>

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

Date wise increase / decrease in promoters shareholding during the year specifying the reasons for increase / decrease (e.g. Allotment / Transfer / Bonus/ Sweat Equity etc.):

Date	Reason	No. of shares purchased / sell	% of total shares of the company	Cumulative No. of shares	Cumulative % of total shares of the company
<b>Luv Kush Projects Limited</b>					
As on 01.04.2018				1779438	5.59
22 June 2018	Transfer	9340	0.03	1788778	5.62
<b>Longrange Management Services Private Limited</b>					
As on 01.04.2018				1052426	3.31
20 Apr 2018	Transfer	247115	0.78	1299541	4.09

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Deepak Kumar Agarwal, Biplab Kumar Mani and Sanjay Agarwal as Trustees of Microsec Vision Employees Trust	1633400	5.13	1483400	4.66
2.	Neelkamal Suppliers Private Limited	500000	1.57	500000	1.57
3.	Sushil Lahoti	333000	1.04	387470	1.22
4.	Lekh Raj Juneja	150000	0.47	300000	0.94
5.	Sri Salasar Suppliers Private Limited	200501	0.63	200501	0.63
6.	Girdhar Fiscal Services Pvt Ltd	186343	0.59	188792	0.59
7.	Denevo Merchants Private Limited	176442	0.55	156740	0.49
8.	Golden Goenka Credit Pvt Ltd	189716	0.60	148000	0.47
9.	Nikita Invconsultants LLP	134774	0.42	134774	0.42
10.	Jajodia Finance Limited	133069	0.42	133069	0.42



**ANNEXURE TO THE DIRECTORS' REPORT**

Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):

	Date	Reason	No. of shares purchased / sell	% of total shares of the company	Cumulative No. of shares	Cumulative % of total shares of the company
<b>1</b>	<b>DEEPAK KUMAR AGARWAL, BIPLAB KUMAR MANI AND SANJAY AGARWAL AS TRUSTEES OF MICROSEC VISION EMPLOYEES TRUST</b>					
	As on 01.04.2018				1633400	5.13
	20 Apr 2018	Transfer	(150000)	(0.47)	1483400	4.66
<b>2</b>	<b>NEELKAMAL SUPPLIERS PRIVATE LIMITED</b>					
	As on 01.04.2018	-	-	-	500000	1.57
	As on 31.03.2019	-	-	-	500000	1.57
<b>3</b>	<b>SUSHIL LAHOTI</b>					
	As on 01.04.2018				330000	1.05
	14 Sep 2018	Transfer	60786	0.19	393786	1.24
	05 Oct 2018	Transfer	(3644)	(0.01)	390142	1.23
	19 Oct 2018	Transfer	(10000)	(0.03)	380142	1.20
	28 Dec 2018	Transfer	10000	0.03	390142	1.23
	25 Jan 2019	Transfer	12500	0.04	402642	1.27
	15 Feb 2019	Transfer	(1275)	(0.01)	401367	1.26
	22 Feb 2019	Transfer	3	0.00	401370	1.26
	29 Mar 2019	Transfer	(13900)	(0.04)	387470	1.22
<b>4</b>	<b>LEKH RAJ JUNEJA</b>					
	As on 01.04.2018				150000	0.47
	20 Apr 2018	Transfer	150000	0.47	300000	0.94
<b>5</b>	<b>SRI SALASAR SUPPLIERS PRIVATE LIMITED</b>					
	As on 01.04.2018	-	-	-	200501	0.63
	As on 31.03.2019	-	-	-	200501	0.63
<b>6</b>	<b>GIRDHAR FISCAL SERVICES PVT LTD</b>					
	As on 01.04.2018				186343	0.59
	31 Aug 2018	Transfer	(9000)	(0.03)	177343	0.56
	21 Sep 2018	Transfer	13000	0.04	190343	0.60
	29 Sep 2018	Transfer	2000	0.01	192343	0.61
	15 Feb 2019	Transfer	(2001)	(0.01)	190342	0.60
	22 Mar 2019	Transfer	(1800)	(0.01)	188542	0.59
	29 Mar 2019	Transfer	250	0.00	188792	0.59
<b>7</b>	<b>DENEVO MERCHANTS PRIVATE LIMITED</b>					
	As on 01.04.2018				176442	0.55
	13 Jul 2018	Transfer	589	0.00	177031	0.55
	20 Jul 2018	Transfer	3113	0.01	180144	0.56
	27 Jul 2018	Transfer	3110	0.01	183254	0.57
	03 Aug 2018	Transfer	122	0.00	183376	0.57
	17 Aug 2018	Transfer	2147	0.01	185523	0.58
	24 Aug 2018	Transfer	(400)	(0.00)	185123	0.58
	14 Sep 2018	Transfer	(14500)	(0.04)	170623	0.54
	21 Sep 2018	Transfer	(3000)	(0.01)	167623	0.53
	30 Nov 2018	Transfer	4260	0.01	171883	0.54
	22 Mar 2019	Transfer	(5543)	(0.02)	166340	0.52
	29 Mar 2019	Transfer	(9600)	(0.03)	156740	0.49
<b>8</b>	<b>GOLDEN GOENKA CREDIT PVT LTD</b>					
	As on 01.04.2018				189716	0.60
	21 Sep 2018	Transfer	15000	0.05	204716	0.65
	26 Oct 2018	Transfer	(1715)	(0.01)	203001	0.64
	07 Dec 2018	Transfer	(809)	0.00	202192	0.64
	14 Dec 2018	Transfer	(54192)	(0.17)	148000	0.47

**ANNEXURE TO THE DIRECTORS' REPORT**

	Date	Reason	No. of shares purchased / sell	% of total shares of the company	Cumulative No. of shares	Cumulative % of total shares of the company
<b>9</b>	<b>NIKITA INVCONSULTANTS LLP</b>					
	As on 01.04.2018	-	-	-	134774	0.42
	As on 31.03.2019	-	-	-	134774	0.42
<b>10</b>	<b>JAJODIA FINANCE LIMITED</b>					
	As on 01.04.2018	-	-	-	133069	0.42
	As on 31.03.2019	-	-	-	133069	0.42

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

Name of Shareholders	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
<b>Directors</b>				
Mr. Banwari Lal Mittal	10616000	33.37	10616000	33.37
Mr. Ravi Kant Sharma	497393	1.56	497393	1.56
Mrs. Abha Mittal	15700	0.05	15700	0.05
Mr. Rajeev Goenka	78916	0.25	78916	0.25
<b>Key Managerial Personnel</b>				
Mr. Biplab Kumar Mani	50	0.00	50	0.00
Mr. Amrit Daga*	-	-	-	-
Mr. Deepak Kumar Agarwal**	-	-	-	-

Note: Mr. Parimal Kumar Chattaraj, Mr. Raj Narain Bhardwaj and Mr. Deba Prasad Roy, Directors do not hold any share of the Company.

\* Mr. Amrit Daga resigned from CFO w.e.f. 02.03.2019

\*\* Mr. Deepak Kumar Agarwal appointed as CFO of the Company w.e.f. 02.03.2019

**V. INDEBTEDNESS**

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

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

**ANNEXURE TO THE DIRECTORS' REPORT****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Managing Director - Mr. Banwari Lal Mittal	Total Amount
1.	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	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit	-	-
5.	Others – Employers Contribution to PF and insurance premium		
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	Section 197 of the Companies Act, 2013 read with Schedule V	

**B. Remuneration to other directors:**

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. P. K. Chattaraj	Mr. R. N. Bhardwaj	Mr. D. P. Roy	Mr. Rajeev Goenka	
1.	Independent Directors					
	Fee for attending board / committee meetings	3.90	6.50	6.50	1.50	18.40
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	3.90	6.50	6.50	1.50	18.40
2.	Other Non-Executive Directors	Mr. Ravi Kant Sharma	Mrs. Abha Mittal	Total Amount		
	Fee for attending board / committee meetings	-	-			-
	Commission	-	-			-
	Others, please specify	-	-			-
	Total (2)	-	-			-
	Total (B)=(1+2)	-	-			-
	Total Managerial Remuneration	-	-			-
	Overall Ceiling as per the Act*	-	-			-

\* All the Independent Directors have been paid only sitting fees for attending board meetings and committee meetings which is well within the limits prescribed under the Companies Act, 2013.

**ANNEXURE TO THE DIRECTORS' REPORT****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

(Rs. in Lacs)

	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Amrit Daga, Chief Financial Officer*	Mr. Deepak Kumar Agarwal, Chief Financial Officer**	Mr. Biplab Kumar Mani, Company Secretary	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22.48	1.48	17.86	41.82
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.81	-	0.34	1.15
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit	-	-	-	-
5	Others - Employers Contribution to PF and insurance premium	0.66	-	0.22	0.88
	<b>Total</b>	<b>23.95</b>	<b>1.48</b>	<b>18.42</b>	<b>43.85</b>

\* upto 2nd March, 2019

\*\* w.e.f. 2nd March, 2019

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY:</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS:</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT:</b>					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board

Date: 22nd May, 2019  
Place: KolkataBanwari Lal Mittal  
Chairman & Managing Director  
DIN: 00365809

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC OVERVIEW & OUTLOOK

India's Real GDP growth rate slowed down to 6.8% in FY2019 compared to the GDP growth rate of 7.2% in FY2018, as per Central Statistical Office (CSO). The growth was lower due to stress in NBFC sector, slowdown in Auto sector and weakening consumption. People are buying fewer cars and have also slowed down their sales of consumer staples.

As per RBI's latest monetary policy meet in Aug2019, India's GDP is expected to grow 6.9% in FY2020 as domestic economic activity remained weak, but the global slowdown and trade tensions intensified. The central bank slightly revised upward its inflation projection for the second half (October-March) to 3.5-3.7%.

### Global Market for Pharma reaches \$1.2 Trillion

The global market for pharmaceuticals reached \$1.2 trillion in 2018, up \$100 billion from 2017, according to the Global Use of Medicines report from the IQVIA Institute for Human Data Science. Going forward, the global market will grow by 4-5% CAGR, reaching \$1.5 trillion (based on invoice pricing)

### Indian Pharma Market Size

The Indian domestic organised pharmaceutical market grew by 9.4% year-on-year (YoY) to Rs 129,015 crore in CY2018. The growth, much faster than 2017, was led by uptake of drugs to treat chronic diseases and normalisation of supply chain after the disruption caused by GST, according to market research firm AIOCD-AWACS. As per the market research firm, anti-diabetes, cardiovascular, respiratory and dermatology categories have closed the year with double-digit growth. Overall volume growth stood at 4.8% while new introductions accounted for 2.4% growth.

As per ICRA, the growth trajectory for the Indian pharmaceutical industry is likely to remain at 11-13% in FY2020, on the back of healthy demand from the domestic market, given increasing spend on healthcare along with improving access. This along with moderation in pricing pressure for US market, new launches and market share gains for existing products and consolidation benefits will drive growth in FY2020. India enjoys a key position in the global pharmaceutical industry. The country is the world's largest supplier of generics, accounting for 20% of global exports. It supplies over 50% of global demand for various vaccines and 40% of the demand for generic products in the US. The domestic pharmaceutical market contributes to ~2% of the global industry in value and ~10% in volume terms.

### E-Pharma Indian Market Size

A report by EY on 'E-pharma: Delivering Healthier Outcomes' states that e-pharma players are expected to reach a combined market size of \$2.7 billion by 2023 from the current size of \$360 million in the next four years.

The report added that factors such as increasing internet penetration and smartphone ownership along with the ease of ordering medications through an ecommerce platform, increase in chronic diseases, rising per capita income and resultant healthcare spend are the key growth drivers for the e-pharma industry.

Nearly 35% of the domestic pharmaceutical market relates to chronic medications and the remaining 65% to acute medicines. Out of this, e-pharmacies are expected to target 85% of the chronic market and 40 percent of the acute medicine market (up from 25% in 2019) by 2023.

An emerging market, e-pharmacy has large opportunities that are gaining interest from some key players in ecommerce, consumer tech, fintech and hyperlocal space and from investors, both in India and globally.

Over the last few years, especially with the increasing use of e-prescription by hospitals coupled with internet penetration and enormous growth in the number of smartphone users, the e-pharmacy industry in India is slowly gaining significance. Instead of visiting brick-and-mortar pharmacies, there has been a rising demand for buying medicines online and one of the main reasons for this is convenience.

Online sales of medicines could account for 15-20% of total pharma sales over the next 10 years due to multiple factors including 'Digital India', e-healthcare initiatives, increasing health insurance and largely by enhancing adherence and access to medicines for a majority of the under-served population by schemes like Ayushman Bharat – says a report by Frost & Sullivan.

### Noncommunicable Diseases on Rise in India

Noncommunicable diseases (NCDs) or Lifestyle diseases (also known as chronic diseases), tend to be of long duration and are the result of a combination of genetic, physiological, environmental and behaviours factors.

The main types of NCDs are cardiovascular diseases (like heart attacks and stroke), cancers, chronic respiratory diseases (such as chronic obstructive pulmonary disease and asthma) and diabetes.

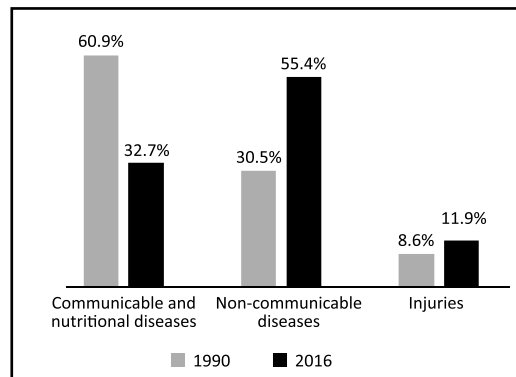
## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- Noncommunicable diseases (NCDs) kill 41 million people each year, equivalent to 71% of all deaths globally.
- Each year, 15 million people die from a NCD between the ages of 30 and 69 years; over 85% of these "premature" deaths occur in low- and middle-income countries.
- Cardiovascular diseases account for most NCD deaths, or 17.9 million people annually, followed by cancers (9.0 million), respiratory diseases (3.9 million), and diabetes (1.6 million).
- These 4 groups of diseases account for over 80% of all premature NCD deaths.
- Tobacco use, physical inactivity, the harmful use of alcohol and unhealthy diets all increase the risk of dying from an NCD.
- Detection, screening and treatment of NCDs, as well as palliative care, are key components of the response to NCDs.

While life expectancy rose, data revealed that six out of 10 Indians (in 1990, it was less than one in three) now succumb to NCDs like heart diseases. Child and maternal malnutrition is the leading cause of premature death and poor health and the burden of tuberculosis is the highest in the world.

### HEALTH CHECK

The share of NCDs in the total burden of diseases increased to 55.4% in 2016 from 30.5% in 1990 as follows:



Source: Ministry of Health and Family Welfare

The study also puts the spotlight on the country's spending on healthcare; at present, it is 1.2% of GDP.

Kerala, Goa, and Tamil Nadu, relatively prosperous states, have the largest share of NCDs such as cardiovascular diseases, diabetes, chronic respiratory diseases, mental health and neurological disorders, cancers, musculoskeletal disorders and chronic kidney diseases.

Malnutrition is particularly severe in so-called empowered action group (EAG) states that are socio-economically backward— Assam, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, Uttaranchal and Uttar Pradesh. Malnutrition is higher among females.

### World Health Organisation (WHO) Findings on NCDs

According to the World Health Organization (WHO), there are four major risk factors for NCDs -- alcohol, tobacco, poor diet intake and lack of physical activity. The WHO says that by investing just US \$1-3 per person per year, countries can dramatically reduce illness and death from NCDs.

**Some of the most common type of lifestyle diseases are the following:**

#### 1. Diabetes

According to the eight edition of the International Diabetes Foundation's Atlas, the number of Indians with diabetes will rise to 134.30 million in 2045 from the existing 73 million.

#### 2. Heart Disease

India ranks number 1 when it comes to cardio patients with 50 million Indians suffering from heart health issues.

#### 3. High Blood Pressure

100 million people in India suffer from high blood pressure.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 4. Obesity

According to the National Family Health Survey, India ranks 2nd with 155 million obese citizens, and this number is increasing at 33-51% every year.

### 5. Cancer

Cancer burden in India has more than doubled over the last 26 years. As per The Indian Council of Medical Research (ICMR), India had 14 lakh cancer patients in 2016 and this number is expected to increase. The cancers of the breast, lung, oral and cervix top the list.

### 6. Stroke

Stroke occurs when the blood supply to the brain is reduced or interrupted. Major causes include obesity, heavy drinking, drug abuse, diabetes and smoking. Effects include paralysis, speech problems, memory loss and vision problems.

### 7. Depression

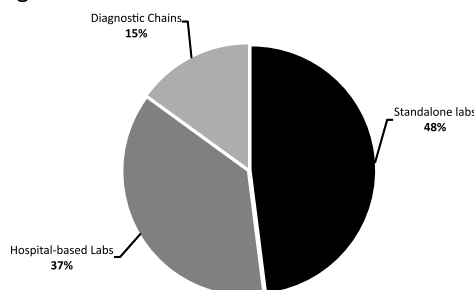
According to WHO India, the number of depressive disorders in India in 2015 was 56 million which is more than the population of Australia.

### 8. Heart Attack

As per WHO, in 2016, there were an estimated 62.5 million years of life lost prematurely due to cardiovascular diseases (CVD) in India.

### Indian Diagnostic Market

As per CRISIL Research Report, the Indian diagnostic industry is highly fragmented and dominated by unorganised players. Standalone labs constitute 48% of the market and hospital-based labs make up for 37%, thereby amounting to a combined cover of 85% of the entire diagnostic market. Diagnostic chains cover close to 15% of the overall diagnostic market.



Indian diagnostic service industry is currently pegged at INR 596 billion (USD 9.1 billion) in FY2018 and is expected to grow at a CAGR of 16% to reach INR 802 billion by FY2020 as per Frost & Sullivan research report.

Within diagnostics, pathology segment is estimated to contribute approximately 58% of total market by revenue, while the remaining 42% is estimated to be contributed by the radiology segment.

Health awareness, demand for quality healthcare, willingness to spend on healthcare, rise in disease prevalence and incidence, expansion of the pathology diagnostic market and the developing clinical research market are the key growth drivers for diagnostic market in India.

### DIGITAL INDIA INITIATIVE: A SUPPORTIVE PHENOMENON

While e-pharmacy, e-diagnostics, and e-healthcare are still at developing stages in India, the government's Digital India initiative may act as a driving force for the growth of these industries. Covering multiple Government Ministries and Departments, Digital India aims to provide thrust to the following nine pillars:

- Broadband Highways
- Universal Access to Mobile Public
- Internet Access Programme
- e-Governance
- e-Kranti

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- Information for All
- Electronics Manufacturing
- IT for Jobs
- Early Harvest Programmes

By embedding the digital thread in itself, Indian pharmaceutical industry is anticipated to bring in the following additional benefits:

### Transparency

A unique quality of technology is its ability to break barriers. E-healthcare breaks the barrier of information lying with the experts and brings it to the common man. E-Healthcare envisages new-age concepts like e-pharmacy, e-diagnostics, e-insurance and more. These facilities provide a robust ecosystem support to the patients and service providers alike with access to information – anytime, anywhere.

### Access to Quality Health Services / Products

One of the progressive technology models to have evolved in the last few years is digital health platforms which has enabled accessibility to the finest doctors at the tap of a button. Another recent innovation that has positioned itself as an attractive model in the healthcare space is e-pharmacy which enables accessibility to cost-effective drugs.

With the help of technology, healthcare is going to be massively altered and will move to a system where the consumer is informed and empowered. This shift could be brought about by an e-healthcare model which is built around solving problems of the consumer in the most optimised manner, where the consumer would have the power of knowledge and demand better service, a transparent system which would be free of middlemen causing distortions, and price/quality mismatch. At the same time, an online model, operating across the country, to procure healthcare services will ensure organised tracking and recording of the data for audit trails, thus making the healthcare system more structured.

### Key Drivers of Digital Transformation

- Increasing number of Internet subscribers coupled with the explosive growth of smartphone users
- India is one of the fastest growing Internet markets in the world. According to Telecom Regulatory Authority of India (TRAI) data, the number of Internet users in India rose by 124.29% in last 5 years to around 604.21 million by December 2018 from 267.39 million in December 2014, making India one of the largest Internet user base in the world.
- There is an enormous surge in the number of mobile Internet users in India due to the increasing adoption of smartphones. The country is estimated to have around 468 million smartphone users in 2017 which is expected to double to 859 million by 2022 according to an ASSOCHAM-PwC joint study.
- Rising standards of living of the middle-class population due to increasing income levels.
- Busy lifestyles, traffic congestion and lack of parking spaces available for offline shopping in urban regions.

### Digital Transformation: Consumer takes the Centre Stage

Indian consumers, today, prefer to access both domestic and global products at the click of a button and at competitive prices. This also extends to the rural consumers who have a rising economic status with better access to the Internet. From a long-term perspective, this change in the consumer behaviour is expected to benefit the country's economy as well.

On the contrary, there is a lot of debate around the ecommerce industry impacting brick-and-mortar retailers and SMEs. The current battle by the retailers against ecommerce is similar to the scenario during the industrial revolution. There was a threat posed against machines replacing manpower and impacting the economy of the country; however, in reality, the industrial revolution created a massive demand for labour. Similarly, when organised retail stores as well as online shopping sites came into the market, there were similar concerns raised around them being a threat to local traders, corner stores and retailers. However, it has been repeatedly observed that newer models have only led to market creation; thus, leading to sufficient space for co-existence.

From the above examples, it is clearly evident that the battle is mainly due to a perception of threat than any actual threat. Ecommerce is a shift in the way business will be done in the future, and everyone will have to align themselves according to the changing trends. Overall, consumers are in the driving seat, and technology is the catalyst for change.

In today's world, when most of the products and services are conveniently delivered to the patients' doorstep, there is a need for access models that would help patients and consumers avail the convenience of medicine delivery without needing to leave their



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

homes. This need could be addressed by an e-access model, a functioning online model, which provides access to medicines & healthcare through mobile and Internet-based platforms.

### Market Opportunity of USD 62 Billion

	FY18	FY20E	CAGR (%) FY18- FY20
Indian Pharma Size (\$BN)	17.5	20.8	9.0
Indian Diagnostic Size (\$BN)	9.1	12.2	16.0
Indian OTC market (OTC + Personal Care + beauty care + home care) (\$BN)	24.5	29.2	9.3
<b>Total Market Size (\$BN)</b>	<b>51.1</b>	<b>62.2</b>	<b>9.3</b>

Source: Care Rating, Redseer, Nielsen, IBEF, Frost & Sullivan

### SASTASUNDAR DIGITAL HEALTHCARE NETWORK

The SastaSundar healthcare network is designed to use digital technology and knowledge to integrate following services in a digital platform connected with offline Healthbuddy centres to provide counselling and last-mile human touch: -

- a. Delivery of prescribed medicines
- b. Delivery of wellness products
- c. Connect to diagnostic services
- d. Connect to doctors and health service providers
- e. Health information services
- f. A portfolio of own digital-first brands

At SastaSundar, we offer a competitive experience to our customers by integrating technology with a human touch and the following are the value propositions: -

1. **Genuineness:** Our centralised purchase of inventory and a proprietary unique delivery system ensures that we supply only 100% genuine products.
2. **Low Cost:** Our model works on a low-cost basis, enabling us to pass on savings to our customers.
3. **Counselling:** Pharmacists at our Healthbuddy stores, powered by a digital health information network, are our backbone.
4. **Informed Decision Making:** Targeted contents such as reviews, blogs and videos provide accurate information. The personalisation of content provides convenience to the customers.
5. **Integrated Digital and Healthbuddy Centres:** Live inventory for 100% fulfilment of prescriptions makes SastaSundar unique.
6. **Use of Data and Artificial Intelligence** gives us power of disease-based offering and predictive analysis of the health of our consumers.
7. The local Healthbuddy centres have convenience in terms of delivery options, payment options, complaint redressal, emotional connect and customer servicing.
8. Our unique offering by our own brands like DNAVITA (customised made-to-order health supplement) place us in the minds and hearts of our consumers.
9. Our unique model of Health Information Service provides personalised reports on medicines, substitutes, health articles, health tools, pill organizer, etc.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### FINANCIAL PERFORMANCE:

The Segment wise consolidated financial performance on year to year basis is given below:

(Rs. in Lacs except for EPS)

Revenue	FY 2018-19	FY 2017-18
Healthcare Network	21,329.56	14,663.69
Financial Services	295.57	1,107.88
Food Processing	228.27	162.39
Other Segment	-	0.11
Other Income	241.15	261.96
Total Revenue	22,094.55	16,196.03
EBIDTA	(3,502.93)	(1,281.57)
EBIT	(4,101.37)	(1,835.99)
Profit/(Loss) before exceptional item and Tax	(4,268.99)	(1,888.12)
Exceptional item	-	651.98
Profit/(Loss) before Tax	(4,268.99)	(1,236.14)
Profit/(Loss) after Tax	(4,368.58)	(1,472.91)
EPS	(12.06)	(3.73)

### Details of significant changes in key financial ratios along with explanation

In compliance with the requirement of the SEBI (Listing Obligations & Disclosure Requirements) (Amendment) Regulations, 2018, the key financial ratios of the Company alongwith explanation for significant changes (i.e., for change of 25% or more as compared to the immediately previous financial year will be termed as 'significant changes'), has been provided hereunder:

Sl. No.	Particulars	2018-19	2017-18
1	Debtor to sales (in days)	-	-
2	Inventory to Turnover Ratio (in Months)	-	-
3	Interest Coverage ratio	-	-
4	Current Ratio *	1.66	44.73
5	Debt Equity ratio **	-	-
6	Operating profit Margin (%)	-	-
7	Net Profit Margin (%)	-	-
8	Return on Net Worth (%) ***	2.90%	35.58%

\* The significant changes in Current Ratio has been recorded on account of Investment made in its subsidiary company.

\*\* There is no borrowing in the Company.

\*\*\* The significant changes in Return on Net Worth has been recorded on account of extraordinary exceptional items recorded in the previous year.

### OPPORTUNITIES AND THREATS

#### Opportunities

1. Social responsibility is the DNA of the business model of sastasundar.com. We have this opportunity to solve one of the biggest problems of India, i.e., consistent access to affordable healthcare.
2. Our innovative model provides us with an opportunity to scale the business as to make it the most cost-effective and customer-centric channel which provides an unprecedented convenience to the consumers.
3. Our model has an opportunity to provide access to health data and an opportunity to work on Artificial Intelligence to make available the fastest and accurate healthcare delivery.
4. This is an opportunity for us to have the most respected leadership brand in healthcare in India both in terms of distribution and/or own portfolio of digital-first brands.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

5. We have this opportunity to operate as a national distributor for international supply chain. We shall be a single point distribution company both for producers and consumers.

The initiative of the Government on Digital India, digital health and Goods and Services Tax gives us a favourable environment.

### Threats

1. We are cost conscious and therefore, have control on our spending. We face threats from startup companies that are backed by capital and offer discounts sponsored by capital.
2. We shall be needing capital for fast expansion, and any delay in raising capital is a threat to our growth.
3. We operate in the domain of healthcare which is highly regulated, and therefore any adverse regulation may affect our growth.
4. We operate with a high technology backbone and therefore data security is a threat.

### OUTLOOK

We have tested the model in the state of West Bengal, Delhi/ NCR and Jharkhand and now we are expanding for pan India operations.

During the year the Company and the Rohto Pharmaceuticals Co., Ltd. and the Sastasundar Healthbuddy Limited, the subsidiary Company has entered into a Share Purchase Agreement (SPA). In terms of the SPA the Company and Rohto Pharmaceutical Co., Ltd., Japan has invested Rs. 35.24 crores each in Sastasundar Healthbuddy Limited, subsidiary Company and has subscribed to 36,000 Cumulative Compulsory Convertible Preference Shares each.

After looking at the initial response in Delhi, we plan to further expand pan India.

We shall be raising equity for expansion of our pan India operations.

The outlook for business is very exciting and we take it as an opportunity to do something very unique and exceptional.

### **RISKS AND CONCERNS**

1. We shall be needing capital to expand our operations PAN India, and any delay is a risk.
2. We work in a highly regulated environment, and therefore, any adverse regulatory change possess a risk.
3. We carry the risk of mindless competition primarily based upon heavy discount on the back of capital.
4. We carry the risk of a digital base and therefore, are exposed to data security threats.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your company has adequate Internal Audit and Control system across all businesses. The internal control systems are competent and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against significant misuse or loss of company assets. Your company believes in the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The internal processes have been designed to ensure adequate checks and balances at every stage. Internal audit is conducted to assess the adequacy of our internal controls, procedures and processes, and the Audit Committee of the Board reviews their reports. Policy and process corrections are undertaken based on inputs from the internal auditors.

### **HUMAN RESOURCES**

Your company was able to grow last year only because of the employees of the company and their hard work. The group employed a total 794 employees in the last year. Your company also utilizes independent contractors and temporary personnel to supplement our workforce. The relation of the employees with your company is considered good.

### **CAUTIONARY STATEMENT:**

*Statements in the Management Discussion and Analysis, describing the Company's objectives, outlook, opportunities and expectations may constitute "Forward Looking Statements" within the meaning of applicable laws and regulations. The Actual result may vary materially from those expressed or implied in the statement. Several factors make a significant difference to the company's operations including the government regulations, taxation and economic scenario affecting demand and supply condition and other such factors over which the Company does not have any direct control.*

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

### 1. CORPORATE GOVERNANCE PHILOSOPHY

Sastasundar's Corporate Governance principles are based on the principles of transparency, responsibility, accountability, knowledge and commitment to values. The Company adheres to good corporate practices and is constantly striving to better them and adopt emerging best practices. Best results are achieved when the companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. The Company firmly believes that these aspects as well as compliances of applicable legislations and timely disclosures enhance the image of the Company and the long term value of all Shareholders and Stakeholders. However, good corporate governance practices should aim at striking a balance between interests of various stakeholders on the one hand and the duties and responsibilities of the Board and senior management in overseeing the affairs of the Company on the other. The Company's Board of Directors has framed a Code of Conduct for its Senior Managers including the Board Members. The Code of Conduct is available on the Company's website [www.sastasundarventures.com](http://www.sastasundarventures.com).

### 2. BOARD OF DIRECTORS

#### Composition of the Board

The Board of Directors in Sastasundar has been constituted in a manner which ensures appropriate mix of Executive/Non-Executive and independent directors to ensure proper governance and management. The members of our Board are from diverse backgrounds with skills and experience in critical areas like taxation, finance, entrepreneurship, legal and general management. Many of them have worked extensively in senior management positions in global corporations with a deep understanding of the Indian business environment.

As on 31<sup>st</sup> March, 2019 the Company's Board comprises of seven members. The Company has one executive director and six non-executive director out of which one is women director. The Company has an Executive Chairman, and therefore 50% of the total number of Directors should comprise of Independent Directors. The number of Independent Directors is four i.e. 60% of the total number of Directors.

As required under Regulation 25(8) of SEBI (LODR) Regulations, 2015 the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations and confirmations received from the Independent Directors, the Board of Directors have confirmed that the Independent Directors of the Company meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 read with rules framed thereunder read with Regulation 16 of the SEBI (LODR) Regulations, 2015 and that they are independent of the management.

The terms and conditions of appointment of Independent Director are disclosed on the website of the company. The management of the Company is headed by Mr. Banwari Lal Mittal, Chairman & Managing Director who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholder value are met. Mr. Banwari Lal Mittal and Mr. Ravi Kant Sharma is on the Board of Sastasundar Healthbuddy Limited (SHBL), subsidiary of the Company and draws remuneration from SHBL.

#### Number of Board Meetings

The Board of Directors met four times during the financial year ended 31<sup>st</sup> March, 2019 on 21<sup>st</sup> May, 2018, 13th August, 2018, 12th November, 2018 and 13th February, 2019. The maximum interval between any two meetings was well within the maximum allowed gap of one hundred and twenty days.

#### Role of Company Secretary in overall Governance Process

The Company Secretary plays a vital role in ensuring that Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and the senior management for effective decision-making at the meeting.

#### Directors' Attendance Record and Directorship Held

As mandated by Regulation 26(1) of the SEBI (LODR) Regulations, 2015 none of the Directors are members of neither more than ten Board level Committees nor are they Chairman of more than five Committees in which they are Directors.

## CORPORATE GOVERNANCE REPORT

The table below gives the names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other Companies:

Name of Directors	Category	No. of Board Meetings		Attendance at the previous AGM	No. of other Directorships and Committee Memberships/ Chairmanships		
		Held	Attended		Directorships*	Committee Memberships**	Committee Chairmanships**
Mr. Banwari Lal Mittal DIN: 00365809	Chairman & Managing Director (Promoter)	4	4	Yes	5	-	-
Mr. Ravi Kant Sharma DIN: 00364066	Non Executive Director (Promoter)	4	4	Yes	4	1	-
Mr. Parimal Kumar Chattaraj DIN: 00893963	Independent Non Executive Director	4	4	Yes	2	2	2
Mr. Raj Narain Bhardwaj DIN: 01571764	Independent Non Executive Director	4	4	Yes	6	7	2
Mr. Deba Prasad Roy DIN: 00049269	Independent Non Executive Director	4	4	Yes	3	1	-
Mrs. Abha Mittal DIN: 00519777	Non Executive Director (Promoter)	4	4	No	3	-	-
Mr. Rajeev Goenka DIN: 03472302	Independent Non Executive Director	4	3	No	-	-	-

\* excludes directorship in Private Limited Companies, foreign companies and Companies under Section 8 of the Companies Act, 2013.

\*\* Only memberships/chairmanships of the Audit Committees and Stakeholders Relationship Committees in various public limited companies, considered.

**Note:** In the above statement the Directorship and Committee Membership of Directors have been computed with reference to section 165 of the Companies Act, 2013 read with Regulation 26(1) of the SEBI (LODR) Regulations, 2015 with Stock Exchanges. The number of Directorship, Committee Membership and Chairmanship includes that of the Company. No Director is related to any other Director on the Board except Mrs. Abha Mittal, who is spouse of Mr. Banwari Lal Mittal.

### Name of other listed entities where Directors of the Company holds Directorship and category of such Directorship:

Name of the Director	Name of other listed entity	Category of Directorship
Mr. Parimal Kumar Chattaraj	NIL	NIL
Mr. Raj Narain Bhardwaj	Jaiprakash Associates Limited Jaiprakash Power Ventures Limited Reliance Communications Limited Arihant Superstructures Limited SBI Life Insurance Company Limited	Independent Director
Mr. Deba Prasad Roy	ITD Cementation India Limited	Independent Director
Mr. Rajeev Goenka	NIL	NIL

The Company sends a detailed agenda folder to each Director with sufficient time before every Board and Committee meetings. All the agenda item are backed by necessary supporting information and documents to enable the Board to take informed decision. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting on the overall performance of the Company. The Board also, inter alia, considers and reviews investment and exposure limits, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property, major accounting provisions and write-offs, minutes of meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the Board level, including the Compliance Officer.

The Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. In addition to the above, Regulation 17(7) of the SEBI (LODR) Regulations, 2015, the minutes of the Board meetings of your Company's subsidiaries and a statement of all significant transactions and arrangements entered into by the subsidiaries are also placed before the Board.

## CORPORATE GOVERNANCE REPORT

### Information Placed before Board of Directors

During the year 2018-19, information as mentioned in Part A of Schedule II of the SEBI (LODR) Regulations, 2015 has been placed before the Board for its consideration.

### Presentation by the Management

Before putting on record the quarterly/annual financial results of the Company, a presentation is made before the Board on operations of the Company which includes performance of various subsidiaries and various segments including various initiatives taken for sales promotion and all other matters having impact on the business of the Company.

### Directors Induction, Familiarisation and Training

Selections of Board members are dependent on several parameters. The Nomination and Remuneration committee, in consultation with the Chairman of the Board, discusses suitable candidates for induction in the Board. Upon fulfillment of the parameters, the candidates are appointed.

At SastaSundar, all the members of the Board of Directors are well-experienced professionals who are well acquainted with business knowledge of the industry. The Board members are provided necessary documents, reports and other presentations about SastaSundar. Such information enables the Independent Directors to get familiarized with the Company's operations and the industry at large. Further, in respect of Executive Directors, the Company arranges for training in the field of risk management of the Company's business. Such training enables better decision-making and helps the Executive Directors in discharging their responsibilities. The relevant statutory changes/updates are circulated to them from time to time so that it helps the Directors to make better and informed decisions. The familiarization programme includes orientation programme upon induction of new director, as well as other initiatives to update the directors on an ongoing basis.

The Independent Directors are already familiar with the nature of Industry, business model and other aspects of the Company since they have been directors for long period of time. During the year under review the Company has conducted Familiarisation programme for the independent directors of the Company. The details of such programme are uploaded on the Company website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

The policy on the familiarisation programme for Independent Director has been adopted by the Company and placed on the website of the Company at the weblink [http://www.sastasundarventures.com/Pdf/1\\_Familiarization\\_Programme\\_for\\_Independent\\_Director.pdf](http://www.sastasundarventures.com/Pdf/1_Familiarization_Programme_for_Independent_Director.pdf). The details of familiarisation programme imparted to Independent Directors are also disclosed at the aforementioned website.

### Board Evaluation Policy

The primary objective of the Policy is to provide a framework and set standards for the evaluation of the Board as a whole and each Director individually. SastaSundar aims to achieve a balance of merit, experience and skills on the Board. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of Executive/ Non-Executive and Independent Director. The policy is to assess and enhance the effectiveness of the Board as a whole. Individual Board members are assessed on their effective contribution and commitment to their role and responsibilities as Directors. The Independent Directors have three key roles - governance, control and guidance. Some of the performance indicators based on which the independent director are evaluated includes:

- Active participation in long term strategic planning.
- Ability to contribute to and monitor our corporate governance practices.
- Ability to contribute by introducing international best practices.

### Post meeting follow-up mechanism

The important decisions taken at the Board/Board level Committee meetings are communicated to the departments/divisions concerned promptly. A report on the action taken on the decisions/suggestions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / committee for noting the same.

### Code of Conduct

The Company has adopted the SastaSundar Code of Conduct which is applicable to all designated employees of the Company including the Managing Director. The Board has also approved a Code of Conduct for the Non-executive Director of the Company, which incorporates the duties of the independent directors as laid down in the Act. Both the Codes are posted on the Company's website.

## CORPORATE GOVERNANCE REPORT

All the Board Members and senior management personnel, as per Regulation 26(3) of the SEBI (LODR) Regulations, 2015 have affirmed compliance with the applicable code of conduct. A declaration to this effect by the Managing Director and CEO forms part of this report. The Director and senior management of the Company have made disclosure to the Board confirming that there are no material financial and/or commercial transaction between them and the Company that could have potential conflict of interest with the Company at large.

### Skills, expertise and competence of the Board

The Directors of Sastasundar Ventures Ltd. comprises of qualified members who bring in the required skills, experience, competence and expertise, effectively contributing to the Board and Committee proceedings. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance. The individual members of Board of Directors have been identified with the key skills, expertise, competence and attributes in various functional spheres which are required in the context of the Company's business including effective functioning of the Company under overall superintendence of relevant collective body.

Industry Knowledge / Experience	Technical Skills/ Experience	Behavioral Competencies
Understanding of Corporate laws, securities laws and other rules, regulations and policies	<ul style="list-style-type: none"> <li>• Accounting and Finance</li> <li>• Risk Management</li> <li>• Strategic Management</li> <li>• Legal and Compliance</li> <li>• Governance</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership and Monitoring Skills</li> <li>• Interpersonal relations</li> </ul>

### Risk Management

The Company has a well-defined risk management policy in place. The risk management policy adopted by the Company is discussed in detail in the Management Discussion and Analysis chapter of this Annual Report. The Board assesses the risk and the procedures being followed by the Company and steps taken by it to mitigate these risks. The Company does not have any commodity price risk or foreign exchange risk and hedging activities. The Company carries a risk management process and the weaknesses if found are communicated to the Audit Committee from time to time. Periodic reviews are made on extent of risk minimization measures adopted to minimize the potential risks.

### 3. COMMITTEES CONSTITUTED BY THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board has constituted various Committees comprising of Directors and Senior Management Personal, some of them are Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Investment Committee and Strategic Committee, which act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Matters requiring Board's attention/approval are placed before the Board. The Minutes of the meetings of all the Committees are placed before the Board for review. Details of role and composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided hereunder.

#### (A) AUDIT COMMITTEE

A qualified and Independent Audit Committee has been set up by the Board in compliance with the requirement of Regulation 18 of the SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Committee comprises of:-

- i) Mr. Parimal Kumar Chattaraj, Independent Director (Chairman)
- ii) Mr. Raj Narain Bhardwaj, Independent Director
- iii) Mr. Deba Prasad Roy, Independent Director and
- iv) Mr. Ravi Kant Sharma, Non-Executive Director

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- Efficiency and effectiveness of operations, both domestic and overseas;
- Safeguarding of assets and adequacy of provisions for all liabilities;

## CORPORATE GOVERNANCE REPORT

- Reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

The Audit Committee is empowered, pursuant to its terms of reference, inter-alia, to:

- investigate any activity within its terms of reference and to seek information any information it requires from any employee;
- obtain legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The role of the Committee includes the following: -

- (a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) Recommending to the Board, the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and fixation of their remuneration;
- (c) Reviewing, with the management, the financial statements before submission to the Board, focusing primarily on:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
- (d) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (e) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (f) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (g) Approval or any subsequent modification of transactions of the company with related parties;
- (h) Scrutiny of inter-corporate loans and investments;
- (i) Valuation of undertakings or assets of the company, wherever it is necessary;
- (j) Evaluation of internal financial controls and risk management systems;
- (k) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (l) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (m) Discussion with internal auditors any significant findings and follow up there on;
- (n) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (o) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- (q) To review the functioning of the Whistle Blower mechanism;



## CORPORATE GOVERNANCE REPORT

- (r) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- (s) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (t) As per Regulation 9(A)(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Audit Committee shall also review compliance of the provisions of the Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

The Audit Committee also mandatorily reviews the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions as submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
- f) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Mr. P.K. Chattaraj, the Chairman of the Committee was present at the previous Annual General Meeting of the Company.

During the financial year ended 31<sup>st</sup> March, 2019 the Audit Committee met four times 21<sup>st</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019. The details of the Composition of the Committee, Number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Parimal Kumar Chattaraj	Chairman & Independent Director	4	4
Mr. Raj Narain Bhardwaj	Independent Director	4	4
Mr. Deba Prasad Roy	Independent Director	4	4
Mr. Ravi Kant Sharma	Non-Executive Director	4	4

Statutory Auditor, Internal Auditor, Chief Financial Officer and the Executive Director are regularly invited to attend the Audit Committee meeting. The Company Secretary is the Secretary to the Committee. Minutes of each Audit Committee meeting are placed and discussed in the next meeting of the Board.

All the members of the Audit Committee possess strong accounting and financial management expertise.

### (B) **NOMINATION AND REMUNERATION COMMITTEE (NRC)**

The Nomination and Remuneration Committee of the Company is constituted in the line with the provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee comprises of:-

- i) Mr. Parimal Kumar Chattaraj, Independent Director (Chairman)
- ii) Mr. Raj Narain Bhardwaj, Independent Director
- iii) Mr. Deba Prasad Roy, Independent Director

The Nomination and Remuneration Committee shall act in accordance with the prescribed provisions of section 178 of the Companies Act, 2013 and shall be responsible for: -

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

## CORPORATE GOVERNANCE REPORT

- c) Devising a policy on diversity of Board of Directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and carry out evaluation of every director's performance.
- e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f) recommend to the board, all remuneration, in whatever form, payable to senior management.

The Chairman of the nomination and remuneration committee was present at the previous Annual General Meeting of the Company, to answer the shareholders' queries.

During the Financial Year ended 31<sup>st</sup> March, 2019 the Nomination and Remuneration committee met four times on 21<sup>st</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019. The details of the Composition of the Committee, Number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Parimal Kumar Chattaraj	Chairman & Independent Director	4	4
Mr. Raj Narain Bhardwaj	Independent Director	4	4
Mr. Deba Prasad Roy	Independent Director	4	4

### Remuneration paid to Directors

The Independent Directors is entitled to sitting fees for attending the Board and Committee meetings. No sitting fee is paid to Mr. Banwari Lal Mittal, Mr. Ravi Kant Sharma and Mrs. Abha Mittal, the Non-Independent Directors of the Company.

Details of the sitting fees paid to Independent Directors during the year ended 31st March, 2019 are as follows: -

Name of the Directors	Category	Sitting Fees (Rs.)
Mr. Parimal Kumar Chattaraj	Independent Director	3,90,000
Mr. Raj Narain Bhardwaj	Independent Director	6,50,000
Mr. Deba Prasad Roy	Independent Director	6,50,000
Mr. Rajeev Goenka	Independent Director	1,50,000

No commission was paid to the Directors during the year ended 31st March, 2019.

Other than the above, there is no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed company.

### POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, CEO and Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

- **Criteria of selection of Non-Executive Directors**

In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Executives for the better management of the Company. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

## CORPORATE GOVERNANCE REPORT

In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

The role of the Nomination and Remuneration Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

- **Remuneration Policy**

- **Policy for the Executive Directors and CEO**

- The remuneration/ Compensation to Directors will be determined by the Nomination and Remuneration Committee ('N&R Committee') and recommend to the Board for approval. At the time of appointment or re-appointment, the Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and Executive Director within the overall limits prescribed under the Companies Act, 2013 and the rules made thereunder. Increment to the existing remuneration structure may be recommended by the N&R Committee to the Board which should be within the limits approved by the shareholders.

- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

- The remuneration of the Executive Director shall be arrived after taking into account the Company's overall performance, their contribution for the same and trend in the industry.

- **Policy for KMP and Senior Management Employees**

- The N&R Committee shall frame a policy for determining the criteria of remuneration payable to KMP and SMP.

- While determining the criteria the N&R Committee shall consider the following:

- i. the relationship of remuneration and performance benchmark is clear;
    - ii. the remuneration including annual increment and performance bonus is decided based on the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis industry benchmark and current compensation trends in the market.

- The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

- Their remuneration are also governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

- **Remuneration to Non-Executive and Independent Directors**

- No Commission or Sitting fees are being paid to the Non-Executive Directors of the Company. The Independent Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Independent Directors for the Board Meetings and Committee meetings is fixed by the Board and reviewed from time to time in accordance with applicable law. The remuneration policy of the Company is available on the company's website and can be accessed through the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_Remuneration\\_policy.pdf](http://www.sastasundarventures.com/Pdf/SVL_Remuneration_policy.pdf)

- **PERFORMANCE EVALUATION**

- Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR), Regulations, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committee. A structured questionnaire has prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

## CORPORATE GOVERNANCE REPORT

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### Remuneration to the Managing Director for FY 2018-19

During the year under review, the detail of remuneration paid to Executive Director is appended- below:

Name of Director	Salary per annum (Rs.)	Fixed Component and Performance linked incentives (Rs.)	Monetary value of perquisites (Rs.)	Sitting fees (Rs.)	Severance Fee	Stock option	Total (Rs.)
Mr. Banwari Lal Mittal	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The notice period is three months. No remuneration was paid to Mr. Ravi Kant Sharma and Mrs. Abha Mittal, Non-Executive Director during the financial year 31st March, 2019.

Mr. Banwari Lal Mittal is an Executive Chairman in Sastasundar Healthbuddy Limited (SHBL), subsidiary of the Company and receive remuneration from SHBL. Mr. Ravi Kant Sharma is also designated as the Managing Director & CEO of Sastasundar Healthbuddy Limited (SHBL), subsidiary of the Company and draws remuneration from SHBL.

### Shares held by the Non-Executive Directors

The table below gives details of the Equity Shares of the Company held by the Non-Executive Directors as on 31st March, 2019.

Name of the Directors	Category	Number of Equity shares held
Mr. Parimal Kumar Chattaraj	Independent Director	NIL
Mr. Raj Narain Bhardwaj	Independent Director	NIL
Mr. Deba Prasad Roy	Independent Director	NIL
Mr. Ravi Kant Sharma	Promoter / Non-executive	497393
Mrs. Abha Mittal	Promoter / Non-executive	15700
Mr. Rajeev Goenka	Independent Director	78916

### (C) STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted the Stakeholders Relationship Committee.

The terms of reference of the Committee includes the following:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;

## CORPORATE GOVERNANCE REPORT

- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The Stakeholders Relationship Committee constituted by the Board comprises of four Directors.

The Committee meets at regular intervals and specifically looks into the aspect of redressal of Shareholders/Investors Grievance.

The role of the committee shall *inter-alia* include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

During the year under review, the Committee met five times on 21<sup>st</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> November, 2018, 13<sup>th</sup> February, 2019 and 13<sup>th</sup> March, 2019. The Composition of the Stakeholders Relationship Committee and Meeting held and attended thereof are as below:

Name of Directors	Category	Position Held	No. of Meetings	
			Held	Attended
Mr. Raj Narain Bhardwaj	Independent Director	Chairman	5	5
Mr. Banwari Lal Mittal	Managing Director	Member	5	5
Mr. Parimal Kumar Chattaraj	Independent Director	Member	5	4
Mr. Deba Prasad Roy	Independent Director	Member	5	5

Mr. Biplab Kumar Mani, Company Secretary is designated as the Compliance Officer of the Company.

The Company confirms that no shareholder's complaint was lying pending as on March 31, 2019.

The Company confirms that there were no share transfers lying pending and affirms that all the requests for share transfers/transmissions, issue of new certificates, etc., received up to March 31, 2019 have since been processed. All the requests for dematerialisation and rematerialisation of shares as on that date have been confirmed / rejected through the NSDL / CDSL system.

The Name, designation and address of Compliance Officer of the Company is as under:

**Name and Designation** : Mr. Biplab Kumar Mani, Company Secretary & Compliance Officer  
**Address** : Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani (Formerly Camac Street) Kolkata - 700 017  
**Contacts** : Phone: +91 33 2282 9330, Fax: +91 33 2282 9335  
**E-mail** : [investors@sastasundar.com](mailto:investors@sastasundar.com)

### (D) INDEPENDENT DIRECTORS MEETING

A separate Meeting of independent Directors of the Company was held on 12<sup>th</sup> November, 2018 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the SEBI (LODR) Regulations, 2015. At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors, the Board as a whole;
- Reviewed the performance of the Chairman of the Company;
- Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## CORPORATE GOVERNANCE REPORT

### (E) STRATEGIC COMMITTEE MEETING

The Strategic Committee consists of three members viz. Mr. Raj Narain Bhardwaj, Mr. Deba Prasad Roy and Mr. Ravi Kant Sharma. During the year under review, the Committee met five times on 21<sup>st</sup> May, 2018, 13<sup>th</sup> August, 2018, 12<sup>th</sup> November, 2018, 31<sup>st</sup> December, 2018 and 13<sup>th</sup> February, 2019. The committee look into the matter pertaining to establish priority areas of Company business, assessment of strategic initiatives from Company senior executives with regard to development and implementation control of the Company Strategy, assessment of the Company long-term efficiency, formulation of the Company policy with regard to Subsidiaries.

All the members were present at every meeting held during the year.

The details of the Composition of the Committee, Number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Raj Narain Bhardwaj	Chairman & Independent Director	5	5
Mr. Deba Prasad Roy	Independent Director	5	5
Mr. Ravi Kant Sharma	Non-Executive Director	5	5

### (F) INVESTMENT COMMITTEE MEETING

The Investment Committee comprises of three members namely Mr. Banwari Lal Mittal, Mr. Ravi Kant Sharma, Mr. Amrit Daga (upto 2<sup>nd</sup> March, 2019) and Mr. Deepak Kumar Agarwal (w.e.f. 2<sup>nd</sup> March, 2019). The responsibility of duties of the Committee are as under:

- Review the investment policies, strategies, and programs of the Company
- Determine that investment constraints are consistently followed and that procedures are in place to ensure that the investment portfolio is managed in compliance with the investment policy and applicable investment constraints
- Review the performance of the investment portfolios of the Company
- Make periodic reports to the Board

During the year under review, the Committee met three times on 12<sup>th</sup> July, 2018; 24<sup>th</sup> September, 2018 and 1<sup>st</sup> November, 2018. The details of the Composition of the Committee, Number of meetings held and the attendance of the Directors thereat is given herein below: -

Name of members	Category	No. of meeting	
		Held	Attended
Mr. Banwari Lal Mittal	Managing Director	3	3
Mr. Ravi Kant Sharma	Non-Executive Director	3	3
Mr. Amrit Daga (upto 2 <sup>nd</sup> March, 2019)	Chief Financial Officer	3	3
Mr. Deepak Kumar Agarwal (w.e.f. 2 <sup>nd</sup> March, 2019)	Chief Financial Officer	-	-

### 4. SUBSIDIARY COMPANIES

Regulation 24 of the SEBI (LODR) Regulations, 2015 defines a "Material Non-listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year. As on 31st March, 2019 the Company has five wholly owned subsidiary companies and five subsidiary companies. The Company has one material non-listed subsidiary i.e. Sastasundar Healthbuddy Limited within the meaning of the Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges. Mr. Parimal Kumar Chattaraj, the Independent Director of the Company is also a Director of Sastasundar Healthbuddy Limited.

The financial statements including particulars of investments made by all the unlisted subsidiary companies are reviewed by the Audit Committee.

Your Company has a system of placing the minutes and statements of all the significant transactions of all the unlisted subsidiary companies in the Meeting of Board of Directors.

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The Company has already formulated a policy for determining 'material' subsidiaries and such policy has been disclosed on the company's website and can be accessed through the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_PolicyforDeterminationofMaterialSubsidiary.pdf](http://www.sastasundarventures.com/Pdf/SVL_PolicyforDeterminationofMaterialSubsidiary.pdf)

### 5. GENERAL BODY MEETING:

The following table gives the details of the last three Annual General Meetings of the Company:

Year	AGM date and time	Venue	No. of Special Resolutions passed
2017-18	14 <sup>th</sup> August, 2018 at 10.30 am	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, 4th Floor, Kolkata - 700017	Re-appointment of Mr. Parimal Kumar Chattaraj as an Independent Non-Executive Director for the second term
2016-17	8th August, 2017 at 10.30 am	"Bharatiya Bhasha Parishad", 36A Shakespeare Sarani, 4th Floor, Kolkata - 700017	Nil
2015-16	27th September, 2016 at 3.00 pm	"Rotary Sadan", 94/2 Chowringhee Road, Kolkata- 700020	Change of name of the Company from Microsec Financial Services Limited to Sastasundar Ventures Limited and to make necessary alteration in the Memorandum and Articles of Association

- No Extra-Ordinary General Meeting of the shareholders was held during the year.
- No resolution was passed during the financial year ended 31<sup>st</sup> March, 2019 through postal ballot under section 110 of the Companies Act, 2013 and rules made thereunder.
- As on date, there is no proposal to pass any special resolution through postal ballot.

### 6. DISCLOSURES:

#### i) Related Party Transaction:

Your Company places the statement of the related party transaction at every Audit Committee meetings. The Register of Contracts containing the transactions in which the Directors are interested are placed at the Board meetings. The disclosure of the related party transaction as per the Accounting Standard (AS-18) are set out in Note No. 26 of the Notes to the Accounts. However these transactions are not likely to have any conflict with the Company's Interest. The Company does not have any significant related party transaction that may have potential conflict with the interest of the Company. The Board has put in place a policy on related party transactions and the same has been uploaded on the website of the Company at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_RelatedPartyTransactionPolicy.pdf](http://www.sastasundarventures.com/Pdf/SVL_RelatedPartyTransactionPolicy.pdf)

ii) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three financial years and no penalties or strictures have been imposed on the Company by the Stock exchanges or Securities Exchange Board of India or any other statutory authority in this regard.

#### iii) Compliance with Regulation 27 of the SEBI (LODR) Regulation, 2015:

The Company has complied with the mandatory requirements of the Regulation 27 of the SEBI (LODR) Regulations, 2015. The status on compliance with the Non-mandatory requirements is given at the end of the Report.

#### iv) Reconciliation of Share Capital Audit:

A qualified practicing company secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and the listed equity share capital. The Audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical forms and the total number of dematerialized shares held with NSDL and CDSL.

#### v) Accounting treatment in preparation of financial statement:

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

## CORPORATE GOVERNANCE REPORT

vi) Certificate from Practicing Company Secretary in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has obtained a certificate from Mr. Raj Kumar Banthia, Practicing Company Secretary partner of M/s MKB & Associates, Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority and such certificate forms part of this report.

vii) **Fees paid to the Statutory Auditors and network firms for all services:**

During the year ended 31st March, 2019, the Company has availed the services of the Statutory Auditors and made the following payments :

Services availed	Payment (Rs.)
Statutory Audit for the FY 2018-19	2,01,000
Limited Review Fees	1,35,000
Tax Audit Fees	50,000
In other capacity for certificates and other services	2,00,000

Except as provided above, no other services were availed and/or payments made by the Company to Statutory Auditors and/or to their network firms.

viii) **Vigil Mechanism /Whistle Blower Policy:**

The Company has already established a vigil mechanism for their directors and employees to report their genuine concerns or grievances. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. Such a vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairman of the Audit Committee in appropriate or exceptional cases. The whistle blower policy has been adopted by the Company and placed on the website of the Company and can be accessed through the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_whistle\\_blower\\_policy.pdf](http://www.sastasundarventures.com/Pdf/SVL_whistle_blower_policy.pdf)

During the year, no case was reported under this policy and no personnel has been denied access to the Chairman of the Audit Committee.

ix) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The status of the complaints filed, disposed and pending during the financial year ended 31st March, 2019 is given below:

No. of complaints filed during the year 2018-19	NIL
No. of complaints disposed during the year 2018-19	NIL
No. of complaints pending during the year 2018-19	NIL

x) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

xi) The Company does not have any shares in demat suspense account or unclaimed suspense account.

### 7. ADDITIONAL INFORMATION:

i) **Prevention of Insider Trading:**

a. **Code of Conduct for Prevention of Insider Trading:**

In compliance with SEBI regulations on prevention of insider trading, the Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading in the securities of the Company. This Code of Conduct is applicable to Promoters, Directors, Chiefs, Group Heads and such other employees of the Company and others who are expected to have access to unpublished price sensitive information.

The Code of Conduct lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them of consequences of violations. The Company Secretary of the Company is the Compliance Officer. The Code is displayed on the Company's website viz. [www.sastasundarventures.com](http://www.sastasundarventures.com)



## CORPORATE GOVERNANCE REPORT

### b. Code of Practices and Procedures for Fair Disclosure:

The Board has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The code lays down broad standards of compliance and ethics, as required by the applicable SEBI regulations. The code is required to be complied in respect of all corporate disclosures in respect of the Company and /or its subsidiary companies. The Company Secretary of the Company is the Compliance Officer. The Code is displayed on the Company's website viz. [www.sastasundarventures.com](http://www.sastasundarventures.com)

### ii) Code of Conduct for Directors and Senior Management:

The Board has laid down the Code of Conduct for its Members and designated Senior Management Personnel of the Company. The Code has been posted on the Company's website at the weblink [http://www.sastasundarventures.com/Pdf/SVL\\_CodeofConduct.pdf](http://www.sastasundarventures.com/Pdf/SVL_CodeofConduct.pdf)

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

## 8. MEANS OF COMMUNICATION WITH SHAREHOLDERS:

**Quarterly Results and its publication:** The unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The financial results are also uploaded on the Company's website [www.sastasundarventures.com](http://www.sastasundarventures.com). The Company publishes quarterly, half-yearly and annual results in widely circulated national newspapers and local dailies such as 'Business Standard' in English and 'Ek din' in Bengali.

**News Release, etc:** The Company has its own website [www.sastasundarventures.com](http://www.sastasundarventures.com) and all vital information relating to the Company and its performance including financial results and corporate presentations, etc. are regularly posted on the website.

No presentation were made to Institutional Investors during the year under review.

**Investors' Relation:** The Company's website contains a separate dedicated section "Investor Relation" where Shareholders' information is available. The website also provides lists of unclaimed dividend which have not yet been transferred to the Investor Education and Protection Fund of the Central Government. The Company has an exclusive email ID for shareholders/investors and they may write to the Company at [investors@sastasundar.com](mailto:investors@sastasundar.com).

During the year under review, the management of the Company has made presentations to institutional investors and analysts and the details of which is posted on the website of the Company.

The Management Discussion and Analysis Report forms part of this Annual Report.

## 9. GENERAL SHAREHOLDER INFORMATION

### i. Annual General Meeting:

Day and Date	:	Monday, 30 <sup>th</sup> September, 2019
Time	:	10:30 a.m.
Venue	:	"Children's Little Theatre (CLT) - Aban Mahal", P-6, Gariahat Road (South), Kolkata - 700029

### ii. Financial Year:

April 1, 2019 to March 31, 2020

### iii. Book closure date:

Information about the Book Closure dates have been provided in the Notice convening the AGM, which forms a part of the Annual Report.

### iv. Dividend Payment date:

Your Directors have not recommended any dividend for the FY 2018-19.

## CORPORATE GOVERNANCE REPORT

### v. Listing of equity shares on stock exchanges at:

The name and address of the stock exchange(s) at which the securities of the Company are listed:

#### BSE Limited (BSE)

Phiroze Jeejeebhoy Tower  
Dalal Street, Mumbai – 400 001

#### National Stock Exchange of India Limited (NSE)

Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai – 400 051

Listing fees as applicable have been paid in full to BSE and NSE.

### vi. Company Registration details:

The Company is registered in the state of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65993WB1989PLC047002.

### vii. Stock Code & ISIN No.:

BSE : 533259

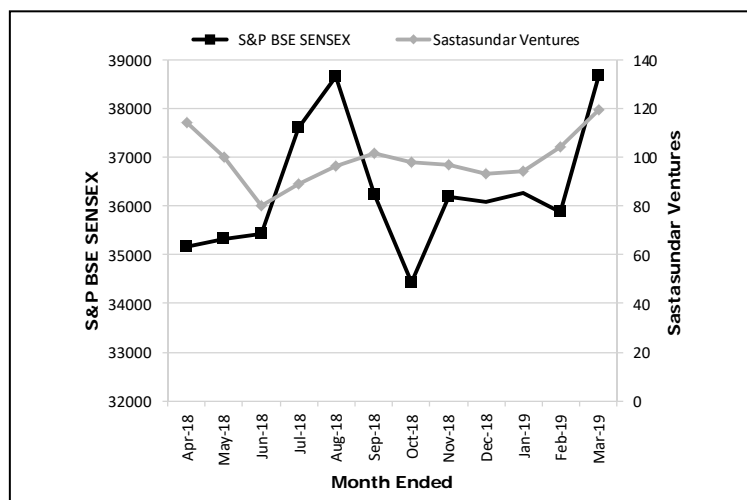
NSE : SASTASUNDR

The International Securities Identification Number (ISIN) allotted to our shares under the depository system is INE019J01013.

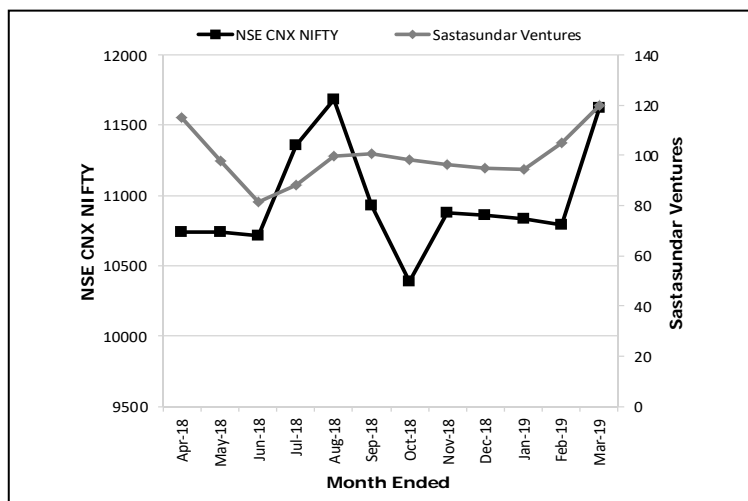
### viii. Market Price Data:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2018	138.20	110.60	133.00	108.50
May, 2018	112.35	90.05	117.95	87.20
June, 2018	100.00	80.05	102.50	78.15
July, 2018	102.00	78.05	102.10	76.30
August, 2018	111.90	85.05	112.00	78.95
September, 2018	135.00	95.50	137.00	95.20
October, 2018	112.75	86.05	111.00	85.20
November, 2018	123.00	95.70	109.80	95.00
December, 2018	104.00	87.85	105.00	88.55
January, 2019	99.90	75.05	96.80	85.00
February, 2019	115.00	93.00	114.50	92.10
March, 2019	133.00	105.00	122.00	102.05

### ix. Performance in comparison to broad-based indices such as BSE Sensex, etc.:



## CORPORATE GOVERNANCE REPORT



x. **Registrar & Transfer Agent:**

**Link Intime India Private Limited**

59C, Chowringhee Road, 3<sup>rd</sup> Floor, Kolkata - 700020

Phone: +91 33 2289 0539/40, Fax: +91 33 2289 0539

Email: [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)

xi. **Share Transfer System:**

Trading in Equity Shares of the Company is permitted only in dematerialised form. Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expediting the process of share transfers Mr. Biplab Kumar Mani, Company Secretary and Authorised Representative of Link Intime India Private Limited have been severally authorised to approve transfer of equity shares and the same is ratified in the next meeting of the Stakeholders Relationship Committee. The Stakeholders Relationship Committee meets as and when required to consider the other transfer, transmission of shares, etc. and attend to shareholder grievances. Transfer of physical shares has been discontinued from 1st April, 2019 in line with Circular No. SEBI/LADNRO/GN/2018/24 dated 8th June, 2018 & Press Note No. PR No. 12/2019 dated 27th March, 2019 issued by Securities and Exchange Board of India other than transfer of documents re-lodged for registration to remove the deficiencies raised prior to such deadline.

Members holding shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer shares held in physical mode after 31/03/2019.

xii. **Distribution of shareholding and shareholding pattern as on 31<sup>st</sup> March, 2019:**

a) **Distribution of Shareholding:**

No. of equity shares held (range)	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 500	9930	94.1143	818582	2.5733
501 – 1000	244	2.3126	200957	0.6317
1001 – 2000	119	1.1279	185375	0.5827
2001 – 3000	52	0.4928	134776	0.4237
3001 – 4000	22	0.2085	77522	0.2437
4001 – 5000	46	0.4360	217398	0.6834
5001 – 10000	42	0.3981	309149	0.9718
10001 and more	96	0.9099	29866741	93.8896
<b>TOTAL</b>	<b>10551</b>	<b>100.000</b>	<b>31810500</b>	<b>100.000</b>

## CORPORATE GOVERNANCE REPORT

### b) Shareholding Pattern:

Sl. No.	Description	Number of shares	Percentage of Capital
I	Promoter and Promoter Group	23659357	74.38
II	Financial Institutions/ Banks	-	-
III	Foreign Institutional Investors/ Foreign Companies/ Foreign Portfolio Investor	73382	0.23
IV	Bodies Corporate	3031757	9.53
V	NRIs / OCBs/ NRNs	337593	1.06
VI	Trust	1483400	4.66
VII	Resident Individuals	2948861	9.27
VIII	Clearing Member/ HUF and others	276150	0.87
	<b>TOTAL</b>	<b>31810500</b>	<b>100.00</b>

#### xiii Dematerialisation of shares and liquidity:

As on 31st March, 2019, 99.99% of the total equity share capital was held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The market lot is one share as the trading in equity shares of the Company is permitted only in dematerialised form.

#### xiv Outstanding convertible instruments, conversion date and likely impact on equity:

As on March 31, 2019, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.

#### xv Plant Locations:

The Company does not have any manufacturing plants.

#### xvi Address for Correspondence:

For any assistance, queries, regarding transfer or transmission of shares, dematerialization, non receipt of dividend on shares, non receipt of share application money, non credit of shares in demat account and any other queries relating to the shares of the Company and Annual Report, the investors may please write to the following:

##### i) The Company Secretary

Sastasundar Ventures Limited  
 (Formerly Microsec Financial Services Limited)  
 Azimganj House, 2nd Floor, 7 Abanindra Nath Thakur Sarani  
 (Formerly Camac Street), Kolkata – 700 017  
 Tel : +91 33 2282 9330, Fax : +91 33 2282 9335  
 E-mail : [investors@sastasundar.com](mailto:investors@sastasundar.com)

##### ii) Link Intime India Private Limited

59C, Chowringhee Road, 3<sup>rd</sup> Floor, Kolkata – 700 020  
 Phone : +91 33 2289 0539/40 Fax : +91 33 2289 0539  
 Email : [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in)

#### xvii Unclaimed Dividend and Shares:

Section 124 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven (7) years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the year mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF:-

## CORPORATE GOVERNANCE REPORT

### Details of Unclaimed Dividend as on 31.03.2019:

Year	Type	Amount of unpaid dividend as at 31.03.2019	Date of Declaration	Due Date for transfer to IEPF
2012	Final	Rs. 1,07,393/-	3rd August, 2012	5 <sup>th</sup> October, 2019

The Company sends reminders to the shareholders for the unpaid dividend every year.

In terms of Section 125 of the Act, read with rules made thereunder, the Company is required to transfer the unpaid dividend amounts which remained unclaimed for 7 years from the date of transfer of such amounts to Unpaid Dividend Account to Investor Education and Protection Fund. In compliance with the same, the Company has transferred Unpaid Dividend for the year 2010-11 amounting to Rs. 97,015/- to Investor Education and Protection Fund on 6<sup>th</sup> October, 2018.

During the year, pursuant to section 124 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has transferred 4031 equity shares to the DEMAT Account of IEPF authority maintained with NSDL in respect of which dividend had remained unclaimed/unpaid for a consecutive period of seven years.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the Company's website at [www.sastasundarventures.com](http://www.sastasundarventures.com).

The Nodal officer of the Company for IEPF refund is Mr. Biplab Kumar Mani whose email id is [bmani@sastasundar.com](mailto:bmani@sastasundar.com).

### 10. NON-MANDATORY REQUIREMENTS

Status as regards adoption/non adoption of discretionary requirements laid down in Part E of Schedule II of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Report on Corporate Governance :-

#### (A) The Board:

The requirement of maintenance of an office for the non-executive Chairman and the reimbursement of expenses to him are not applicable to the Company presently as the Company has an executive Chairman.

#### (B) Shareholders Rights:

As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in leading newspapers and posted on the Company's website, these are not sent to the shareholders separately.

#### (C) Modified Opinion in Audit Report:

The Company's financial statements for financial year 2018-19 do not contain any modified audit opinion.

#### (D) Separate Posts of Chairman and MD/CEO:

The post of Chairman and MD/CEO are same.

#### (E) Reporting of Internal Auditor:

The internal Auditors of the Company reports directly to the Audit Committee.

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance by the Company is annexed with the Directors' Report.

**CERTIFICATE ON CORPORATE GOVERNANCE OF  
SASTASUNDAR VENTURES LIMITED**

To  
The Members,  
**Sastasundar Ventures Limited**

We have examined the compliance of conditions of Corporate Governance by **SASTASUNDAR VENTURES LIMITED** ("the Company") for the year ended on 31st March, 2019, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. 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 the Corporate Governance as stipulated in the said Clauses and/or Regulations. 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 knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR.

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

**For MKB & Associates**  
*Company Secretaries*

**Raj Kumar Banthia**  
*(Partner)*

ACS no. 17190

COP no. 18428

FRN: P2010WB042700

Date: May 22, 2019

Place: Kolkata

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

To  
The Members  
**Sastasundar Ventures Limited**

Based on our verification of the books, papers, registers, forms, returns, disclosures received from the Directors and other records maintained by Sastasundar Ventures Limited, having its Registered office at Azimganj House, 2nd Floor, 7, Abanindra Nath Thakur Sarani (formerly Camac Street), Kolkata - 700 017, West Bengal ("the Company") and also the information provided by the Company, its officers, agents and authorized representatives 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 and based on the verification of the portal [www.mca.gov.in](http://www.mca.gov.in), including Directors Identification Number (DIN) status at the portal, we hereby certify that during the Financial Year ended on March 31, 2019, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority.

It is the responsibility of the management of the Company for ensuring the eligibility for the appointment/ continuity of every director on the board of the Company. Our responsibility is to express an opinion on these based on our verification.

**For MKB & Associates**  
*Company Secretaries*

**Raj Kumar Banthia**  
*(Partner)*

ACS no. 17190

COP no. 18428

FRN: P2010WB042700

Date: May 22, 2019

Place: Kolkata

### Compliance with Code of Conduct for Directors and Senior Management

I, hereby, confirm and declare that in terms of Regulation 26(3) of the SEBI (LODR) Regulations, 2015 all the members of the Board and Senior Management Personnel of the Company, have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management Personnel for the Financial Year 2018-19.

Kolkata, 22nd May, 2019

For Sastasundar Ventures Limited  
**Banwari Lal Mittal**  
Managing Director  
DIN: 00365809

### Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We, Banwari Lal Mittal, Managing Director and Deepak Kumar Agarwal, Chief Financial Officer of Sastasundar Ventures Limited, to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Sastasundar Ventures Limited

**Banwari Lal Mittal**  
Managing Director  
DIN: 00365809

**Deepak Kumar Agarwal**  
Chief Financial Officer

Kolkata, 22nd May, 2019

## STATEMENT REGARDING SUBSIDIARY COMPANIES

## FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries/ Step down Subsidiaries

(Rs. in Lacs)

Name of the Subsidiary	Sastasundar Healthbuddy Limited	Sastasundar Marketplace Limited (formerly Sasta Sundar Shop Private Limited)	Microsec Resources Private Limited	Innogrow Technologies Limited	Genu Path Labs Limited	Microsec Wealth Management Limited	Retailer Shakti Supply Chain Private Limited (formerly Brandbuddy Engage Analytics Private Limited)	Myjoy Technologies Private Limited	Bharatiya Sanskriti Village Private Limited	Happymate Foods Limited (Incorporated on 6th June, 2018)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19	2018-19
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Share Capital	1,912.93	1,517.09	32.10	33.10	666.66	600.00	245.00	63.04	11.50	500.01
Reserves & Surplus	9,759.97	(1,405.30)	269.25	2,581.77	(347.52)	(120.06)	(341.71)	199.06	(187.99)	(501.25)
Total Assets	7,634.49	385.60	1,620.43	1,652.97	258.30	37.57	384.52	295.14	570.63	742.54
Total Liabilities	1,282.28	273.81	2,133.06	1,212.72	39.16	31.74	481.23	33.04	1,676.94	926.77
Investments	5,320.69	-	813.98	2,174.62	100.00	474.12	-	-	929.82	182.99
Turnover	21,378.10	125.45	185.43	-	102.06	16.19	1,988.80	-	-	88.19
Profit / (Loss) before taxation	(1,914.51)	(1,517.28)	(104.29)	12.30	(370.81)	(97.43)	(1.58)	(24.48)	(93.07)	(501.25)
Provision for taxation	-	-	0.38	0.56	-	-	-	-	-	-
Profit / (Loss) after taxation	(1,914.51)	(1,517.28)	(104.67)	11.74	(370.81)	(97.43)	(1.58)	(24.48)	(93.07)	(501.25)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding	86.77%	86.77%	100%	100%	96.69%	100%	86.77%	100%	100%	86.77%

## Note:

1. Name of subsidiaries which are yet to commence operations : NIL
2. Name of subsidiaries which have been sold during the year : NIL
3. Name of subsidiaries which have been merged with the Company during the year : NIL



## STATEMENT REGARDING SUBSIDIARY COMPANIES

## FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "B": Associates and Joint Ventures

Sl. No.	Name of Associate / Joint Venture	Details
1	Latest audited Balance Sheet Date	NIL
2	Shares of Associate/Joint Venture held by the company on the year end	
	No. of shares	
	Amount of Investment in Associate/Joint Venture	
	Extent of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

- Note :**
1. Name of associates or joint ventures which are yet to commence operations : NIL
  2. Name of associates or joint ventures which have been liquidated or sold during the year : NIL

For and on behalf of the Board of Directors

**B. L. Mittal**  
*Chairman & Managing Director*  
DIN : 00365809

**Ravi Kant Sharma**  
*Director*  
DIN : 00364066

Place : Kolkata  
Date : 22nd May, 2019

**Deepak Kumar Agarwal**  
*Chief Financial Officer*

**Biplab Kumar Mani**  
*Company Secretary*  
M.No. - ACS19883

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Sastasundar Ventures Limited

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying Standalone financial statements of Sastasundar Ventures Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2019, the standalone statement of Profit and Loss and the standalone statement of Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 March 31, 2019, its profit and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 Standalone financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	Auditor's Response
1.	<p><b>Permanent diminution of Non Current Investment in subsidiaries</b></p> <p>We identified non-current investments on various subsidiaries amounting to Rs. 26459.60 lakhs as a key audit matter as the net-worth of the subsidiaries has declined considerably owing to losses and management has made significant judgment in determining the recoverable amounts of the investments.</p> <p>As set out in Note 9 to the standalone financial statements, the management concluded that the recoverable amount of each separate investment was higher than their carrying value and no diminution provision was required for the current year.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our procedures in relation to the recoverability of non-current investments included testing the key controls related to the assessment on the carrying value of its non-current investments and assessing the valuation methodology;</p> <p>We obtained the audit report and financial statements of the subsidiary company audited by other firm of Chartered Accountants to assess the financial position of the Company.</p> <p>We obtained the valuation report based on which the recent equity funding was received by the subsidiary company during the year from a private equity.</p>

##### Other Information

The Company's management and 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 standalone financial statements and our auditor's report thereon.

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

## INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

### Responsibility of Management for the Standalone Financial Statements

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

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## INDEPENDENT AUDITOR'S REPORT

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 standalone financial statements for the financial year ended March 31, 2019 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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The standalone Balance Sheet, the standalone statement of Profit and Loss and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 21 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

**Anurag Singhi**  
*Partner*  
Membership No. 066274

Place: Kolkata  
Dated: 22<sup>nd</sup> day of May, 2019

## ANNEXURE-1 TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that:

- i. (a) In respect of Fixed Assets, the Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanation given to us, the fixed assets of the Company have been physically verified by the management based on a phased manner and discrepancies noted between the book records and the physical assets have been duly accounted for in the books of accounts. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is a Core Investment Company and is not required to maintain inventory. Consequently, the requirements of paragraph 3 (ii) of the Companies (Auditor's Report) Order, 2016 ("the Order") are not applicable to the Company and hence not commented upon.
- iii. a. The Company has granted loans to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- b. The Company has granted loans that are re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company upon demand has received repayment of such loan during the year, and, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular.
- c. There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 where applicable, in respect of loans given, investments made, guarantees and securities given in respect of financial assistance obtained by the wholly owned subsidiaries from banks have been complied with by the Company.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Duty of Customs, Duty of Excise, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed dues as above were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues of Goods & Services Tax, Income Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute and the forum where the dispute is pending are as under:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute pending
Finance Act, 1994	Service Tax	6,591,073	Financial Year 2007-08, 2008-09, 2009-10, 2010-11, 2011-2012	Customs, Central Excise and Service Tax Appellate Tribunal

- viii. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- ix. Based on our audit procedures and according to the information and explanations given to us, 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.

**ANNEXURE-1 TO THE INDEPENDENT AUDITORS' REPORT**

- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanation given to us and on the basis of our examination of the records of the company, the provisions of Section 197 read with Schedule V to the Act is not applicable to the company.
- xii. 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 Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and 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. As fully explained under Note 4 to the financial statements, the Company is not required to obtain registration under the provisions of section 45-IA of the Reserve Bank of India Act, 1934.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

**Anurag Singhi**  
*Partner*  
Membership No. 066274

Place: Kolkata

Dated: 22<sup>nd</sup> day of May, 2019

## ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S 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 with respect to standalone financial statements of Sastasundar Ventures Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the Standalone 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 with reference to standalone financial statements based on the internal control criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to standalone financial statements 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.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Standalone financial statements (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 with reference to Standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 Standalone 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 with reference to standalone financial statements of the company.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT****OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2019, based on the internal control with reference to 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 With reference to financial statements issued by the Institute of Chartered Accountants of India.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

Place: Kolkata  
Dated: 22<sup>nd</sup> day of May, 2019

**Anurag Singhi**  
*Partner*  
Membership No. 066274



**BALANCE SHEET AS AT 31ST MARCH, 2019**

	Notes	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	31,81,05,000	31,81,05,000
(b) Reserves and Surplus	4	2,40,93,53,579	2,40,01,12,673
		<b>2,72,74,58,579</b>	<b>2,71,82,17,673</b>
<b>2. Current Liabilities</b>			
(a) Trade Payables	5		
Total outstanding dues of micro enterprises and small enterprises		32,400	64,710
Total outstanding dues of creditors other than micro enterprises and small enterprises		27,61,798	9,81,360
(b) Other Current Liabilities	6	5,75,45,932	57,90,053
(c) Short-Term Provisions	7	51,611	10,31,674
		6,03,91,741	78,67,797
		<b>2,78,78,50,320</b>	<b>2,72,60,85,470</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	8		
(i) Property, Plant and Equipment		3,94,50,769	4,17,02,835
(ii) Intangible Assets		1	1
(b) Non-Current Investments	9	2,64,59,60,190	2,33,04,84,116
(c) Loans and Advances	10	21,03,676	19,79,204
		<b>2,68,75,14,636</b>	<b>2,37,41,66,156</b>
<b>2. Current Assets</b>			
(a) Current Investment	11	9,53,08,377	26,06,38,777
(b) Trade Receivables	12	-	80,67,466
(c) Cash and Bank Balances	13	9,06,066	4,10,73,973
(d) Loans and Advances	10	40,66,520	4,20,76,820
(e) Other Current Assets	14	54,721	62,278
		<b>10,03,35,684</b>	<b>35,19,19,314</b>
		<b>2,78,78,50,320</b>	<b>2,72,60,85,470</b>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

**For Singhi & Co.**  
Firm Registration No: 302049E  
*Chartered Accountants*

Anurag Singhi  
*Partner*  
Membership No. 066274

Place : Kolkata  
Date : 22nd May, 2019

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

Banwari Lal Mittal  
*Chairman & Managing Director*  
DIN : 00365809

Deepak Kumar Agarwal  
*Chief Financial Officer*

Ravi Kant Sharma  
*Director*  
DIN : 00364066

Biplab Kumar Mani  
*Company Secretary*  
M. No. - ACS19883

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

	Notes	2018-19 Rs.	2017-18 Rs.
<b>I. INCOME</b>			
Revenue from Operations	15	1,36,59,448	28,50,411
Other Income	16	1,73,07,779	1,23,78,809
<b>II. Total Revenue</b>		<b>3,09,67,227</b>	<b>1,52,29,220</b>
<b>III. EXPENSES</b>			
Employee Benefits Expense	17	67,91,496	69,53,890
Depreciation and Amortisation expense	18	20,70,489	22,74,401
Other Expenses	19	1,23,67,892	1,21,94,413
<b>IV. Total Expenses</b>		<b>2,12,29,877</b>	<b>2,14,22,704</b>
<b>V. PROFIT BEFORE TAX AND EXCEPTIONAL ITEM (II - IV)</b>		<b>97,37,350</b>	<b>(61,93,484)</b>
<b>VI. EXCEPTIONAL ITEMS [REFER NOTE 30]</b>		<b>18,12,282</b>	<b>13,90,65,067</b>
<b>VII. PROFIT BEFORE TAX</b>		<b>1,15,49,632</b>	<b>13,28,71,583</b>
<b>VIII. TAX EXPENSES:</b>			
(a) Current Tax		24,17,190	1,96,78,751
(b) Adjustment of tax relating to earlier periods		(1,08,464)	-
		<b>23,08,726</b>	<b>1,96,78,751</b>
<b>IX. PROFIT FOR THE YEAR</b>		<b>92,40,906</b>	<b>11,31,92,832</b>
<b>X. EARNING PER EQUITY SHARE:</b>			
Basic and Diluted [Nominal Value per Share Rs. 10 (2017-18: Rs. 10 each)]	20	0.29	3.56
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Singhi & Co.

Firm Registration No: 302049E

Chartered Accountants

Anurag Singhi

Partner

Membership No. 066274

Place : Kolkata

Date : 22nd May, 2019

For and on behalf of the Board of Directors

Banwari Lal Mittal

Chairman & Managing Director

DIN : 00365809

Deepak Kumar Agarwal

Chief Financial Officer

Ravi Kant Sharma

Director

DIN : 00364066

Biplab Kumar Mani

Company Secretary

M. No.-ACS19883

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2019

	2018-19 Rs.	2017-18 Rs.
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	1,15,49,632	13,28,71,583
Adjustments for :		
Interest on Fixed Deposits and Others	(1,34,771)	(83,23,267)
Profit/(Loss) on sale of current Investment including Non Compete Fees (net of expense)	(1,68,12,310)	(13,94,88,559)
Reversal for Provision in diminution of Investment	-	(3,71,00,000)
Profit on sale of Property, Plant and Equipment	(49,423)	(15,127)
Profit/(Loss) on sale of Non-Current Non Trade Investment	(18,12,282)	3,43,85,355
Depreciation and amortization expense	20,70,489	22,74,401
<b>Operating profit/(loss) before working capital changes</b>	<b>(51,88,665)</b>	<b>(1,53,95,614)</b>
Increase/ (Decrease) in trade payables	17,48,128	(7,03,824)
Increase/(Decrease) in other current liabilities	(31,87,778)	(1,15,11,748)
Increase/ (Decrease) in provisions	-	(1,90,317)
(Increase) / Decrease in trade receivables	80,67,466	(74,25,961)
(Increase) / Decrease in loans and advances	3,69,90,955	(3,80,89,532)
<b>Cash generated from / (used in) operations</b>	<b>3,84,30,106</b>	<b>(7,33,16,996)</b>
Direct tax paid (net of refunds)	(23,26,761)	(1,86,99,985)
<b>Net cash flow generated/ (used in) Operating Activities</b>	<b>3,61,03,345</b>	<b>(9,20,16,981)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(2,34,678)	(1,54,370)
Proceeds from sale of Property, Plant and Equipment	4,65,678	16,580
Investment in non-current investments	(35,24,76,000)	(3,76,26,000)
Proceeds from sale of non-current investments	3,88,12,208	16,13,645
Investment in current Investment (net)	(26,45,00,000)	(40,48,57,119)
Proceeds from sale of current Investment including Non Compete Fees (net of expense)	44,66,42,710	42,65,85,106
Encashment of Fixed Deposits (net)	-	10,50,00,000
Advance against Sale of Investment	5,50,00,000	-
Interest on Fixed Deposits and others	58,295	3,20,82,937
<b>Net cash flow generated/ (used in) Investing Activities</b>	<b>(7,62,31,787)</b>	<b>12,26,60,779</b>
<b>C. Net cash flow from Financing Activities</b>	-	-
<b>D. Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,01,28,442)</b>	<b>3,06,43,798</b>
<b>E. Cash and Cash equivalents at the beginning of the year</b>	<b>4,07,49,869</b>	<b>93,32,442</b>
Cash and Cash equivalents transferred as per scheme of arrangement [Refer Note 29]	-	7,73,629
<b>F. Cash and Cash equivalents at the end of the year</b>	<b>6,21,427</b>	<b>4,07,49,869</b>

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2019

	2018-19 Rs.	2017-18 Rs.
Components of cash and cash equivalents as indicated in Note 13 comprises of:		
Cash on hand	8,183	2,974
Balances with scheduled banks*	6,13,244	4,07,46,895
<b>Total</b>	<b>6,21,427</b>	<b>4,07,49,869</b>

\* Excludes balance of Rs. 1,07,393 (2017-18: Rs. 1,63,736) with a bank for which dividend instruments have been issued to the investors but are yet to be encashed and Rs. 1,77,246 (2017-18: Rs. 1,60,368) of Fixed Deposits with restricted use or maturity for more than three months.

**Notes :** The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on Cash Flow Statement

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

**For Singhi & Co.**  
Firm Registration No: 302049E  
*Chartered Accountants*

**Anurag Singhi**  
*Partner*  
Membership No. 066274

Place : Kolkata  
Date : 22nd May, 2019

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

**Banwari Lal Mittal**  
*Chairman & Managing Director*  
DIN : 00365809

**Deepak Kumar Agarwal**  
*Chief Financial Officer*

**Ravi Kant Sharma**  
*Director*  
DIN : 00364066

**Biplab Kumar Mani**  
*Company Secretary*  
M. No.-ACS19883

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****1. Corporate Information**

Sastasundar Ventures Limited (formerly Microsec Financial Services Limited) (the “Company” or “SVL”) is a public company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company is a Core Investment Company (CIC) and operates through several subsidiaries. At present, the Company is focusing largely on the business of digital network of healthcare. The Company aims to provide genuine healthcare services at a reasonable cost with its innovative information and knowledge based web portal [www.sastasundar.com](http://www.sastasundar.com) owned by one of its subsidiary company.

**2. Basis of preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2.1 Summary of Significant Accounting Policies:****i) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets and liabilities in future periods.

**ii) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- a. Fees from Investment Banking activities which include Mergers & Acquisitions, Investment and other advisory services are recognized as revenue when the relevant services are rendered to the customers and there are reasonable certainties as regards ultimate collectability of such revenue. The Company collects taxes on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.
- b. Dividend income is recognized when the shareholder’s right to receive dividend is established by the balance sheet date.
- c. Income from Royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.
- d. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- e. Profit / (loss) on sale of investments is determined based on the weighted average cost of the investments sold.

**iii) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and initial estimate of decommissioning, restoring and similar liabilities, if any. Any trade discount and rebates are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognised.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

**iv) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

**v) Depreciation on Property, Plant and Equipment and Amortization on intangible assets**

- a. Depreciation on Property, Plant and Equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.
- b. Depreciation on Property, Plant and Equipment added/disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.
- c. Copyrights are amortized on straight-line basis over a period of three years from the date the assets become available for use.
- d. Computer softwares are amortized on straight line basis over a period of three years from the date the assets become available for use.

**vi) Impairment of Fixed Assets**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing the 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 risks specific to the asset.

After impairment, depreciation / amortization is provided on the revised carrying amount of the assets over its remaining useful lives.

A previously recognized impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortization if there was no impairment.

**vii) Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**viii) Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as Current Investments. All other Investments are classified as Long term Investments. Current Investments are stated at lower of cost and fair value determined on an individual investment basis. Long term investments are considered "at cost" on individual investment basis, unless there is a decline other than temporary in the value, in which case adequate provision is made against such diminution in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit & Loss.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****ix) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**x) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**xi) Taxation**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profit for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax asset is reviewed at each Balance Sheet date. The company writes down the carrying amount of a Deferred Tax Asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each Balance Sheet date, the company recognizes the unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**xii) Segment Reporting:****a) Identification of Segments :**

The Company has identified that its business segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products/services provided, with each segment representing a strategic business unit that offers different products/services and serves different markets. The analysis of geographical segments is based on the areas in which the operating divisions of the company operates.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****b) Inter-segment transfers :**

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins

**c) Allocation of Common Costs:**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common cost.

**d) Unallocated items :**

Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis are included under the head "Unallocated –Common".

**e) Segment accounting policies :**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

**xiii) Retirement and other employees benefits**

- a. 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 recognizes contribution payable to the provident fund scheme as an expenditure, 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 recognized 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 recognized as an asset to the extent that the pre payment will lead to a reduction in future payment or a cash refund.
- b. Gratuity liability being a defined benefit obligation is provided for on the basis of actuarial valuation on projected unit credit method at the end of each financial year. Actuarial gains / losses are recognized in full in the period in which they occur in the Statement of Profit and Loss. The Company has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.
- c. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**xiv) Earning Per Share**

Basic Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**xv) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise of Cash at Bank and Cash/Cheque on hand and fixed deposits with an original maturity of three months or less.



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>3. SHARE CAPITAL</b>		
<b>Authorised</b>		
3,55,32,000 (2017-18: 3,55,32,000) Equity Shares of Rs. 10 each (2017-18: Rs. 10 each)	35,53,20,000	35,53,20,000
<b>Issued, Subscribed and Fully Paid-up</b>		
3,18,10,500 (2017-18: 3,18,10,500) Equity Shares of Rs. 10 each (2017-18: Rs. 10 each)	31,81,05,000	31,81,05,000

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs.	Nos.	Rs.
Outstanding at the beginning and at the end of the year	3,18,10,500	31,81,05,000	3,18,10,500	31,81,05,000

**(b) Terms / Rights attached to the equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 31.03.2019		As at 31.03.2018	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs. 10 each fully paid-up				
Banwari Lal Mittal	1,06,16,000	33.37	1,06,16,000	33.37
Topview Enclaves LLP	78,77,745	24.76	78,77,745	24.76
Luv Kush Projects Limited	17,88,778	5.62	17,79,438	5.59
Microsec Vision Employees Trust	14,83,400	4.66	16,33,400	5.13

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.

- (d) No shares have been reserved for issue under options and contracts/commitments for the same of shares/disinvestment as at the balance sheet date.
- (e) No shares have been allotted or has been bought back by the company during the period of 5 years, preceding the date as at which the balance sheet is prepared.
- (f) No Convertible securities have been issued by the company during the period.
- (g) No Calls are unpaid by any Director and officer of the company during the period.

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>4. RESERVES AND SURPLUS</b>		
<b>Capital Reserve (Balance as per last financial statements)</b>	4,79,31,753	-
Add : Capital Reserve pursuant to Scheme of Arrangement [Refer Note 29]	-	4,79,31,753
	4,79,31,753	4,79,31,753
<b>Capital Redemption Reserve (Balance as per last financial statements)</b>	1,00,00,000	1,00,00,000
<b>Securities Premium Account (Balance as per last financial statements)</b>	1,38,98,71,136	1,38,98,71,136

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****4. RESERVES AND SURPLUS**

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>Reserve under Section 45-IC of the Reserve Bank of India Act, 1934</b>		
Balance as per last financial statements	16,56,21,566	14,29,83,000
Add: Amount transferred from the Statement of Profit and Loss during the year	18,48,181	2,26,38,566
	<b>16,74,69,747</b>	<b>16,56,21,566</b>
According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year as disclosed in the Statement of profit and loss and before declaration of dividend.		
Pursuant to the acceptance of Reserve Bank of India (RBI) on the Company's application for cancellation of Certificate of Registration (CoR). The Company has also sought clarification from RBI on May 6, 2016 regarding further treatment of this Reserve. Pending receipt of clarification from RBI, the Company, as per legal opinion received in this regard, has decided to maintain the status quo of the Reserve.		
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	78,66,88,218	35,35,32,447
Add : Profit for the period from 1st April, 2016 to 31st March, 2017 pursuant to the scheme of Arrangement [Refer Note 29]	-	15,39,298
Add : Profit on Transfer adjusted pursuant to the Scheme of Arrangement [Refer Note 29]	-	34,10,62,207
Add: Profit for the year	92,40,906	11,31,92,832
	<b>79,59,29,124</b>	<b>80,93,26,784</b>
Less : Appropriations		
Transferred to Reserve under Section 45-IC of the RBI Act, 1934	18,48,181	2,26,38,566
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>79,40,80,943</b>	<b>78,66,88,218</b>
	<b>2,40,93,53,579</b>	<b>2,40,01,12,673</b>

**5. TRADE PAYABLES**

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Due to Micro and Small Enterprises [Refer Note 31]	32,400	64,710
Due to Others	27,61,798	9,81,360
	<b>27,94,198</b>	<b>10,46,070</b>

**6. OTHER CURRENT LIABILITIES**

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Unclaimed Dividend *	1,07,196	1,63,736
Other liabilities		
Statutory Dues	3,72,799	14,91,953
Advance against sale of Investment [Refer Note 23]	5,50,00,000	-
Security Deposits	17,00,000	-
Employee Payables	3,65,937	1,29,364
Other Payable	-	40,05,000
	<b>5,75,45,932</b>	<b>57,90,053</b>

\* to be paid as and when due to Investor Education and Protection Fund

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

7. SHORT-TERM PROVISIONS	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
For taxation [Net of Advances Rs. 28,47,101 (2017-18: Rs. 1,86,98,688)]	51,611	10,31,674
	<b>51,611</b>	<b>10,31,674</b>

**8. FIXED ASSETS :****A. Property, Plant and Equipment**

(Amount in Rs.)

Particulars	Buildings	Computers	Furniture and Fixtures	Office Equipments	Vehicles	Total
<b>Gross Block</b>						
At April 1, 2017	6,20,58,943	59,42,981	1,24,71,575	74,62,052	7,32,644	8,86,68,195
Additions	-	1,34,245	981	19,144	-	1,54,370
Pursuant to Scheme of Amalgamation [Refer Note 29]	28,91,299	14,51,969	-	27,976	18,31,914	62,03,158
Disposals	-	1,97,600	-	27,976	-	2,25,576
<b>At March 31, 2018</b>	<b>6,49,50,242</b>	<b>73,31,595</b>	<b>1,24,72,556</b>	<b>74,81,196</b>	<b>25,64,558</b>	<b>9,48,00,147</b>
Additions	2,34,678	-	-	-	-	2,34,678
Disposals	-	39,250	47,84,691	30,04,151	5,00,000	83,28,092
<b>At March 31, 2019</b>	<b>6,51,84,920</b>	<b>72,92,345</b>	<b>76,87,865</b>	<b>44,77,045</b>	<b>20,64,558</b>	<b>8,67,06,733</b>
<b>Depreciation</b>						
At April 1, 2017	2,13,51,628	59,13,499	1,18,10,959	70,71,846	6,31,924	4,67,79,856
Charge For the Year	20,59,927	48,702	11,815	20,208	90,320	22,30,972
Pursuant to Scheme of Amalgamation [Refer Note 29]	12,35,378	13,73,736	-	25,762	16,75,731	43,10,607
Disposals	-	1,97,600	-	26,523	-	2,24,123
<b>At March 31, 2018</b>	<b>2,46,46,933</b>	<b>71,38,337</b>	<b>1,18,22,774</b>	<b>70,91,293</b>	<b>23,97,975</b>	<b>5,30,97,312</b>
Charge For the Year	19,62,137	64,175	8,545	7,639	27,993	20,70,489
Disposals	-	37,288	45,45,456	28,54,093	4,75,000	79,11,837
<b>At March 31, 2019</b>	<b>2,66,09,070</b>	<b>71,65,224</b>	<b>72,85,863</b>	<b>42,44,839</b>	<b>19,50,968</b>	<b>4,72,55,964</b>
<b>Net Block</b>						
At March 31, 2018	4,03,03,309	1,93,258	6,49,782	3,89,903	1,66,583	4,17,02,835
At March 31, 2019	<b>3,85,75,850</b>	<b>1,27,121</b>	<b>4,02,002</b>	<b>2,32,206</b>	<b>1,13,590</b>	<b>3,94,50,769</b>

**B. Intangible Assets**

(Amount in Rs.)

Particulars	Copyrights - Right on Web Application Portal - Personal Resource Planning	Software	Total
<b>Gross Block</b>			
At April 1, 2017	5,00,01,000	39,77,427	5,39,78,427
Additions	-	-	-
Pursuant to Scheme of Amalgamation [Refer Note 29]	69,135	43,26,574	43,95,709
<b>At March 31, 2018</b>	<b>5,00,70,135</b>	<b>83,04,001</b>	<b>5,83,74,136</b>
Additions	-	-	-
<b>At March 31, 2019</b>	<b>5,00,70,135</b>	<b>83,04,001</b>	<b>5,83,74,136</b>
<b>Amortization</b>			
At April 1, 2017	5,00,01,000	39,33,998	5,39,34,998
Charge For the Year	-	43,429	43,429
Pursuant to Scheme of Amalgamation [Refer Note 29]	69,134	43,26,574	43,95,708
<b>At March 31, 2018</b>	<b>5,00,70,134</b>	<b>83,04,001</b>	<b>5,83,74,135</b>
Charge For the Year	-	-	-
<b>At March 31, 2019</b>	<b>5,00,70,134</b>	<b>83,04,001</b>	<b>5,83,74,135</b>
<b>Net Block</b>			
At March 31, 2018	1	-	1
At March 31, 2019	<b>1</b>	<b>-</b>	<b>1</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

9. NON-CURRENT INVESTMENTS	No. of Shares / Units	Face value Per share / Unit Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Trade Investments (Valued at Cost)				
<b>Unquoted Equity Shares (fully paid-up)</b>				
<b>In Wholly Owned Subsidiary Companies</b>				
Microsec Resources Private Limited	3,21,000 (3,21,000)	10	1,32,26,000	1,32,26,000
Innogrow Technologies Limited	3,31,018 (3,31,018)	10	40,13,29,193	40,13,29,193
Bharatiya Sanskriti Village Private Limited	1,15,000 (1,15,000)	10	8,02,00,000	8,02,00,000
Myjoy Technologies Private Limited	- (6,30,369)	10	-	3,69,99,926
<b>In Subsidiary Companies</b>				
Sastasundar Healthbuddy Limited	1,59,73,673 (1,59,73,673)	10	1,49,07,74,771	1,49,07,74,771
<b>Total (a)</b>			<b>1,98,55,29,964</b>	<b>2,02,25,29,890</b>
<b>Unquoted 0.005% Cumulative Compulsory Convertible Preference Shares (fully paid-up)</b>				
<b>In Subsidiary Companies</b>				
Sastasundar Healthbuddy Limited	36,000 (-)	100	35,24,76,000	-
<b>Total (b)</b>			<b>35,24,76,000</b>	<b>-</b>
<b>Unquoted Compulsorily Convertible Unsecured Debentures (fully paid-up)</b>				
<b>In Wholly Owned Subsidiary Companies</b>				
Bharatiya Sanskriti Village Private Limited	20,32,500 (20,32,500)	80	16,26,00,000	16,26,00,000
Innogrow Technologies Limited	1,89,572 (1,89,572)	633	11,99,99,076	11,99,99,076
<b>Total (c)</b>			<b>28,25,99,076</b>	<b>28,25,99,076</b>
<b>In Wholly Owned Subsidiary Companies</b>				
<b>Deep Discount Debentures (fully paid-up)</b>				
Microsec Resources Private Limited (Series I)	500 (500)	2,00,000	53,45,900	53,45,900
Microsec Resources Private Limited (Series II)	1,000 (1,000)	75,000	1,00,00,000	1,00,00,000
Microsec Resources Private Limited (Series III)	1,000 (1,000)	75,000	1,00,00,000	1,00,00,000
<b>Total (d)</b>			<b>2,53,45,900</b>	<b>2,53,45,900</b>
<b>Non-Trade Investment (valued at cost)</b>				
<b>Quoted Bonds (fully paid-up)</b>				
National Bank for Agriculture & Rural Development	1 (1)	20,000	9,250	9,250
<b>Total (e)</b>			<b>9,250</b>	<b>9,250</b>
<b>Total Investments (a+b+c+d+e)</b>			<b>2,64,59,60,190</b>	<b>2,33,04,84,116</b>
<b>Aggregate Value of Investments</b>				
Unquoted			<b>2,64,59,60,190</b>	<b>2,33,04,84,116</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

10. LOANS AND ADVANCES	Non-Current		Current	
	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
(Unsecured, considered good)				
<b>A. Loans</b>				
To a Related Party	-	-	-	3,75,65,370
<b>B. Advances</b>				
Advance Tax [Net of Provisions Rs. 24,17,190 (2017-18: Rs. 2,64,722)]	9,94,919	8,70,447	12,95,200	23,14,545
Security Deposits	11,08,757	11,08,757	-	-
Gratuity [Refer Note 24]	-	-	12,32,641	10,50,902
Advances recoverable in cash or in kind	-	-	63,695	2,30,733
Prepaid Expenses	-	-	1,35,903	2,32,254
Balance with Government Authorities	-	-	13,39,081	6,83,016
	<b>21,03,676</b>	<b>19,79,204</b>	<b>40,66,520</b>	<b>4,20,76,820</b>
<b>11. CURRENT INVESTMENTS</b>	<b>No. of Shares / units</b>	<b>Face Value per share / unit (Rs.)</b>	<b>As at 31.03.2019 Rs.</b>	<b>As at 31.03.2018 (Rs.)</b>
Current portion of Long term Investments (Valued at cost)				
<b>Unquoted Equity Shares</b> (fully paid-up)				
<b>In Subsidiary Company</b>				
Genu Path Labs Limited	50,00,000 (30,00,000)	100	5,00,00,000	3,00,00,000
<b>Unquoted Mutual Funds</b> (fully paid-up)				
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan Option	10,030.46 (55,976.59)	1,000	4,53,08,377	23,06,38,777
			<b>9,53,08,377</b>	<b>26,06,38,777</b>
<b>Aggregate value of Investments</b>				
Unquoted			9,53,08,377	26,06,38,777
Market Value of Mutual Fund			4,55,30,345	23,73,37,505
<b>12. TRADE RECEIVABLES</b>			<b>As at 31.03.2019 Rs.</b>	<b>As at 31.03.2018 Rs.</b>
(Unsecured, Considered Good)				
Outstanding for a period exceeding six months from the date they are due for payment			-	-
Other Receivables			-	80,67,466
			-	80,67,466
<b>13. CASH AND BANK BALANCES</b>				
(i) Cash and Cash Equivalents				
Cash on Hand			8,183	2,974
Balances with Scheduled Banks				
On Current Accounts			6,13,244	4,07,46,895
			<b>6,21,427</b>	<b>4,07,49,869</b>
(ii) Other Bank Balances				
Unclaimed Dividend Account			1,07,393	1,63,736
Deposits with maturity for more than 3 months but not more than 12 months			1,77,246	1,60,368
			<b>9,06,066</b>	<b>4,10,73,973</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

<b>14. OTHER CURRENT ASSETS</b>	<b>As at 31.03.2019</b> Rs.	<b>As at 31.03.2018</b> Rs.
(Unsecured, Considered Good)		
Accrued Interest on Fixed Deposits	4,624	11,638
Accrued Interest on Security Deposit	50,097	50,640
	<b>54,721</b>	<b>62,278</b>
	<b>31.03.2019</b> Rs.	<b>31.03.2018</b> Rs.
<b>15. REVENUE FROM OPERATIONS</b>		
Interest Income On Loan	1,36,59,448	28,50,411
	<b>1,36,59,448</b>	<b>28,50,411</b>
<b>16. OTHER INCOME</b>		
(a) Interest Income		
On Fixed Deposits	11,371	82,67,000
On Income Tax Refund	67,155	-
On Security Deposit	56,245	56,267
(b) Other Non-Operating Income		
Rental Income	3,00,000	3,00,000
Profit on sale of Property, Plant and Equipment	49,423	15,127
Profit on sale of current Investment	1,68,12,310	31,38,137
Gratuity Provision No longer Required written Back [Refer Note 24]	-	6,02,278
Miscellaneous Income	11,275	-
	<b>1,73,07,779</b>	<b>1,23,78,809</b>
<b>17. EMPLOYEE BENEFITS EXPENSE</b>		
Salary and Bonus etc.	62,44,099	66,79,094
Contribution to Provident funds	1,28,288	1,73,236
Contribution to Employee State Insurance Scheme	-	1,713
Gratuity expense [Refer Note 24]	2,34,442	-
Employees' Welfare Expenses	1,84,667	99,847
	<b>67,91,496</b>	<b>69,53,890</b>
<b>18. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of Property, Plant & Equipment	20,70,489	22,30,972
Amortization of Intangible Assets	-	43,429
	<b>20,70,489</b>	<b>22,74,401</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

<b>19. OTHER EXPENSES</b>	<b>2018-19</b>	<b>2017-18</b>
	Rs.	Rs.
Advertisement and Publicity	1,27,613	2,20,589
Communication Expenses	3,05,267	3,00,219
Repairs and Maintenance - Others	10,04,191	9,60,416
Rates and Taxes	3,29,927	3,86,300
Director's Sitting Fees	20,05,600	17,18,825
Insurance Premium	87,684	1,76,226
Printing and Stationery	3,43,722	4,07,535
Postage and Courier Expenses	2,33,262	3,78,744
Bank and Demat charges	1,92,040	1,91,835
Travelling and Conveyance	7,88,846	9,42,649
Legal and Professional fees	40,80,897	33,38,624
Listing Fee	5,88,600	5,12,125
Electricity	1,52,098	5,98,261
Security Service Charges	3,25,832	4,18,351
Service Charges	7,57,111	4,16,402
Auditors' Remuneration		
As Auditors		
Audit Fees	2,01,000	1,90,650
Limited Reviews	1,35,000	1,35,000
Tax Audit Fees	50,000	50,000
In other capacity for certificates and other services	2,00,000	2,00,000
Miscellaneous expenses	4,59,202	6,51,662
	<b>1,23,67,892</b>	<b>1,21,94,413</b>
<b>20. EARNING PER EQUITY SHARE</b>		
Basis for calculation of Basic and Diluted Earnings Per Share is as under:		
Profit/(Loss) after tax Rs.	92,40,906	11,31,92,832
Weighted Average Number of Equity Shares (Nos)	3,18,10,500	3,18,10,500
Nominal Value of each Equity Share Rs.	10.00	10.00
Basic and Diluted Profit / (Loss) Per Equity Share Rs.	0.29	3.56

**21. Contingent Liabilities:**

- (a) The Company has provided Corporate Guarantee amounting Rs. 21,00,00,000 (2017-18: Rs. 21,00,00,000) against credit facility availed from Union Bank of India by Sastasundar Healthbuddy Limited (a subsidiary company) for the purpose of purchase of Plant & Machinery and operations of the business. The amount of facility / guarantee actually availed by the subsidiary as on the balance sheet date amounts to Rs. NIL (2017-18: Rs. 12,03,12,828).
- (b) The Company has provided Corporate Guarantee amounting Rs. 25,00,000 against credit card facility availed from HDFC Bank Limited by Sastasundar Healthbuddy Limited (a subsidiary company). The amount of facility / guarantee actually availed by the subsidiary as on the balance sheet date amounts to Rs. 3,59,952 (2017-18: Rs. 4,89,657).
- (c) The Company has provided Corporate Guarantee amounting Rs.10,00,000 against credit card facility availed from HDFC Bank Limited by Sastasundar Marketplace Limited (Formerly Sastasundar Shop Private Limited (a step down subsidiary). The amount of facility / guarantee actually availed by the subsidiary as on the balance sheet date amounts to Rs. 2,85,640 (2017-18: Rs. 6,00,805).

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

- (d) Service tax demand – Rs. 65,91,073 (2017-18: Rs. 65,91,073). The management believes that the Company has a good case for success in this matter and therefore no provision there against is considered necessary.
- (e) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.

22. The Company has Deep Discount Debentures issued by the subsidiary company. Income from Deep Discount Debentures will be accounted for either on maturity or when the right to received will be established.
23. During the year, the Company has executed a Share Purchase Agreement (SPA) on 5<sup>th</sup> March, 2019 with Sastasundar Healthbuddy Limited (SHL), a Subsidiary Company. In terms of the SPA, the Company has sold its entire investment in Genu Path Labs Limited (Genu) to SHL. During the year, the company has received Rs. 5,50,00,000 (Rupees Five crores Fifty lakhs only) as an advance against sale of investment from SHL. On 9<sup>th</sup> April, 2019, the company has received balance consideration and transferred the entire shareholding in Genu to SHL.
24. The Company has a defined employee benefit plan in the form of gratuity. Every employee, who has completed five years or more of services, gets a gratuity on departure @ 15 days of last drawn salary for each completed years of service. The gratuity scheme is entrusted with Life Insurance Corporation of India.

The following tables summarise the components of gratuity expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan.

Particulars	2018-19 Rs.	2017-18 Rs.
<b>(i) Net Employee Expense /(benefit)</b>		
Current service cost	65,362	67,297
Interest cost on benefit obligation	24,388	99,814
Expected return on plan assets	1,20,827	30,755
Curtailment Cost	-	-
Net Actuarial (gain) / loss recognised in the year	2,65,519	(7,38,634)
Total employer expense recognised in Statement of Profit and Loss	2,34,442	(6,02,278)
<b>(ii) Actual Return on Plan Assets</b>	1,15,617	43,943
<b>(iii) Benefit Asset/(Liability)</b>		
Defined benefit obligation	4,60,348	5,26,470
Fair value of Plan Assets	16,92,989	15,77,372
Asset / (Liability) recognised in the Balance Sheet	12,32,641	10,50,902
<b>(iv) Movement in benefit liability</b>		
Opening defined benefit obligation	5,26,470	4,41,458
Acquisition Adjustment	-	10,62,937
Interest cost	24,388	99,814
Current service cost	65,362	67,297
Curtailment Cost	-	-
Benefits paid	4,16,181	4,19,590
Actuarial (gains) / losses on obligation	2,60,309	(7,25,446)
Closing benefit obligation	4,60,348	5,26,470
<b>(v) Movement in fair value of plan assets</b>		



**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	2018-19 Rs.	2017-18 Rs.
Opening fair value of plan assets	15,77,372	3,27,949
Acquisition Adjustment	-	70,943
Expected Return on plan assets	1,20,827	30,755
Contributions by employer	4,16,181	15,54,127
Benefits paid	4,16,181	4,19,590
Actuarial gains on plan assets	(5,210)	13,188
Closing fair value of plan assets	16,92,989	15,77,372
(vi) <b>Major categories of plan assets as a percentage of the fair value of total plan assets</b>		
Investments in insurance managed fund	100%	100%
(vii) <b>The principal actuarial assumptions are as follows</b>		
Discount Rate	7.66%	7.71%
Expected rate of return on plan assets	7.66%	7.71%
Salary increase	6.00%	6.00%
Withdrawal rates	1.00%	1.00%
(viii) <b>Amount incurred as expense for defined contribution plans</b>		
Contribution to Provident fund	1,28,288	1,73,236

- (ix) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (x) The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.
- (xi) The Company expects to contribute Rs. Nil (2018-19: Rs. NIL) to Gratuity Fund during April, 2019 to March, 2020.

(xii) Amounts for the current year and previous years are as follows :	Year Ended March 31, 2019 Rs.	Year Ended March 31, 2018 Rs.	Year Ended March 31, 2017 Rs.	Year Ended March 31, 2016 Rs.	Year Ended March 31, 2015 Rs.
Defined Benefit Obligation	4,60,348	5,26,470	4,41,458	9,21,478	13,32,973
Plan Assets	16,92,989	15,77,372	3,27,949	5,08,455	11,10,426
Surplus / ( Deficit )	12,32,641	10,50,902	(1,13,509)	(4,13,023)	(2,22,547)
Experience adjustments on plan liabilities	(2,57,249)	(6,97,630)	6,11,814	3,00,434	(2,28,745)
Experience adjustments on plan assets	(5,210)	11,831	(6,990)	(16,817)	(1,230)

The above information is actuarially determined.

25. Minimum Alternate Tax (MAT) credit entitlement of Rs. 3,68,08,601 (2017-18: Rs. 1,57,86,526 ) although available as tax credit for set off in future years as per Income Tax Act, 1961, has not been accounted for in view of accounting policy specified in Note 2.1(xi) herein.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****26. Related Party in terms of Accounting Standard 18 and as per the Companies Act, 2013 are given below:****Name of related parties and description of relationship****i) Related parties where control exists****a) Subsidiaries**

Microsec Resources Private Limited

Sastasundar Healthbuddy Limited (Formerly Microsec Health Buddy Limited)

Innogrow Technologies Limited (Formerly Microsec Technologies Limited)

Genu Path Labs Limited (w.e.f, 1st September, 2017)

Microsec Wealth Management Limited (w.e.f, 23rd January, 2018) (Step-down Subsidiary)

Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited) (Step-down Subsidiary)

Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited) (Step-down Subsidiary)

Myjoy Technologies Private Limited (Step-down Subsidiary)

Bharatiya Sanskriti Village Private Limited

Happymate Foods Limited (w.e.f, 6th June, 2018) (Step-down Subsidiary)

**b) Limited Liability Partnership (Entities over which control is exercised)**

Microsec Invictus Advisors LLP

Ruchika Advisory Services LLP

Alokik Advisory Services LLP

Dreamscape Advisors LLP

Stuti Advisory Services LLP

Innogrow Partners LLP (w.e.f, 23rd May, 2018)

Kailashwar Advisory Services LLP (upto 16th January, 2018)

Bhavya Advisory Services LLP (upto 20th June, 2017)

**Name of other related parties with whom transactions have taken place during the year****ii) Key Management Personnel**

Mr. Banwari Lal Mittal (Chairman and Managing Director)

Mr. Deepak Kumar Agarwal (Chief Financial Officer) (w.e.f, 2nd March, 2019)

Mr. Amrit Daga (Chief Financial Officer) (upto 2nd March, 2019)

Mr. Biplab Kumar Mani (Company Secretary)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	Subsidiary Companies / Entities (Enterprise over which control exists)						Key Management Personnel				
	Innogy Technologies Limited	Microsec Resources Private Limited	Sastasundar Healthbuddy Limited	Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited)	Myjoy Technologies Private Limited	Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited)	Genu Path Labs Limited	Mr. Banwari Lal Mittal	Mr. Amrit Daga	Mr. Deepak Kumar Agarwal	Mr. Biplab Kumar Mani
Remuneration	-	-	-	-	-	-	-	22,90,267	1,51,304	18,07,984	(15,32,833)
Loan Given	-	1,38,00,000	34,98,00,000	6,48,00,000	27,50,000	-	80,00,000	-	-	-	-
Loan Repaid	-	4,88,00,000	34,98,00,000	6,48,00,000	27,50,000	-	80,00,000	-	-	-	-
Interest Received on Loan	-	5,57,951	1,11,29,919	17,70,216	1,04,878	-	96,484	-	-	-	-
Balance Receivable	-	(3,75,65,370)	-	-	-	-	-	-	-	-	-
Investment in Equity Share Capital	-	-	-	-	-	-	2,00,00,000	-	-	-	-
Investment in 0.005% Cumulative Compulsory Convertible Preference Share Capital	-	-	35,24,76,000	-	-	-	(3,00,00,000)	-	-	-	-
Investment in Compulsorily Convertible Debentures	-	-	-	-	-	-	(75,00,000)	-	-	-	-
Sale of Investment in Equity Share of Myjoy Technologies Private Limited	3,88,12,208	-	-	-	-	-	-	-	-	-	-
Sale of Investment in Equity Share of Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited)	(10,000)	-	-	-	-	-	-	-	-	-	-
Sale of Investment in Compulsorily Convertible Debentures of Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited)	(16,03,645)	-	-	-	-	-	-	-	-	-	-
Advance received against Sale of Investment in Equity Shares of Genu Path Labs Limited	-	-	5,50,00,000	-	-	-	-	-	-	-	-
Other Expenses	-	-	96,298	-	-	-	30,599	-	-	-	-
Corporate Guarantee Given	-	-	(71,907)	-	-	-	-	-	-	-	-
Employee Payable	-	-	3,59,952	2,85,640	-	-	-	-	-	-	-
	-	-	(12,08,02,485)	(6,00,805)	-	-	-	(23,847)	58,944	1,20,472	(58,911)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019

### 27. Segment Reporting

In terms of Accounting Standard 17 – “Segment Reporting” notified by Companies Act, 2013, the Company has only one reportable business segment, i.e., “Financial Services – Core Investment Company” and have only one reportable geographic segment in India.

The Company operates in only one geographical segment i.e. ‘Within India’ and no separate information for geographical segment has been given.

28. The Company is a Core Investment Company (CIC) and does not require registration as per notification no. DNBS.PD.CC.No.274/03.02.089/2011-12 dated 11th May, 2012 and which was confirmed by Reserve Bank of India in the letter dated 16th July, 2015. As per the said notification, a Company having an asset size of more than Rs. 100 crores and less than Rs. 500 crores and not accessing public funds is exempt from registration as CIC-NDSI with RBI.

### 29. Scheme of Arrangement

(a) The Scheme of Amalgamation (“the Scheme”) of PRP Technologies Limited (PTL), Myjoy Tasty Food Private Limited (MTFPL) and Myjoy Hospitality Private Limited (MHPL) ( the Transferor Companies) with the Company under section 233 of the Companies Act, 2013 and the rules made there under and has been approved by the Central Government through Regional Director, Eastern Region on 9th January, 2018. The appointed date of the said scheme is 1st April, 2016.

(b) All the assets and liabilities of the PRP Technologies Limited (PTL), Myjoy Tasty Food Private Limited (MTFPL) and Myjoy Hospitality Private Limited (MHPL) (Transferor Companies) have been transferred to the Company at their book value.

(c) In accordance with the scheme the excess of the aggregate book value of assets and liabilities of the PRP Technologies Limited (PTL), Myjoy Tasty Food Private Limited (MTFPL) and Myjoy Hospitality Private Limited (MHPL) (Transferor Companies) over the net value of Investment held by the company amounting to Rs. 34,10,62,207 & the Profit for the financial year 2016-17 of Rs. 15,39,298 has been adjusted with opening revenue reserve.

### 30. Exceptional Items :

(a) During the year, the Company had sold its Investment in Myjoy Technologies Private Limited at Rs. 3,88,12,208/-, resulting in a net profit of Rs. 18,12,282/-.

(b) During the previous year, the Company had entered into a Share Purchase Agreement (SPA) on April 19, 2016 for sale of its entire shareholding in Microsec Capital Limited (MCL) and its wholly owned subsidiaries Microsec Commerce Limited and Microsec Insurance Brokers Limited. During the previous year, all the conditions for execution of the agreement had been complied with and the Company has sold its entire shareholding as per the SPA. Accordingly, during the previous year Profit on sale of Investment of Microsec Capital Limited amounting to Rs. 6,38,86,521/- & Non Compete Fees (net of expense) amounting to Rs. 7,24,63,901/- has been recognised as an exceptional item in these statement of Profit & Loss of the previous year.

(c) During the previous year, the Company had sold its Investment in Retailer Shakti Supply Chain Private Limited (formerly Brandbuddy Engage Analytics Private Limited) at Rs. 16,13,345/-, resulting in a net loss of Rs. 3,43,85,355/-.

(d) During the previous year, the Company had reversed provision for diminution amounting to Rs. 3,71,00,000 (F.Y. 16-17: Diminution made of Rs. 1,34,00,000), in value of the Company’s investment in Innogrow Technologies Limited based on the assessment done by the Company’s management.

### 31. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
<b>i) The principal amount and the interest due thereon remaining unpaid to any supplier as at end of each accounting year</b>		
Principal amount due to micro and small enterprises	32,400	64,710
Interest due on above	Nil	Nil
<b>ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to supplier beyond the appointed day during each the accounting year</b>		

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	As at 31st March, 2019 Rs.	As at 31st March, 2018 Rs.
Principal	Nil	Nil
Interest	Nil	Nil
iii) The amount of interest due and payable for the period of delay in making payment (which been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
<b>32. Deferred Tax Asset / (Liability) (Net)</b>		
<b>Deferred Tax Liability (A)</b>		
Difference between Book & Tax Depreciation	3,54,071	24,16,533
<b>Deferred Tax Assets (B)</b>		
Business Loss and Unabsorbed Depreciation	47,92,245	1,69,82,762
<b>Net Deferred Tax Asset (B – A)</b>	44,38,174	1,45,66,229
<b>Less : Deferred Tax Asset not recognized</b>	44,38,174	1,45,66,229
<b>Net Deferred Tax asset recognized</b>	Nil	Nil

In the absence of virtual certainty, the Company has not recognized Deferred Tax Asset in the current year to the extent of Deferred Tax Liability as at 31st March, 2019 i.e. Rs. 44,38,174 (2017-18: 1,45,66,229).

33. Previous year's figures including those in brackets have been regrouped and / or reclassified to confirm to this year's classification.

As per our report of even date

**For Singhi & Co.**  
Firm Registration No: 302049E  
Chartered Accountants

Anurag Singhi  
Partner  
Membership No. 066274

Place : Kolkata  
Date : 22nd May, 2019

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

Banwari Lal Mittal  
Chairman & Managing Director  
DIN : 00365809

Deepak Kumar Agarwal  
Chief Financial Officer

Ravi Kant Sharma  
Director  
DIN : 00364066

Biplab Kumar Mani  
Company Secretary  
M. No.-ACS19883

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sastasundar Ventures Limited

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying consolidated financial statements of Sastasundar Ventures Limited (**‘the Holding Company’**) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flow for the year then ended, the notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information (herein referred to as the “Consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at March 31, 2019, their consolidated profit/loss, and their consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements’ section of our report. We are independent of the Group 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 financial statements under the provisions of the Act and the Rules thereunder, 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 audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

## INDEPENDENT AUDITOR'S REPORT

Sl. No	Key Audit Matter	Auditor's Response
1.	<p><b>Goodwill</b></p> <p>The Group's balance sheet includes Rs. 5,273 lakhs of goodwill. In accordance with applicable accounting standard, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment by determining the recoverable amounts of the CGUs, which are compared with the carrying amount of the net assets of the CGUs, including goodwill. A deficit in recoverable amount compared with the carrying amount would result in an impairment</p> <p>The annual impairment testing of goodwill for impairment is considered a key audit matter because the assumptions on which the tests are based are highly judgemental and affected by future market conditions, which are inherently uncertain, and because of the materiality of the balances taken as a whole.</p> <p>On review of the same, the management concluded that the recoverable amount of each separate CGU was higher than their carrying value and no impairment was required for the current year.</p>	<p><b>Principal Audit Procedures</b></p> <p>We considered the controls implemented by management in testing for impairment and the judgements in determining the CGUs to which goodwill is allocated</p> <p>We tested the key assumptions and inputs in the discounted cash flow models similar to those applied above for goodwill impairment testing.</p> <p>We obtained the valuation report based on which the recent equity funding was received by the group during the year from a private equity.</p>

### Other Information

The Holding 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 consolidated financial statements and our Auditor's Report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

## INDEPENDENT AUDITOR'S REPORT

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

That respective Board of Directors of the companies included in the are also responsible for overseeing the financial reporting process of the Group.

### AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the financial year ended March 31, 2019 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 MATTERS**

We did not audit the financial statements/financial information of 11 subsidiaries, whose financial statements/financial information reflect total assets of Rs 23,603.33 lakhs and net assets of Rs 18,138.21 lakhs as at 31st March, 2019 total revenues of Rs 21,991.64 lakhs and net cash outflow amounting to Rs 209.49 lakhs for the year ended on that date, as considered in these consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Financial Statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries and our report on the consolidated financial results, to the extent they have been derived from such financial statements is based solely on reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of other auditors and financial statements/financial information certified by the management.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries as noted in the "other matter" paragraph, we report, to the extent applicable, that:
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion proper books of account as required by law relating to the aforesaid consolidated financial statements have been kept so far as it appears from examination of those books and reports of other Auditors;
  - c. The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of the preparation of the consolidated financial statements;
  - d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2019 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its Subsidiary companies incorporated in India, none of the directors of the Group is disqualified as on 31st March 2019 from being appointed as a director of that company in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A', and
  - g. The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, its subsidiaries incorporated in India for the year ended March 31, 2019;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements as also other financial information of the subsidiaries as noted in the "Other matter" paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 30 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2019.

**For Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

**Anurag Singhi**  
*Partner*  
Membership No. 066274

Place: Kolkata  
Dated: 22<sup>nd</sup> day of May, 2019

## INDEPENDENT AUDITOR'S 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 with reference to consolidated financial statements of Sastasundar Ventures Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as on 31st March 2019 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated 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 with reference to consolidated financial statements 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.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to consolidated financial statements (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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 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 with reference to consolidated financial statements.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

## INDEPENDENT AUDITOR'S REPORT

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2019, based on the internal control with reference to consolidated 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 With reference to consolidated financial statements issued by the Institute of Chartered Accountants of India.

### OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of such companies incorporated in India.

For **Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No. 302049E

**Anurag Singhi**  
*Partner*  
Membership No. 066274

Place: Kolkata  
Dated: 22<sup>nd</sup> day of May, 2019

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019**

	Notes	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	31,81,05,000	31,81,05,000
(b) Reserves and Surplus	4	1,05,27,10,652	1,43,62,87,103
(c) Money Received Against Share Warrant		5,00,00,000	-
		1,42,08,15,652	1,75,43,92,103
<b>2. Minority Interest</b>			
		57,84,99,836	27,93,04,228
<b>3. Non-Current Liabilities</b>			
(a) Long-Term Provisions	5	75,48,016	39,00,523
(b) Deferred Tax Liabilities (Net)	6	5,45,92,282	4,74,31,795
(c) Other Non-Current Liabilities	7	3,46,53,720	1,62,000
		9,67,94,018	5,14,94,318
<b>4. Current Liabilities</b>			
(a) Short-Term Borrowings	8	-	12,03,12,828
(b) Trade Payables	9		
Total outstanding dues of Micro Enterprises and Small Enterprises		78,36,957	12,71,886
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		10,26,77,563	9,17,23,683
(c) Other Current Liabilities	10	7,09,23,729	5,38,59,860
(d) Short-Term Provisions	5	13,63,819	26,67,660
		18,28,02,068	26,98,35,917
		2,27,89,11,574	2,35,50,26,566
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Property, Plant and Equipment		61,40,49,631	63,05,96,081
(ii) Intangible Assets		96,28,144	1,44,21,667
(iii) Capital Work in progress		76,17,126	1,16,03,400
(b) Goodwill on Consolidation		52,73,34,350	52,73,34,350
(c) Non-Current Investments	12	20,52,14,091	18,07,25,510
(d) Deferred Tax Assets (net)	13	1,82,690	1,94,533
(e) Long-Term Loans and Advances	14	9,22,48,912	4,22,91,685
(f) Other Non-Current Assets	15	-	1,72,420
		1,45,62,74,944	1,40,73,39,646
<b>2. Current Assets</b>			
(a) Current Investments	16	13,99,01,446	27,75,13,580
(b) Inventories	17	32,58,51,748	28,04,83,473
(c) Trade Receivables	18	7,87,66,811	3,93,04,236
(d) Cash and Bank Balances	19	6,63,60,098	12,79,57,048
(e) Short-Term Loans and Advances	14	21,12,22,996	22,21,14,223
(f) Other Current Assets	15	5,33,531	3,14,360
		82,26,36,630	94,76,86,920
		2,27,89,11,574	2,35,50,26,566
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

**For Singhi & Co.**  
Firm Registration No: 302049E  
Chartered Accountants

Anurag Singhi  
Partner  
Membership No. 066274

Place : Kolkata  
Date : 22nd May, 2019

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

Banwari Lal Mittal  
Chairman & Managing Director  
DIN : 00365809

Deepak Kumar Agarwal  
Chief Financial Officer

Ravi Kant Sharma  
Director  
DIN : 00364066

Biplab Kumar Mani  
Company Secretary  
M. No.- ACS19883

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS** FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	2018-19 Rs.	2017-18 Rs.
<b>I. INCOME</b>			
Revenue from Operations	20	2,18,53,39,736	1,59,34,07,657
Other Income	21	2,41,14,915	2,61,95,888
<b>II. Total Revenue</b>		<b>2,20,94,54,651</b>	<b>1,61,96,03,545</b>
<b>III. EXPENSES</b>			
Purchase of traded goods	22	2,01,57,28,364	1,43,97,75,543
(Increase) in Inventory of Finished Goods and Traded Goods	23	(4,38,07,330)	(5,32,01,958)
Cost of Materials Consumed	24	2,30,12,942	1,71,56,422
Employee Benefits Expense	25	23,39,30,942	16,22,95,780
Finance Costs	26	1,67,61,693	52,13,047
Depreciation and Amortisation expense	27	5,98,43,676	5,54,41,961
Other Expenses	28	33,08,83,225	18,17,34,583
<b>IV. Total Expenses</b>		<b>2,63,63,53,512</b>	<b>1,80,84,15,378</b>
<b>V. (LOSS) BEFORE EXCEPTIONAL ITEM AND TAX (II - IV)</b>		<b>(42,68,98,861)</b>	<b>(18,88,11,833)</b>
VI. Exceptional Items [Refer Note 43]		-	6,51,97,345
<b>VII. (LOSS) BEFORE TAX (V + VI)</b>		<b>(42,68,98,861)</b>	<b>(12,36,14,488)</b>
<b>VIII. Tax Expenses:</b>			
(a) Current Tax		28,12,677	1,97,74,578
(b) Deferred Tax		71,72,330	39,07,069
(c) Adjustment of tax relating to earlier periods		(26,025)	(5,016)
		99,58,982	2,36,76,631
<b>IX. (LOSS) FOR THE YEAR BEFORE MINORITY INTEREST</b>		<b>(43,68,57,843)</b>	<b>(14,72,91,119)</b>
Less : Minority Interest (Share of profit of a subsidiary)		(5,32,81,392)	(2,84,84,348)
<b>X. (LOSS) FOR THE YEAR</b>		<b>(38,35,76,451)</b>	<b>(11,88,06,771)</b>
<b>XI. (LOSS) PER EQUITY SHARE :</b>	29		
Basic (Nominal Value per Share Rs. 10)		(12.06)	(3.73)
Diluted (Nominal Value per Share Rs. 10)		(11.59)	(3.73)
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For Singhi & Co.

Firm Registration No: 302049E

Chartered Accountants

Anurag Singhi

Partner

Membership No. 066274

Place : Kolkata

Date : 22nd May, 2019

For and on behalf of the Board of Directors

Banwari Lal Mittal

Chairman & Managing Director

DIN : 00365809

Deepak Kumar Agarwal

Chief Financial Officer

Ravi Kant Sharma

Director

DIN : 00364066

Biplab Kumar Mani

Company Secretary

M. No.- ACS19883

**CONSOLIDATED CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	2018-19 Rs.	2017-18 Rs.
<b>A. Cash Flow from Operating Activities</b>		
<b>(Loss) before tax</b>	<b>(42,68,98,861)</b>	<b>(12,36,14,488)</b>
Adjustments for :		
Profit / (Loss) on sale/discard of Fixed Assets	<b>(68,373)</b>	2,38,499
Loss on disposal of investment in the subsidiaries [Refer Note 43]	-	72,66,556
Provision / (Reversal) for standard assets written back	<b>(80,000)</b>	65,000
Gratuity Expense	<b>41,47,886</b>	3,06,461
Depreciation and amortization expense	<b>5,98,43,676</b>	5,54,41,961
Interest Expense	<b>1,67,61,693</b>	38,65,691
Government Grant	<b>(7,76,134)</b>	(2,52,090)
Interest on Fixed deposits and Others	<b>(6,35,299)</b>	(1,11,93,195)
Irrecoverable debts/advances written off	<b>2,53,246</b>	3,15,900
Reward Points - Sasta Sundar Currency	-	(14,84,040)
Unspent liabilities no longer required written back	<b>(14,39,083)</b>	(2,55,717)
<b>Operating (Loss) before working capital changes</b>	<b>(34,88,91,249)</b>	<b>(6,92,99,462)</b>
<b>Movements in working capital :</b>		
Increase / (Decrease) in Trade Payables	<b>1,89,58,034</b>	2,18,68,440
Increase / (Decrease) in Other Liabilities	<b>5,16,12,931</b>	(1,36,04,343)
(Increase) / Decrease in Non-Current Investments	<b>(2,44,88,581)</b>	(9,02,23,726)
(Increase) / Decrease in Current Investments	<b>13,76,12,134</b>	(20,27,38,840)
(Increase) / Decrease in Inventories	<b>(4,53,68,275)</b>	(4,21,81,302)
(Increase) / Decrease in Loans and Advances	<b>(4,03,24,380)</b>	(7,36,28,660)
(Increase) / Decrease in Other Assets	<b>(1,87,528)</b>	1,96,67,420
(Increase) / (Decrease) in Provisions	<b>(8,39,658)</b>	(9,78,389)
(Increase) / Decrease in Trade Receivables	<b>(3,97,15,821)</b>	(2,88,48,149)
<b>Cash (used) in operations</b>	<b>(29,16,32,393)</b>	<b>(47,99,67,011)</b>
Income tax paid (net of refunds)	<b>(42,34,050)</b>	(81,83,538)
<b>Net cash (used in) Operating Activities</b>	<b>(29,58,66,443)</b>	<b>(48,81,50,549)</b>
<b>B. Cash Flow from Investing Activities</b>		
Proceeds from sale of Property, Plant & Equipment	<b>18,12,334</b>	13,92,302
Purchase of Property, Plant & Equipment (including intangible assets, Capital Work in Progress and capital advances)	<b>(3,56,47,608)</b>	(6,15,13,305)
Investment in Fixed Deposits (net) (having original maturity of more than three months)	-	10,60,34,511
Proceeds from maturity of Fixed Deposits (net) (having original maturity of more than three months)	<b>29,26,097</b>	-
Proceeds from sale of Investment in Subsidiary	-	12,53,64,086
Proceeds from Investment in Limited Liability Partnership	-	77,11,711
Proceeds from Government Grant	<b>21,86,884</b>	4,78,252
Interest on Fixed Deposits and Others	<b>5,72,747</b>	3,24,37,693
<b>Net cash generated from / (used in) Investing Activities</b>	<b>(2,81,49,546)</b>	<b>21,19,05,250</b>

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	2018-19 Rs.	2017-18 Rs.
<b>C. Cash Flows from Financing Activities</b>		
Proceeds / (Repayment) from Short-Term Borrowings	(12,03,12,828)	3,99,63,270
Proceeds/ (Repayment) from Long-Term Borrowings	-	(1,80,00,000)
Proceeds from Issue of Equity Share Capital including Securities Premium in subsidiary company	-	32,17,40,514
Proceeds from Issue of Preference Share Capital including Securities Premium in subsidiary company	35,24,76,000	-
Share Issue Expense in subsidiary company	-	(1,38,42,125)
Proceed from Money received against Share Warrants issued by subsidiary company	5,00,00,000	-
Interest Expense	(1,67,61,693)	(38,65,691)
<b>Net cash generated from Financing Activities</b>	<b>26,54,01,479</b>	<b>32,59,95,968</b>
<b>D. Net change in cash and cash equivalents (A+B+C)</b>	<b>(5,86,14,510)</b>	<b>4,97,50,669</b>
<b>E. Cash and Cash equivalents - Opening Balance</b>	<b>12,17,21,969</b>	<b>13,69,50,869</b>
<b>F. Opening Cash adjustment pursuant to sale of Investment in Subsidiary</b>	<b>-</b>	<b>6,49,79,569</b>
<b>G. Cash and Cash equivalents - Closing Balance</b>	<b>6,31,07,459</b>	<b>12,17,21,969</b>
Cash and Cash Equivalent as indicated in Note 19 comprises of		
Cash in hand	5,74,019	2,23,776
Cheque on hand	2,03,69,476	66,42,285
Balances with scheduled banks *	4,21,63,964	6,98,55,908
Deposit with original maturity of less than three months	-	4,50,00,000
<b>Total</b>	<b>6,31,07,459</b>	<b>12,17,21,969</b>

\* Excludes balance of Rs. 1,07,393 (2017-18: Rs. 1,63,736) with a bank for which dividend instruments have been issued to the investors but are yet to be encashed and Rs. 31,45,246 (2017-18: Rs. 60,71,343) of Fixed Deposits with restricted use or maturity for more than three months.

**Notes :**

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on Cash Flow Statement.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

**For Singhi & Co.**  
Firm Registration No: 302049E  
Chartered Accountants

Anurag Singhi  
Partner  
Membership No. 066274

Place : Kolkata  
Date : 22nd May, 2019

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

Banwari Lal Mittal  
Chairman & Managing Director  
DIN : 00365809

Deepak Kumar Agarwal  
Chief Financial Officer

Ravi Kant Sharma  
Director  
DIN : 00364066

Biplab Kumar Mani  
Company Secretary  
M. No.- ACS19883



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****1 BASIS OF CONSOLIDATION:**

The Consolidated Financial Statements which relate to Sastasundar Ventures Limited (the “Company”) and its subsidiaries together the “Group” have been prepared on the following basis:

- a) The financial Statements of the Company and its subsidiaries have been consolidated in terms of Accounting Standard – 21, “Consolidated Financial Statements” and Companies Act, 2013 on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure after fully eliminating intra group balances, intra group transactions and any unrealized profit/loss included therein.
- b) The excess/shortfall of cost to the Company’s investments over equity in the subsidiary companies as on the date of investment is recognized in the financial statements as goodwill / capital reserve as the case may be.
- c) The consolidated financial statements have been prepared using uniform accounting policies, for like transactions and are presented to the extent possible, in the same manner as the Company’s standalone financial statements.
- d) The Subsidiaries considered in these consolidated financial statements are as under:

Sl. No.	Name	Country of Incorporation	% of Voting Power/ Ownership interest	
			As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
i)	Microsec Resources Private Limited	India	100	100
ii)	Sastasundar Healthbuddy Limited	India	86.77	86.77
iii)	Sastasundar Marketplace Limited (formerly Sasta Sundar Shop Private Limited)	India	86.77	86.77
iv)	Innogrow Technologies Limited	India	100	100
v)	Genu Path Labs Limited	India	96.69	100
vi)	Microsec Wealth Management Limited	India	100	100
vii)	Bharatiya Sanskriti Village Private Limited	India	100	100
viii)	Myjoy Technologies Private Limited	India	100	100
ix)	Retailer Shakti Supply Chain Private Limited (formerly Brandbuddy Engage Analytics Private Limited)	India	86.77	–
x)	Happymate Foods Limited (Incorporated as on 6th June, 2018)	India	86.77	–
xi)	Innogrow Partners LLP (w.e.f. 23rd May, 2018)	India	100	–
xii)	Microsec Invictus Advisors LLP	India	100	100
xiii)	Alokik Advisory Services LLP	India	100	100
xiv)	Dreamscape Advisory Services LLP	India	100	100
xv)	Stuti Advisory Services LLP	India	100	100
xvi)	Ruchika Advisory Services LLP	India	100	100

Note :- All the above Limited Liability Partnership (LLPs) have been consolidated due to the Company’s control over composition of their governing bodies by Innogrow Technologies Limited and Bharatiya Sanskriti Village Private Limited, subsidiaries of the Holding Company.

**2 Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2018****2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:****i) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets and liabilities in future periods.

**ii) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- a) Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects taxes on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- b) Sale of goods are net of discounts. In respect of gift vouchers and point award scheme operated by the Company, sales are recognized when the gift vouchers or points are redeemed and the merchandise is sold to the customer.
- c) Revenue from online advertisement campaign is recognized pro-data over the period of the contract as and when services are rendered and recorded at net of taxes.
- d) Revenue from Technology support services are recognised as and when the services are rendered to the customers and when there is reasonable certainty of its ultimate realisation/collection.
- e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- f) Laboratory Income: Revenue comprises of amount billed(net of discounts) in respect of tests conducted and is recognised as and when the samples are registered for the purpose of conducting the tests which usually take not more than 48 hours.
- g) Fees from professional / consultancy service is recognised as and when the services are rendered to the customers and there is reasonable certainty for its ultimate realisation/collection.
- h) Profit / (Loss) on sale of investments is determined based on the weighted average cost of the investments sold.
- i) Dividend income is recognized when the shareholder's right to receive payment is established by the balance sheet date.
- j) Commission on insurance policies sold is recognized, when an insurance policy sold by the Company is accepted by the principal insurance company.
- k) Service charge is recognised as and when services are rendered to the customers and when there is reasonable certainty for its ultimate realisation/collection.
- l) Fees from Investment Banking activities which include Mergers & Acquisitions, Investment and other advisory services are recognized as revenue when the relevant services are rendered to the customers and there are reasonable certainties as regards ultimate collectability of such revenue. The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.
- m) Commission and Incentive income on primary market activities, included in Investment Banking revenue is recognized on receipt of confirmation from the concerned party after completion of the public issue.
- n) Transactions in respect of Investment / dealing in securities are recognized on trade date.
- o) Revenue from Consumer Engagement Activity is recognized when the related activities that generates revenue for the Company has been completed.

**iii) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

use and initial estimate of decommissioning, restoring and similar liabilities, if any. Any trade discount and rebates are deducted in arriving at the purchase price.

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognised.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

**iv) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**v) Depreciation on Property, Plant and Equipment and Amortization on intangible assets**

- a) Leasehold land is amortised on a straight line basis over the period of lease, i.e. 99 years.
- b) Depreciation on Property, Plant and Equipment is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013 except for Plant and Machinery which are lower than those indicated in Schedule II, i.e., 5 to 15 years.
- c) Depreciation on Fixed Assets added/disposed off during the year is provided on prorata basis with reference to the date of addition/disposal.
- d) Goodwill on consolidation is not amortized but tested for impairment.
- e) Copyrights are amortized on straight-line basis over a period of three years from the date the assets become available for use.
- f) Computer softwares are amortized on straight line basis over a period of three / five years as the case may be from the date the assets become available for use.
- g) Web Application Portal are amortized on straight-line basis over a period of ten years from the date the assets become available for use.
- h) The company has used the following useful Life to provide depreciation on its fixed asset.

Type of Assets	Useful lives estimated by the management
Building	60 years
Plant & Equipment	5-15 years
Computer	3 years
Furniture & Fixtures	10 years
Office Equipments	5 years
Electrical Equipments	10 years
Motor Vehicle	8 years

**vi) Impairment of Fixed Assets**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

assessing the 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 risks specific to the asset.

After impairment, depreciation / amortization is provided on the revised carrying amount of the assets over its remaining useful lives.

A previously recognized impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortization if there was no impairment.

**vii) Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**viii) Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as Current Investments. All other Investments are classified as Non – Current / Long term Investments. Current Investments are stated at lower of cost and market rate on an individual investment basis. Non - Current / Long term investments are considered “at cost” on individual investment basis, unless there is a decline other than temporary in the value, in which case adequate provision is made against such diminution in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**ix) Fixed Assets Acquired under lease****Operating Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leasehold assets are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss.

**x) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**xi) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company and its subsidiaries does not recognize a contingent liability but discloses its existence in the financial statements.

**xii) Taxation**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profit for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax asset is reviewed at each Balance Sheet date. The company writes down the carrying amount of a Deferred Tax Asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each Balance Sheet date, the Company and its subsidiaries recognizes the unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**xiii) Provisioning on Standard Assets**

The Reserve Bank of India (RBI) vide Notification No. DNBS 223/CGM (US) – 2011 dated January 17, 2011 has issued direction to all NBFCs to make provision of 0.25% on standard assets. Accordingly, the Company has made provision @0.25% on standard assets in accordance with RBI directions.

**xiv) Segment Reporting:****a) Identification of Segments :**

The Company has identified that its business segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products/services provided, with each segment representing a strategic business unit that offers different products/services and serves different markets. The analysis of geographical segments is based on the areas in which the operating divisions of the company operates.

**b) Inter-segment transfers :**

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

**c) Allocation of Common Costs:**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common cost.

**d) Unallocated items :**

Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis are included under the head "Unallocated –Common".

**e) Segment accounting policies :**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

**xv) Retirement and other employees benefits**

- a) 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 recognizes contribution payable to the provident fund scheme as an expenditure, 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 recognized 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 recognized as an asset to the extent that the pre payment will lead to a reduction in future payment or a cash refund.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

- b) Gratuity liability being a defined benefit obligation is provided for on the basis of actuarial valuation on projected unit credit method at the end of each financial year. The Company has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities. Current / Non Current bifurcation is done based on the actuarial valuation report.
- c) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**xvi) Inventories**

Raw materials and packing materials are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected will to be sold at or above cost. Cost of raw material and packing material are determined on a first in, first out (FIFO) basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

Traded Goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on a specific identification of cost basis.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

Closing Stock of shares and mutual funds is valued at "lower of cost and fair value" on individual basis.

**xvii) Earning Per Share**

Basic Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**xviii) Loan Assets**

Loan asset includes loans given by the Company, repayable on demand and are secured by collateral offered by the customers.

**xix) Debenture Redemption Reserve**

As a matter of prudence, the Company, as per the management's discretion, creates debenture redemption reserve for redemption of privately placed debentures on a straight line basis over the tenure of the respective debentures subject to availability of profits.

**xx) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise of Cash at Bank and Cash/Cheque on hand and fixed deposits with an original maturity of three months or less.

**xxi) Government Grants and Subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is shown as a deduction from the gross value of the asset concerned in arriving at its book value.

Where the company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>3. SHARE CAPITAL</b>		
<b>Authorised</b>		
3,55,32,000 (2017-18: 3,55,32,000) Equity Shares of Rs. 10 each (2017-18: Rs. 10 each)	35,53,20,000	35,53,20,000
<b>Issued, Subscribed and Fully Paid-up Shares</b>		
3,18,10,500 (2017-18: 3,18,10,500) Equity Shares of Rs. 10 each (2017-18: Rs. 10 each)	31,81,05,000	31,81,05,000
	<b>31,81,05,000</b>	<b>31,81,05,000</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	As at 31.03.2019		As at 31.03.2018	
	Nos.	Rs.	Nos.	Rs.
Outstanding at the beginning and at the end of the year	3,18,10,500	31,81,05,000	3,18,10,500	31,81,05,000

**(b) Terms / Rights attached to the equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 31.03.2019		As at 31.03.2018	
	No. of shares	% of holding	No. of shares	% of holding
(Equity shares of Rs 10 each fully paid-up)				
Banwari Lal Mittal	1,06,16,000	33.37	1,06,16,000	33.37
Topview Enclaves LLP	78,77,745	24.76	78,77,745	24.76
Luv Kush Projects Limited	17,88,778	5.62	17,79,438	5.59
Microsec Vision Employees Trust	14,83,400	4.66	16,33,400	5.13

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.

- (d) No shares have been reserved for issue under options and contracts/commitments for the same of shares/disinvestment as at the balance sheet date.
- (e) No shares have been allotted or has been bought back by the company during the period of 5 years, preceding the date as at which the balance sheet is prepared.
- (f) No Convertible securities have been issued by the company during the period.
- (g) No Calls are unpaid by any Director and officer of the company during the period.

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>4. RESERVES AND SURPLUS</b>		
<b>Capital Reserve (on Consolidation)</b>	36,43,980	36,43,980
<b>Capital Redemption Reserve (Balance as per the last financial statements)</b>	1,02,00,000	1,02,00,000
<b>Securities Premium Account (Balance as per the last financial statements)</b>	1,38,98,44,136	1,38,98,44,136
<b>Debenture Redemption Reserve</b>	1,62,35,998	1,62,35,998
<b>Reserve under Section 45-IC of the Reserve Bank of India Act, 1934</b>		
Balance as per the last financial statements	17,27,61,106	15,01,22,540
Add: Amount transferred from the Statement of Profit and Loss	18,48,181	2,26,38,566
	<b>17,46,09,287</b>	<b>17,27,61,106</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	As at 31.03.2019 Rs.		As at 31.03.2018 Rs.	
According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year as disclosed in the Statement of profit and loss and before declaration of dividend.				
Includes Rs. 16,74,69,747 (2017-18: Rs. 16,56,21,566) in respect of the Holding Company where, pursuant to the acceptance of Reserve Bank of India (RBI) on the Company's application for cancellation of Certificate of Registration (CoR), as detailed in Note 42. The Company has also sought clarification from RBI on May 6, 2016 regarding further treatment of this Reserve. Pending receipt of clarification from RBI, the Holding Company, as per legal opinion received in this regard, has decided to maintain the status quo of the Reserve.				
<b>Surplus in the Statement of Profit and Loss</b>				
Balance as per the last financial statements	(15,63,98,117)		81,94,803	
Less : Transferred pursuant to scheme of arrangement [Refer Note 49]	-		2,31,47,583	
Less : Loss for the year transferred from the Statement of Profit and Loss	38,35,76,451		11,88,06,771	
	(53,99,74,568)		(13,37,59,551)	
Less : Appropriations				
Transferred to Reserve under Section 45-IC of the RBI Act, 1934	18,48,181		2,26,38,566	
	(54,18,22,749)		(15,63,98,117)	
	1,05,27,10,652		1,43,62,87,103	

	Long Term		Short Term	
	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>5. PROVISIONS</b>				
<b>Provision for Employee Benefits</b>				
Gratuity [Refer Note 33]	75,48,016	39,00,523	9,17,721	12,56,986
<b>Other Provisions</b>				
For Taxation [Net of Advances Rs. 31,47,101 (2017-18: Rs. 1,86,98,688)]	-	-	1,47,098	10,31,674
For Standard Assets	-	-	2,99,000	3,79,000
	75,48,016	39,00,523	13,63,819	26,67,660

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred Tax Liability</b>		
Discount on Deep Discount Debentures	5,45,92,282	4,74,31,795
<b>Gross Deferred Tax Liability (A)</b>	5,45,92,282	4,74,31,795
<b>Deferred Tax Asset</b>		
<b>Gross Deferred Tax Asset (B)</b>	-	-
<b>Net Deferred Tax Liabilities (A-B)</b>	5,45,92,282	4,74,31,795
<b>7. Other Non-Current Liabilities</b>		
Equalisation Rent Provision [Refer Note 41]	16,74,000	1,62,000
Other Long Term payables [Refer Note 37]	3,29,79,720	-
	3,46,53,720	1,62,000



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>8. SHORT-TERM BORROWINGS</b>		
Cash Credit from Banks (secured)	-	12,03,12,828
	-	12,03,12,828

\*Cash credit from bank aggregating to Rs. NIL (2017-18 : Rs. 12,03,12,828) is secured against hypothecation of inventories, book debts (both present & future), equitable mortgage of factory premises on leasehold land, factory shed, building premises and installed plant & machinery along with corporate guarantee of the Holding Company.

The cash credit is repayable on demand and carries interest @ MCLR plus 2.65%.

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>9. TRADE PAYABLES</b>		
Due to Micro and Small Enterprises [Refer Note 45]	78,36,957	12,71,886
Due to Others	10,26,77,563	9,17,23,683
	11,05,14,520	9,29,95,569

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>10. OTHER CURRENT LIABILITIES</b>		
Security Deposits	3,88,34,380	2,20,32,798
Unclaimed Dividend *	1,07,196	1,63,736
Other Payables		
Liabilities against Capital Goods	5,71,492	67,63,996
Advance from Customers	20,13,444	4,11,913
Statutory Dues	72,80,587	60,10,580
Employee Payables	2,21,16,630	1,44,71,837
Other Payables	-	40,05,000
	7,09,23,729	5,38,59,860

\* to be paid as and when due to Investor Education and Protection Fund

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	(Amount in Rs.)									
	Freehold Land	Leasehold Land	Building / Office Premises	Computer and Allied Equipments	Furniture and Fixtures	Plant and Machinery	Electrical Equipments	Office Equipments	Vehicles	Total
<b>Gross Block</b>										
At April 1, 2017	2,37,39,239	21,18,52,391	37,21,43,916	8,21,40,097	9,37,81,575	3,60,00,910	3,12,59,942	6,70,06,893	65,96,905	92,45,21,868
Additions	-	-	1,08,27,591	47,49,367	1,53,46,010	50,73,514	44,06,939	41,03,821	-	4,45,07,242
Disposals	-	-	12,63,115	5,20,587	-	-	5,33,450	1,09,976	-	24,27,128
Government Grant	2,26,162	-	-	-	-	-	-	-	-	2,26,162
Transfer on account of sale of Investment in subsidiaries [Refer Note 43]	-	-	-	3,45,72,810	90,19,491	-	-	1,14,97,102	9,58,004	5,60,47,407
<b>At March 31, 2018</b>	<b>2,35,13,077</b>	<b>21,18,52,391</b>	<b>38,17,08,392</b>	<b>5,17,96,067</b>	<b>10,01,08,094</b>	<b>4,10,74,424</b>	<b>3,51,33,431</b>	<b>5,95,03,636</b>	<b>56,38,901</b>	<b>91,03,28,413</b>
Additions	-	40,28,510	34,71,536	25,95,762	82,85,173	1,93,14,491	16,54,316	19,36,025	7,300	4,12,93,113
Disposals	-	-	-	83,970	57,06,179	-	8,45,000	30,04,151	5,00,000	1,01,39,300
Government Grant	-	-	14,10,750	-	-	-	-	-	-	14,10,750
<b>At March 31, 2019</b>	<b>2,35,13,077</b>	<b>21,58,80,901</b>	<b>38,37,69,178</b>	<b>5,43,07,859</b>	<b>10,26,87,088</b>	<b>6,03,88,915</b>	<b>3,59,42,747</b>	<b>5,84,35,510</b>	<b>51,46,201</b>	<b>94,00,71,476</b>
<b>Depreciation</b>										
At April 1, 2017	-	1,14,67,500	6,18,80,592	6,67,10,098	5,38,55,486	1,31,58,397	1,86,09,920	4,18,98,844	52,71,318	27,28,52,155
Charge For the Year	-	21,39,923	1,55,12,460	38,78,277	1,00,58,245	60,66,766	53,36,802	62,67,650	3,98,646	4,96,58,769
Disposals	-	-	-	5,02,490	-	1,89,071	-	1,04,766	-	7,96,327
Transfer on account of sale of Investment in subsidiaries [Refer Note 43]	-	-	-	2,61,76,631	69,51,804	-	-	79,61,125	8,92,705	4,19,82,265
<b>At March 31, 2018</b>	<b>-</b>	<b>1,36,07,423</b>	<b>7,73,93,052</b>	<b>4,39,09,254</b>	<b>5,69,61,927</b>	<b>1,90,36,092</b>	<b>2,39,46,722</b>	<b>4,01,00,603</b>	<b>47,77,259</b>	<b>27,97,32,332</b>
Charge For the Year	-	24,43,524	1,49,68,702	50,03,458	1,26,24,737	84,31,217	54,13,748	55,57,151	2,42,315	5,46,84,852
Disposals	-	-	-	79,772	45,45,456	4,41,018	-	28,54,093	4,75,000	83,95,339
<b>At March 31, 2019</b>	<b>-</b>	<b>1,60,50,947</b>	<b>9,23,61,754</b>	<b>4,88,32,940</b>	<b>6,50,41,208</b>	<b>2,70,26,291</b>	<b>2,93,60,470</b>	<b>4,28,03,661</b>	<b>45,44,574</b>	<b>32,60,21,845</b>
<b>Net Block</b>										
At March 31, 2018	2,35,13,077	19,82,44,968	30,43,15,340	78,86,813	4,31,46,167	2,20,38,332	1,11,86,709	1,94,03,033	8,61,642	63,05,96,081
At March 31, 2019	2,35,13,077	19,98,29,954	29,14,07,424	54,74,919	3,76,45,880	3,33,62,624	65,82,277	1,56,31,849	6,01,627	61,40,49,631

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****B. Intangible Assets**

(Amount in Rs.)

Particulars	Computer Software	Web Application Portal	Copyrights - Right on Web Application Portal - Personal Resource Planning	Business and Membership Rights	Total
<b>Gross Block</b>					
At April 1, 2017	4,24,26,445	1,91,56,256	5,00,01,000	45,15,579	11,60,99,280
Additions	8,16,152	-	-	-	8,16,152
Transfer on account of sale of Investment in subsidiaries [Refer Note 43]	1,68,27,726	-	-	45,15,579	2,13,43,305
At March 31, 2018	2,64,14,871	1,91,56,256	5,00,01,000	-	9,55,72,127
Additions	3,65,300	-	-	-	3,65,300
At March 31, 2019	2,67,80,171	1,91,56,256	5,00,01,000	-	9,59,37,427
<b>Amortization</b>					
At April 1, 2017	2,92,57,959	99,44,300	5,00,01,000	45,15,579	9,37,18,838
Charge For the Year	40,16,482	17,66,710	-	-	57,83,192
Transfer on account of sale of Investment in subsidiaries [Refer Note 43]	1,38,35,991	-	-	45,15,579	1,83,51,570
At March 31, 2018	1,94,38,450	1,17,11,010	5,00,01,000	-	8,11,50,460
Charge For the Year	33,92,113	17,66,710	-	-	51,58,823
At March 31, 2019	2,28,30,563	1,34,77,720	5,00,01,000	-	8,63,09,283
<b>Net Block</b>					
At March 31, 2018	69,76,421	74,45,246	-	-	1,44,21,667
At March 31, 2019	39,49,608	56,78,536	-	-	96,28,144

**12. NON-CURRENT INVESTMENTS**

	Face value Per share/unit	No. of Shares/units	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>Quoted Bonds (fully paid-up)</b>				
National Bank for Agriculture and Rural Development	20,000	1	9,250	9,250
		(1)		
		(A)	9,250	9,250
<b>Non-Trade Investments (valued at cost unless stated otherwise)</b>				
<b>Quoted Equity Shares (fully paid-up)</b>				
Apollo Hospitals Enterprise Limited	5	2,000	24,03,556	24,03,556
		(2,000)		
Asian Paints Limited	1	-	-	50,08,015
		(4,400)		
Bajaj Finserv Limited	5	730	49,86,160	-
		(-)		
Bandhan Bank Limited	10	10,460	49,89,968	-
		(-)		
Britannia Industries Limited (F.V.- P.Y. Rs. 2/-)	1	2,100	49,83,697	49,83,697
		(1,050)		
Divi's Laboratories Limited	2	4,150	49,87,675	-
		(-)		
Godrej Consumer Products Limited	1	-	-	1,00,01,695
		(9,800)		
HDFC Asset Management Company Limited	5	2,800	49,97,220	-
		(-)		

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	Face value Per share/unit	No. of Shares/units	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
HDFC Bank Limited	2	- (5,399)	-	1,00,55,329
HDFC Life Insurance Company Limited	10	39,200 (34,200)	1,75,06,178	1,50,18,336
Housing Development Finance Corporation Limited	2	5,490 (5,490)	1,00,04,977	1,00,04,977
Indusind Bank Limited	10	- (5,866)	-	97,49,707
Info Edge (India) Limited	10	3,100 (-)	50,36,945	-
Jindal Steel & Power Limited	1	20,000 (36,500)	54,99,391	1,00,36,389
Kotak Mahindra Bank Limited	5	9,500 (9,500)	1,00,11,284	1,00,11,284
Kovai Medical Center and Hospital Limited	10	767 (767)	9,80,732	9,80,732
L&T Technology Services Limited	2	- (3,400)	-	49,74,621
Larsen & Toubro Limited	2	- (3,750)	-	50,20,666
Maruti Suzuki India Limited	5	- (1,100)	-	98,79,398
Narayana Hrudayalaya Limited	10	7,000 (7,000)	20,21,949	20,21,949
Orient Electric Limited	1	- (31,000)	-	19,71,553
Page Industries Limited	10	430 (905)	94,68,536	1,99,27,964
Power Grid Corporation of India Limited	10	39,500 (39,500)	75,65,560	75,65,560
Reliance Industries Limited	10	3,220 (21,390)	40,64,019	2,01,42,041
Ramkrishna Forgings Limited	10	4,200 (-)	24,97,198	-
Sreeleathers Limited	10	12,654 (12,654)	25,64,274	25,64,274
SBI Life Insurance Company Limited	10	- (7,200)	-	50,16,020
Sun Pharmaceutical Industries Limited	1	4,870 (-)	22,47,468	-
The New India Assurance Company Limited	5	- (19,150)	-	1,33,78,497
Vodafone Idea Limited	10	100 (-)	3,078	-
		<b>(B)</b>	<b>10,68,19,865</b>	<b>18,07,16,260</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	Face value Per share/unit	No. of Shares/units	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>Quoted Shares (held under PMS A/c with Microsec Wealth Management Limited- MOF)</b>				
Abbott India Limited	10	509	37,51,969	-
		(-)		
Avenue Supermarts Limited	10	2,743	40,12,188	-
		(-)		
Axis Bank Limited	2	3,995	29,93,771	-
		(-)		
Bajaj Finance Limited	2	1,072	30,00,386	-
		(-)		
Bajaj Finserv Limited	5	395	25,68,102	-
		(-)		
Bandhan Bank Limited	10	7,024	36,01,718	-
		(-)		
Britannia Industries Limited	1	1,764	50,61,360	-
		(-)		
City Union Bank Limited	1	7,937	15,05,984	-
		(-)		
Divi's Laboratories Limited	2	3,697	47,51,688	-
		(-)		
Dr. Reddy's Laboratories Limited	5	1,617	40,03,070	-
		(-)		
Havells India Limited	1	6,707	40,03,353	-
		(-)		
IndusInd Bank Limited	10	2,102	35,03,754	-
		(-)		
Kajaria Ceramics Limited	1	5,905	35,03,255	-
		(-)		
Kotak Mahindra Bank Limited	1	2,371	27,47,855	-
		(-)		
Marico Limited	1	10,681	34,75,150	-
		(-)		
Nestle India Limited	10	519	50,58,689	-
		(-)		
Page Industries Limited	10	270	75,73,775	-
		(-)		
Pidilite Industries Limited	1	4,162	42,53,075	-
		(-)		
Reliance Industries Limited	10	5,261	62,11,452	-
		(-)		
Sun Pharmaceutical Industries Limited	1	8,940	48,00,410	-
		(-)		
Supreme Industries Limited	2	1,713	19,96,212	-
		(-)		
The Ramco Cements Limited	1	4,709	30,01,301	-
		(-)		
Torrent Pharmaceuticals Limited	5	1,145	20,19,615	-
		(-)		

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	Face value Per share/unit	No. of Shares/units	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
TTK Prestige Limited	10	232	19,71,384	-
		(-)		
UltraTech Cement Limited	10	1,305	50,04,713	-
		(-)		
VIP Industries Limited	2	5,648	25,04,517	-
		(-)		
<b>Unquoted Overnight Fund (held under PMS A/c with Microsec Wealth Management Limited- MOF)</b>				
SBI Overnight Fund- Direct Plan- Growth	-	493.166	15,06,230	-
		(-)		
		(C)	9,83,84,976	-
		(A+B+C)	20,52,14,091	18,07,25,510
<b>Aggregate Value of Investments</b>				
Quoted			20,37,07,861	18,07,25,510
Unquoted			15,06,230	-
Market value of Quoted Investments			21,54,10,966	17,94,70,787
Aggregate Net Asset Value of Mutual Fund Units			15,25,030	-

	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>13. DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Liability</b>		
<b>Gross Deferred Tax Liability (A)</b>	-	-
<b>Deferred Tax Asset</b>		
Impact of expenditure charged to the Statement of Profit and Loss in the Current Year but allowed for tax purposes on payment basis. Expenses Allowable against taxable income in future years	84,803	73,403
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting.	5,496	4,019
Provision for standard assets	92,391	1,17,111
<b>Gross Deferred Tax Asset (B)</b>	1,82,690	1,94,533
<b>Net Deferred Tax Assets (B-A)</b>	1,82,690	1,94,533

	Non-Current		Current	
	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>14. LOANS AND ADVANCES</b>				
<b>A. Loans</b>				
- Unsecured, considered good	-	-	11,61,39,278	15,12,06,605
<b>Total (A)</b>	-	-	11,61,39,278	15,12,06,605
<b>B. Advances</b>				
(Unsecured, Considered good)				
Capital Advances [Refer Note 31]	82,32,628	1,02,57,159	-	-
Advance against Investment Property [Refer Note 31]	1,22,11,098	1,22,11,098	-	-
Advance Recoverable in cash or kind	-	-	64,75,132	41,57,208
Prepaid Expenses	6,29,735	6,15,317	25,46,541	28,70,673

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	Non-Current		Current	
	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
Deposits with Government Authorities and others	5,80,45,041	62,02,173	7,20,73,142	5,05,32,513
Advance Income tax and Tax Deducted at Source [Net of Provision Rs. 87,58,280 (2017-18: Rs. 76,71,388)]	1,31,30,410	1,30,05,938	1,39,88,903	1,33,47,224
<b>Total (B)</b>	<b>9,22,48,912</b>	<b>4,22,91,685</b>	<b>9,50,83,718</b>	<b>7,09,07,618</b>
<b>Total (A + B)</b>	<b>9,22,48,912</b>	<b>4,22,91,685</b>	<b>21,12,22,996</b>	<b>22,21,14,223</b>

	Non-Current		Current	
	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>15. OTHER ASSETS</b>				
(Unsecured, Considered Good)				
Accrued Interest on Fixed Deposits	-	1,72,420	57,967	25,781
Amount Receivables from Tenant	-	-	1,06,200	-
Accrued Interest on Security Deposit	-	-	50,097	50,640
Incentive Receivable	-	-	3,19,267	2,37,939
	-	1,72,420	5,33,531	3,14,360

<b>16. CURRENT INVESTMENTS</b>	No. of Shares / units	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
(Valued at lower of cost and fair value, unless stated otherwise)			
<b>Unquoted Mutual Funds (Fully Paid)</b>			
Reliance Liquid Fund - Treasury Plan - Growth Plan - Growth Option	- (67,194.86)	-	27,75,13,580
Reliance Liquid Fund- Direct Plan- Growth Plan	24,862.93 (-)	11,08,75,756	-
Union Corporate Bond Fund- Regular Plan- Growth	2,50,000.00 (-)	25,00,000	-
Union Arbitage Fund- Regular Plan- Growth	2,49,990.00 (-)	25,00,000	-
Union Liquid Fund Growth	942.71 (-)	16,75,000	-
Aditya Birla Sun Life Liquid Fund- Regular Plan- Growth	37,675.80 (-)	1,11,75,649	-
HDFC Liquid Fund - Direct Plan - Growth Option	3,062.39 (-)	1,11,75,041	-
		13,99,01,446	27,75,13,580
<b>Aggregate Value of Investments</b>			
Unquoted		13,99,01,446	27,75,13,580
Aggregate Net Asset Value of Mutual Fund Units		14,22,61,463	28,47,03,807





**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	2018-19 Rs.	2017-18 Rs.
<b>20. REVENUE FROM OPERATIONS</b>		
<b>(i) Sale of Traded Goods</b>		
Medicines	2,11,57,17,386	1,30,27,43,843
FMCG Products	13,33,508	15,69,76,493
<b>(A)</b>	<b>2,11,70,50,894</b>	<b>1,45,97,20,336</b>
<b>(ii) Sale of Finished Goods</b>		
Food Products	1,90,02,902	1,62,39,196
<b>(B)</b>	<b>1,90,02,902</b>	<b>1,62,39,196</b>
<b>(iii) Sale of Services</b>		
Laboratory Service	1,02,06,215	-
Technology Support Service	79,80,000	54,15,000
Online Advertisement Campaign	8,27,999	5,75,933
Other Income	7,14,405	6,57,221
<b>(C)</b>	<b>1,97,28,619</b>	<b>66,48,154</b>
<b>(iv) Interest Income</b>		
On Loans	1,37,02,125	1,30,18,570
<b>(D)</b>	<b>1,37,02,125</b>	<b>1,30,18,570</b>
<b>(v) Other Financial Services</b>		
<b>- Stock/Commodity Broking</b>		
Brokerage and Related Income	3,84,294	-
Portfolio Mngement & Custody Fees	5,16,491	-
<b>(E)</b>	<b>9,00,785</b>	<b>-</b>
<b>- Investments</b>		
Profit on Sale of Non-Trade Investments (Net)		
-Long Term	1,20,86,595	6,78,31,063
-Current	11,73,181	-
Dividend from Long Term Non-Trade Investments	16,75,135	22,12,864
<b>(F)</b>	<b>1,49,34,911</b>	<b>7,00,43,927</b>
<b>- Others</b>		
Professional Fees	19,500	2,76,59,130
Miscellaneous Income	-	67,130
<b>(G)</b>	<b>19,500</b>	<b>2,77,26,260</b>
<b>(vi) Consumer Engagement Activity</b>		
<b>(H)</b>	<b>-</b>	<b>11,214</b>
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>2,18,53,39,736</b>	<b>1,59,34,07,657</b>
<b>21. OTHER INCOME</b>		
Interest Income on		
Fixed Deposits	3,74,411	87,38,323
Security Deposit	57,559	56,267
Income Tax Refund	2,03,329	23,98,605
Other Non-Operating Income		
Liabilities no longer required written back	14,39,083	2,55,717
Rental & Office Maintenance Income	8,05,731	8,40,000
Profit on sale of Non-Trade Investments - Current	2,02,42,767	1,36,33,688
Government Grant	7,76,134	2,52,090
Gratuity Provision no longer required written back [Refer Note 33]	20,806	-
Provision for standard assets written back	80,000	-
Profit on sale of Property, Plant & Equipment	68,373	-
Miscellaneous Income	46,722	21,198
<b>Total</b>	<b>2,41,14,915</b>	<b>2,61,95,888</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	<b>2018-19</b> Rs.	<b>2017-18</b> Rs.
<b>22. PURCHASES OF TRADED GOODS</b>		
Medicines	1,72,98,68,934	1,27,82,45,980
FMCG Products	28,58,59,430	16,15,29,563
	<b>2,01,57,28,364</b>	<b>1,43,97,75,543</b>
<b>23. (INCREASE) IN INVENTORY OF TRADED GOODS AND FINISHED GOODS</b>		
Inventories at the beginning of the year		
Traded Goods	26,02,81,558	20,71,18,691
Finished Goods	12,29,635	11,90,544
Inventories at the end of the year [Refer Note 17]		
Traded Goods	29,91,09,440	26,02,81,558
Finished Goods	62,09,083	12,29,635
	<b>(4,38,07,330)</b>	<b>(5,32,01,958)</b>
<b>24. COST OF RAW MATERIALS CONSUMED</b>		
Inventory at the beginning of the year	56,70,184	1,42,88,567
Add : Purchases	2,74,96,917	85,38,039
Less : Inventory at the end of the year [Refer Note 17]	1,01,54,159	56,70,184
	<b>2,30,12,942</b>	<b>1,71,56,422</b>
<b>25. EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Bonus etc.	21,47,85,064	15,13,94,292
Contribution to Provident and other funds	89,14,759	54,87,539
Contribution to Employees' State Insurance	36,83,272	23,38,923
Gratuity expense [Refer Note 33]	41,68,692	3,06,461
Employees' Welfare Expenses	23,79,155	27,68,565
	<b>23,39,30,942</b>	<b>16,22,95,780</b>
<b>26. FINANCE COSTS</b>		
Interest Expense		
On Cash Credit Facilities	1,64,71,693	38,65,691
On Margin from Clients	-	13,47,356
Other Borrowing Costs	2,90,000	-
	<b>1,67,61,693</b>	<b>52,13,047</b>
<b>27. DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation of Property, Plant and Equipment	5,46,84,853	4,96,58,769
Amortisation of Intangible Assets	51,58,823	57,83,192
	<b>5,98,43,676</b>	<b>5,54,41,961</b>
	<b>2018-19</b> Rs.	<b>2017-18</b> Rs.
<b>28. OTHER EXPENSES</b>		
Power and Fuel	1,89,65,018	1,49,91,451
Logistic Expenses	4,11,06,815	2,25,57,183
Testing Charges	4,49,254	1,08,280
Packing Material Consumed	1,89,83,717	96,63,277
Rent [Refer Note 41]	1,55,20,066	44,73,783
Repairs and Maintenance		
Building	16,26,580	21,35,783

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	2018-19 Rs.	2017-18 Rs.
Others	1,19,64,934	1,22,34,654
Advertisement and Publicity	6,91,34,572	1,59,33,485
Business Promotion Expenses	1,71,97,178	1,47,62,877
Server hosting, bandwidth and other data service charges	1,40,07,767	1,16,84,508
Membership Fees and Subscription	13,46,496	47,620
Software Maintenance charges	24,07,544	1,57,326
Depository Transaction charges	17,410	-
Consumer Engagement Expenses	-	6,390
Communication Expenses	23,02,775	27,75,728
Rates and Taxes	32,94,762	25,43,601
Directors Sitting Fee	21,85,600	17,18,825
Insurance Premium	8,67,588	7,98,810
Printing and Stationery	64,64,777	43,87,786
Postage and Courier Expenses	2,47,022	3,79,264
Bank and Demat charges	54,55,272	23,95,497
Travelling and Conveyance	79,82,944	53,19,553
Security Service Charges	62,35,299	56,61,816
Legal and Professional Fees	1,42,94,963	89,56,518
Listing Fees	5,88,600	5,12,125
Interest on Stamp Duty	47,54,083	8,08,514
Bad debts / Irrecoverable advances written off	2,53,246	3,15,900
Loss on sale of Current Investments	-	2,38,499
Service Charges		
- Facility Services, etc.	5,53,33,477	2,96,87,998
Commission and Brokerage	12,46,055	4,58,649
Auditor's Remuneration		
As Auditors		
Audit Fees	17,02,100	14,42,350
Limited Reviews	10,35,000	7,55,000
Tax Audit Fee	65,000	65,450
In other capacities for certificates and other services	2,27,190	2,17,045
Reimbursement of expenses	63,360	55,207
Provision for Standard Assets	-	65,000
Miscellaneous Expenses	26,74,116	34,18,831
Preliminary Expenses	8,82,645	
	<b>33,08,83,225</b>	<b>18,17,34,583</b>
<b>29. (LOSS) PER SHARE</b>		
Basis for calculation of Basic and Diluted Earnings Per Share is as under:		
(Loss) after tax (Rs.)	<b>(38,35,76,451)</b>	<b>(11,88,06,771)</b>
Weighted Average Number of Equity Shares (Nos.)	<b>3,18,10,500</b>	<b>3,18,10,500</b>
Nominal Value of each Equity Share (Rs.)	<b>10.00</b>	<b>10.00</b>
Basic Earnings Per Share (Rs.)	<b>(12.06)</b>	<b>(3.73)</b>
Diluted Earnings Per Share (Rs.)	<b>(11.59)</b>	<b>(3.73)</b>
<b>30. Contingent Liabilities:</b>		
(a) Income tax demand under appeal – Rs.37,89,380 (2017-18: Rs. 82,86,290). The management believe that the Holding Company and its subsidiaries to which the demand relates has a good case for success in this matter and therefore no provision there against is considered necessary.		
(b) Service tax demand under appeal – Rs. 71,34,347 (2017-18: Rs. 71,34,347). The management believe that the Holding Company and its subsidiaries to which the demand relates has a good case for success in this matter and therefore		

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

no provision there against is considered necessary.

- (c) West Bengal Value Added Tax, 2003 Rs. 58,64,390 (2017-18 : Rs. 68,98,342). The management believe that the subsidiaries to which the demand relates has a good case for success in this matter and therefore no provision there against is considered necessary.
- (d) West Bengal Tax on Entry of Goods into Local Areas Act, 2012 Rs. 89,091 (2017-18 : Rs. 89,901). The management believe that the subsidiaries to which the demand relates has a good case for success in this matter and therefore no provision there against is considered necessary.
- (e) Bank Guarantee issued by subsidiary companies in favour of West Bengal State Electricity Distribution Company Limited - Rs. 34,70,800 (2017-18: Rs. 55,69,836).
- (f) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company and its subsidiaries are awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact and consequently no adjustments have been made in the books of account.

**31. Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) – Rs. 2,22,37,987 (2017-18: Rs. 68,07,091).

**32. Fixed Deposits with Banks aggregating to Rs. 8,68,000 (2017-18: Rs. 59,10,975) are pledged as follows:**

Pledged with	As at 31.03.2019	As at 31.03.2018
HDFC Bank Limited (As security against credit facilities/Bank Guarantees)	-	21,00,000
Union Bank of India (As security against Bank Guarantees)	8,68,000	38,10,975
<b>Total</b>	<b>8,68,000</b>	<b>59,10,975</b>

**33. The Group has a defined benefit gratuity plan. Every employee, who has completed five years or more of services, gets a gratuity on departure @ 15 days of last drawn salary for each completed years of service. The scheme is funded with Life Insurance Corporation of India, except in case of few subsidiaries which are unfunded.**

The following tables summarise the components of net benefit expenses recognised in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan.

Particulars	2018-19 Rs.	2017-18 Rs.
(i) <b>Net Employee Expense /(benefit)</b>		
Current service cost	33,48,265	23,51,694
Past service cost	-	27,658
Interest cost on benefit obligation	6,20,747	5,92,421
Expected return on plan assets	2,53,540	1,58,550
Curtailement cost	-	-
Net Actuarial (gain) /loss recognised for the year	4,92,870	(17,54,445)
Settlement Cost	60,456	7,52,317
Total employer expense recognised in Statement of Profit and Loss	41,47,886	3,06,461
(ii) <b>Actual return on plan assets</b>	<b>2,47,631</b>	<b>2,16,506</b>
(iii) <b>Benefit Asset/(Liability)</b>		
Defined benefit obligation	1,20,25,970	84,70,111
Fair value of Plan Assets	35,60,233	33,12,602
Benefit Asset/(Liability)	(84,65,737)	(51,57,509)
(iv) <b>Movement in benefit liability</b>		
Opening defined benefit obligation	84,70,111	1,49,84,296
Transferred on sale of its subsidiary	-	78,58,925

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

	2018-19 Rs.	2017-18 Rs.			
Interest cost	6,20,747	5,92,421			
Current service cost	33,48,265	23,51,694			
Past service cost	-	27,658			
Settlement Cost	6,19,367	19,62,532			
Benefits paid	8,67,630	9,93,481			
Acquisition Adjustment	5,86,883	30,25,469			
Actuarial (gains)/losses on obligation	4,86,961	(16,96,489)			
Closing benefit obligation	1,20,25,970	84,70,111			
(v) <b>Movement in fair value of plan assets</b>					
Opening fair value of plan assets	33,12,602	51,16,151			
Transferred on sale of its subsidiary	-	31,18,872			
Expected Return on plan assets	2,53,540	1,58,550			
Contribution by employer	7,89,740	19,43,465			
Acquisition Adjustment	-	70,943			
Benefits paid	7,89,740	9,15,591			
Actuarial gains/(losses) on plan assets	(5,909)	57,956			
Closing fair value of plan assets	35,60,233	33,12,602			
(vi) <b>Major categories of plan assets as a percentage of the fair value of total plan assets</b>					
Investments in insurance managed fund	100%	100%			
(vii) <b>The principal actuarial assumptions are as follows</b>					
Discount rate	7.37% - 7.71%	7.37% - 7.50%			
Expected rate of return on plan assets	7.37% - 7.70%	7.37% - 7.70%			
Salary increase	6.00%	6.00%			
Withdrawal rates	1% -12%	1% -12%			
(viii) <b>Amount incurred as expense for Defined Contribution plans</b>					
Contribution to Employees Provident Fund and Other Funds	89,14,759	54,87,539			
Contribution to Employees State Insurance	36,83,272	23,38,923			
(ix) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.					
(x) The Overall Exempted rate of return is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.					
(xi) The Group expects to contribute Rs. 34,00,000 (2018-19: Rs. 13,00,000) to Gratuity fund during April 2019 to March 2020.					
(xii)	Year ended March 31, 2019 Rs.	Year ended March 31, 2018 Rs.	Year ended March 31, 2017 Rs.	Year ended March 31, 2016 Rs.	Year ended March 31, 2015 Rs.
<b>Gratuity</b>					
Defined Benefit Obligation	1,20,25,970	84,70,111	1,49,84,296	1,32,87,449	1,38,93,109
Plan Assets	35,60,233	33,12,602	51,16,151	61,47,279	72,38,953
Surplus / ( Deficit )	(84,65,737)	(51,57,509)	(98,68,145)	(71,40,170)	(66,54,156)
Experience adjustments on plan liabilities	(1,09,533)	(11,89,079)	6,72,738	(8,65,578)	(12,07,471)
Experience adjustments on plan assets	(5,752)	69,701	6,349	(21,701)	24,682

The above information is actuarially determined.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****34. Value of imports calculated on CIF basis**

Particulars	2018-19 Rs.	2017-18 Rs.
Traded Goods	-	8,85,546
<b>Total</b>	-	8,85,546

35. Minimum Alternate Tax (MAT) credit entitlement of Rs. 5,48,86,829 (2017-18: Rs. 33,8,64,754) although available as tax credit for set off in future years as per Income Tax Act, 1961, has not been accounted for in view of accounting policy specified in Note 2.1 (xii) herein.

36. Sastasundar Healthbuddy Limited ("the SHL"), subsidiary of the company has executed a Share Subscription Agreement (SSA) on 22nd May, 2017 with Rohto Pharmaceuticals Co., Ltd (ROHTO), a company incorporated in Japan. As per the said SSA, Rohto has acquired 24,35,583 (Nominal value Rs. 10 per share and Security Premium Rs. 122.10 per share) aggregating USD 5 million (Rs. 32.17 crores) which constitute 13.23% of the share capital of SHL on preferential allotment and private placement basis.

SHL and ROHTO have executed a share subscription agreement (The Agreement) on 28th January, 2019. Pursuant to the Agreement the Company and Rohto has subscribed aggregate of 72,000 (Seventy Two Thousand) Cumulative Compulsory Convertible Preference Shares ("CCPS") [each of which has subscribed to 36,000 (Thirty Six Thousand) CCPS] of face value of Rs. 100 per share including Security Premium Rs. 9,691 per share aggregating to USD 10 million (Rs. 70.50 crores) which constitute 3.76% of the share capital of SHL on preferential allotment and private placement basis.

**37. Share Warrants**

On 16th July, 2018, the Happymate Foods Limited (HFL), the Bennett Coleman and Company Limited (BCCL) and the Sastasundar Healthbuddy Limited has executed a Share Cum Warrant Subscription Agreement ("the Warrant Agreement"). In terms of the Warrant Agreement, HFL had issued 100 equity shares of Rs. 10 each and five warrants at a subscription price of Rs 1,00,00,000/- each to BCCL. The Face Value of the warrant is Rs. 10,00,00,000/-. The BCCL shall have the right to subscribe equity shares of HFL with in the period as mentioned in Article 2.3.4 of the Warrant Agreement. The conversion price of the Warrant shall be in accordance with as mentioned in Article 2.3 of the Warrant Agreement.

Happymate Foods Limited has also entered into an Advertisement Agreement with Bennett Coleman and Company Limited for long term credit facility for release of advertisement for an amount Rs. 50,00,00,000/- over a period of five years.

**38. Related Party in terms of Accounting Standard 18 and as per the Companies Act, 2013 are given below:****(a) Name of the related parties and description of their relationship****Key Management Personnel**

Mr. Banwari Lal Mittal (Chairman and Managing Director)

Mr. Ravi Kant Sharma (Managing Director & Chief Executive Officer in Sastasundar Healthbuddy Limited (formerly Microsec Health Buddy Limited))

Mr. Ramesh Kumar Sharma (Whole Time Director in Sastasundar Healthbuddy Limited (formerly Microsec Health Buddy Limited))

Mr. Deepak Kumar Agarwal (Whole time Director in Microsec Wealth Management Limited) (upto 1st March, 2019)

Mr. Naveen Vyas (Whole time Director in Microsec Wealth Management Limited)

Mr. Mahesh Kumar Singhi (Whole time Director in Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited))

Mr. Vinay Khaitan (Whole time Director in Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited))

Mr. Nishi Kant Mehta (Whole time Director in Sastasundar Marketplace Limited (Formerly Sasta Sundar Shop Private Limited))

Mr. Deepak Kumar Agarwal (Chief Financial Officer) (w.e.f, 2nd March, 2019)

Mr. Amrit Daga (Chief Financial Officer) (upto 2nd March, 2019)

Mr. Biplob Kumar Mani (Company Secretary)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

Mr. Abhishek Singhi (Chief Financial Officer in Sastasundar Healthbuddy Limited (formerly Microsec Healthbuddy Limited))

Mr. Pratap Singh (Company Secretary in Sastasundar Healthbuddy Limited (formerly Microsec Healthbuddy Limited))

Mr. Rahul Kumar Singh (Company Secretary in Microsec Wealth Management Limited)

**Enterprises exercising significant influence**

Rohto Pharmaceutical Co., Ltd. (w.e.f. 22nd May, 2017)

**Relatives of Key Management Personnel**

Mrs. Abha Mittal (Wife of Mr. Banwari Lal Mittal)

Mr. Narsingh Mittal (Brother of Mr. Banwari Lal Mittal)

Mr. Sajjan Kumar Sharma (Father of Mr. Ravi Kant Sharma)

Mrs. Bharati Sharma (Wife of Mr. Ravi Kant Sharma)

Mrs. Kanta Devi Sharma (Mother of Mr. Ravi Kant Sharma)

Mr. Arjun Mittal (Brother of Mr. Banwari Lal Mittal)

Mrs. Sushila Devi Khaitan (Sister of Mr. Banwari Lal Mittal)

Mrs. Gomti Devi Mittal (Mother of Mr. Banwari Lal Mittal)

Master Krishna Mittal (Son of Mr. Banwari Lal Mittal)

Mr. Rajiv Sharma (Brother of Mr. Ravi Kant Sharma)

Ms. Saloni Mittal (Daughter of Mr. Banwari Lal Mittal)

Ms. Vidhi Mittal (Daughter of Mr. Banwari Lal Mittal)

**Enterprises on which Key Management Personnel and / or their relative exercise significant influence**

Topview Enclaves LLP

**b) Related party transactions**

(Amount in Rs.)

Particulars	Key Management personnel	Relatives of Key Management personnel	Enterprise in which Management personnel Exercise Significant Influence	Enterprise exercising Significant Influence	Total
<b>Directors' s Remuneration</b>					
Mr. Banwari Lal Mittal	<b>74,03,843</b>	-	-	-	<b>74,03,843</b>
	(59,83,085)	(-)	(-)	(-)	(59,83,085)
Mr. Ravi Kant Sharma	<b>73,81,157</b>	-	-	-	<b>73,81,157</b>
	(59,83,085)	(-)	(-)	(-)	(59,83,085)
Mr. Ramesh Kumar Sharma	<b>19,31,348</b>	-	-	-	<b>19,31,348</b>
	(17,42,822)	(-)	(-)	(-)	(17,42,822)
Mr. Deepak Kumar Agarwal	<b>25,89,022</b>	-	-	-	<b>25,89,022</b>
	(3,65,931)	(-)	(-)	(-)	(3,65,931)
Mr. Naveen Vyas	<b>27,36,633</b>	-	-	-	<b>27,36,633</b>
	(12,67,598)	(-)	(-)	(-)	(12,67,598)
Mr. Mahesh Kumar Singhi	<b>14,93,652</b>	-	-	-	<b>14,93,652</b>
	(12,98,122)	(-)	(-)	(-)	(12,98,122)
Mr. Vinay Khaitan	<b>34,74,792</b>	-	-	-	<b>34,74,792</b>
	(28,71,632)	(-)	(-)	(-)	(28,71,632)
Mr. Nishi Kant Mehta	<b>13,24,256</b>	-	-	-	<b>13,24,256</b>
	(12,11,719)	(-)	(-)	(-)	(12,11,719)
<b>Remuneration</b>					
Mr. Deepak Kumar Agarwal	<b>1,51,304</b>	-	-	-	<b>1,51,304</b>
	(-)	(-)	(-)	(-)	(-)
Mr. Amrit Daga	<b>22,90,267</b>	-	-	-	<b>22,90,267</b>
	(17,74,119)	(-)	(-)	(-)	(17,74,119)
Mr. Biplob Kumar Mani	<b>18,07,984</b>	-	-	-	<b>18,07,984</b>
	(15,32,833)	(-)	(-)	(-)	(15,32,833)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in Rs.)

Particulars	Key Management personnel	Relatives of Key Management personnel	Enterprise in which Management personnel Exercise Significant Influence	Enterprise exercising Significant Influence	Total
Mr. Abhishek Singhi	16,46,934	-	-	-	16,46,934
	(13,85,972)	(-)	(-)	(-)	(13,85,972)
Mr. Pratap Singh	7,52,727	-	-	-	7,52,727
	(5,80,178)	(-)	(-)	(-)	(5,80,178)
Mr. Rahul Kumar Singh	5,38,103	-	-	-	5,38,103
	(1,09,237)	(-)	(-)	(-)	(1,09,237)
<b>Employee Payable</b>					
Mr. Banwari Lal Mittal	5,90,108	-	-	-	5,90,108
	(3,75,724)	(-)	(-)	(-)	(3,75,724)
Mr. Ravi Kant Sharma	2,72,090	-	-	-	2,72,090
	(2,60,711)	(-)	(-)	(-)	(2,60,711)
Mr. Ramesh Kumar Sharma	2,04,309	-	-	-	2,04,309
	(1,26,703)	(-)	(-)	(-)	(1,26,703)
Mr. Mahesh Kumar Singhi	83,134	-	-	-	83,134
	(1,21,500)	(-)	(-)	(-)	(1,21,500)
Mr. Vinay Khaitan	2,27,052	-	-	-	2,27,052
	(3,77,842)	(-)	(-)	(-)	(3,77,842)
Mr. Nishi Kant Mehta	1,04,751	-	-	-	1,04,751
	(1,05,878)	(-)	(-)	(-)	(1,05,878)
Mr. Deepak Kumar Agarwal	58,944	-	-	-	58,944
	(-)	(-)	(-)	(-)	(-)
Mr. Amrit Daga	-	-	-	-	-
	(23,847)	(-)	(-)	(-)	(23,847)
Mr. Biplab Kumar Mani	1,20,472	-	-	-	1,20,472
	(58,911)	(-)	(-)	(-)	(58,911)
Mr. Abhishek Singhi	91,266	-	-	-	91,266
	(78,697)	(-)	(-)	(-)	(78,697)
Mr. Pratap Singh	80,780	-	-	-	80,780
	(54,817)	(-)	(-)	(-)	(54,817)
Mr. Naveen Vyas	1,53,784	-	-	-	1,53,784
	(-)	(-)	(-)	(-)	(-)
Mr. Rahul Kumar Singh	40,150	-	-	-	40,150
	(-)	(-)	(-)	(-)	(-)
<b>Portfolio Management &amp; Custody Fees</b>					
Top View Enclaves LLP	-	-	4,38,508	-	4,38,508
	(-)	(-)	-	(-)	-
<b>Sale of Services</b>					
Mr. Ravi Kant Sharma	2,450	-	-	-	2,450
	(-)	(-)	(-)	(-)	(-)
Mr. Amrit Daga	2,450	-	-	-	2,450
	(-)	(-)	(-)	(-)	(-)
Others	37,921	-	-	-	37,921
	(-)	(-)	(-)	(-)	(-)
<b>Advance Given</b>					
Abhishek Singhi	-	-	-	-	-
	(8,00,000)	(-)	(-)	(-)	(8,00,000)
<b>Refund of Advance Given</b>					
Abhishek Singhi	30,000	-	-	-	30,000
	(2,80,000)	(-)	(-)	(-)	(2,80,000)
<b>Balance Receivable</b>					
Abhishek Singhi	4,90,000	-	-	-	4,90,000
	(5,20,000)	(-)	(-)	(-)	(5,20,000)



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in Rs.)

Particulars	Key Management personnel	Relatives of Key Management personnel	Enterprise in which Management personnel Exercise Significant Influence	Enterprise exercising Significant Influence	Total
<b>Proceeds from Issue of 0.005% Cumulative Compulsory Convertible Preference Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company</b>					
Rohto Pharmaceuticals Co., Ltd	-	-	-	36,00,000	36,00,000
	(-)	(-)	(-)	(-)	(-)
<b>Proceeds from Securities Premium on issue of 0.005% Cumulative Compulsory Convertible Preference Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company</b>					
Rohto Pharmaceuticals Co., Ltd	-	-	-	34,88,76,000	34,88,76,000
	(-)	(-)	(-)	(-)	(-)
<b>Proceeds from Issue of Equity Share Capital in Sastasundar Healthbuddy Limited, a subsidiary company</b>					
Rohto Pharmaceutical Co., Ltd.	-	-	-	-	-
	(-)	(-)	(-)	(2,43,55,830)	(2,43,55,830)
<b>Proceeds from Securities Premium in Sastasundar Healthbuddy Limited, a subsidiary company</b>					
Rohto Pharmaceutical Co., Ltd.	-	-	-	-	-
	(-)	(-)	(-)	(29,73,84,684)	(29,73,84,684)

39. The Company has invested in deep discount bonds redeemable after a period of 20 years issued by another subsidiary company. The company has not accounted for income on such deep discount bonds whereas the investee company has accounted for interest expense in its books. As per policy consistently followed, the company will account for such interest income at the time of redemption of the bonds in their books. However, at the time of consolidation, to follow uniform accounting policies for like transactions, income accrued on such bonds has been duly considered as a consolidated adjustment and eliminated with the corresponding expenses recognised by another subsidiary. The consequential deferred tax liability of Rs. 5,45,92,282 (2017-18: Rs. 4,74,31,795) on such interest income has also been considered in these consolidated financial statements.

**40. Segment Reporting**

The Group has identified the following as business segments :-

- Financial Services** - consists mainly of financing of loans and investment in shares and securities, financial consultancy, professional fees, wealth management, financial planning, distribution and related services.
  - Healthcare Network** - includes activities for pathology and marketing of healthcare products through e-commerce portal www.sastasundar.com, www.retailershakti.com and diagnostic services which consist of pathological / radiological investigations.
  - Food Processing** - includes Own Branded Foods Business.
  - Other Segment** - includes activities under www.foreseegame.com till consolidation of operation with sastasundar.com
- Geographical Segments :- The Company operates in only one geographical segment i.e. 'Within India' and no separate information for geographical segment has been given.

The Company's segment information as at and for the year ended March 31, 2019 are as below:

(Amount in Rs.)

Particulars	Financial Services	Healthcare Network	Food Processing	Other	Total
Segment Revenue	2,95,57,321	2,13,29,55,833	2,28,26,582	-	2,18,53,39,736
	(11,07,88,757)	(1,46,63,68,490)	(1,62,39,196)	(11,214)	(1,59,34,07,657)
Segment Results	93,79,229	(35,84,41,928)	(4,87,93,991)	-	(39,78,56,690)
	(9,55,77,662)	(-22,82,70,615)	(-2,43,29,268)	(-1,25,29,000)	(-16,95,51,221)
Add: Unallocated Income net of unallocated expenses					2,90,42,171
					(4,59,36,733)
Profit / (Loss) Before Tax					(42,68,98,861)
					(-12,36,14,488)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in Rs.)

Particulars	Financial Services	Healthcare Network	Food Processing	Other	Total
Tax Expense					99,58,982 (2,36,76,631)
Profit / (Loss) after Tax					(43,68,57,843) (-14,72,91,119)
Segment Assets	45,62,71,192 (72,69,98,050)	1,22,18,14,551 (1,08,97,23,415)	8,36,93,183 (3,58,92,237)	-	1,76,17,78,926 (1,85,26,13,702)
Unallocated Corporate Assets					51,71,32,648 (50,24,12,864)
Total Assets					2,27,89,11,574 (2,35,50,26,566)
Segment Liabilities	78,06,145 (88,29,578)	16,20,67,360 (13,77,38,164)	4,14,31,096 (16,22,977)	-	21,13,04,601 (14,81,90,719)
Unallocated Corporate Liabilities					6,82,91,485 (17,31,39,516)
Total Liabilities					27,95,96,086 (32,13,30,235)
Capital Expenditure	3,60,131 (1,11,82,140)	3,10,41,413 (3,38,40,907)	29,85,601 -	72,71,268 (3,00,347)	4,16,58,413 (4,53,23,394)
Total Liabilities					4,16,58,413 (4,53,23,394)
Depreciation/Amortization	27,45,445 (24,79,765)	4,01,92,698 (3,20,61,907)	2,03,681 -	1,67,01,852 (2,09,00,289)	5,98,43,676 (5,54,41,961)
Non Cash expenses	- (14,311)	2,23,217 (14,963)	-	30,029 (2,86,626)	2,53,246 (3,15,900)

**41. Operating Lease:**

Sastasundar Healthbuddy Limited (formerly Microsec Health Buddy Limited, a subsidiary Company) has entered into lease transactions for office and warehouse premises etc. These lease agreements are for periods from 1 to 9 years. The office premises are generally rented on cancellable terms with no escalation clause and renewable at the option of the Company. However, the office and warehouse premises has been obtained for a period of 9 years cancellable at the option of the company with an escalation clause of 15% after every 3 years. The operating lease charges for the period amount to Rs. 1,44,98,353 (2017-18: Rs. 44,73,783).

The details of lease payments are as follows:-

Particulars	2018-19 (Rs.)	2017-18 (Rs.)
Within one year	96,00,000	96,00,000
After one year but not more than five years	4,30,52,820	4,14,34,000
More than five years	3,67,23,180	4,79,45,500
<b>Total</b>	<b>8,93,76,000</b>	<b>9,89,79,500</b>

Rent as indicated in Note 28 includes Rs. 16,74,000 (2017-18: Rs. 1,62,000) being the lease rent adjustments considered by the Company in respect of future years rent but accounted for during the year as lease equalisation in terms of an opinion of the Expert Advisory Committee of The Institute of Chartered Accountants of India (ICAI) and Accounting Standard 19 on Lease which requires lease rental to be charged by the Company on straight line basis over the lease term.

- 42.** The Company is a Core Investment Company (CIC) and does not require registration as per notification no. DNBS.PD.CC.No.274/03.02.089/2011-12 dated 11th May, 2012 and which was confirmed by Reserve Bank of India in the letter dated 16th July, 2015. As per the said notification a Company having an asset size of more than Rs. 100 crores and less than Rs. 500 crores and not accessing public funds is exempt from registration as CIC-NDSI with RBI.
- 43.** The Company had entered into a Share Purchase Agreement on April 19, 2016 for sale of its entire shareholding in Microsec Capital Limited (MCL) and its wholly owned subsidiaries Microsec Commerce Limited and Microsec Insurance Brokers Limited. During the financial year 2017-18, all the conditions for execution of the agreement had been complied with and

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019**

the Company had sold its entire shareholding as per the SPA. The effect of the above transaction was considered in the financial year 2017-18 and accordingly, profit of Rs. 6,51,97,345 from sale of Investment of MCL and its subsidiaries which consists of non compete Fees (net of expense) amounting to Rs. 7,24,63,901/- and loss on sale of Investment of Microsec Capital Limited & its wholly owned subsidiaries amounting to Rs. 72,66,556 had been recognised as an exceptional item in the Statement of Profit and Loss of the previous year.

**44. Material Consumed**

Particulars	2018-19		2017-18	
	Amount (Rs.)	%	Amount (Rs.)	%
Imported	-	-	-	-
Indigenous*	2,30,12,942	100	1,71,56,422	100
<b>Total</b>	<b>2,30,12,942</b>	<b>100</b>	<b>1,71,56,422</b>	<b>100</b>

\* Includes innumerable items in respect of which disclosure of quantitative detail is not practical.

**45. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Particulars	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	78,36,957	12,71,886
Interest due on above	Nil	Nil
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
Principal	Nil	Nil
Interest	Nil	Nil
iii) The amount of interest due and payable for the period of delay in making payment (which been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****46 Deferred Tax Asset / (Liability) (Net)**

Particulars	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>Deferred Tax Liability (A)</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting.	1,22,54,364	2,00,37,941
<b>Total (A)</b>	1,22,54,364	2,00,37,941
<b>Deferred Tax Assets (B)</b>		
Provision for Gratuity	17,39,491	14,16,377
Share Issue Expense	23,10,528	38,32,386
Business Loss and Unabsorbed Depreciation	27,77,07,847	29,21,43,790
<b>Total (B)</b>	28,17,57,866	29,73,92,553
<b>Net Deferred Tax Asset (B – A)</b>	26,95,03,502	27,73,54,612
Less : Deferred Tax Asset not recognized	26,95,03,502	27,73,54,612
Net Deferred Tax asset recognized	Nil	Nil

Deferred Tax Asset as above has not been recognized in these accounts in view of the Accounting Policy specified in Note 2.1(xii) above.

47. The Urban Improvement Trust (UIT), Rajasthan has allotted Bharatiya Sanskriti Village Private Limited (BSVPL), subsidiary of the Company, a plot at Resort No. 3 at Tiger Hill, Udaipur for set up resort. As per the lease deed dated 27th July, 2012 executed between UIT and BSVPL, the BSVPL shall within a period of 3 years from 18th April 2012 and after obtaining sanction to the building plan, construct at its own expenses on the Resort plot and complete in a substantial and workman like manner resort building for private dwelling in accordance with the sanction plan and obtain the completion certificate from the UIT. BSVPL vides its letter dated January 23, 2013 and April 26, 2016 has requested the UIT to provide the basic facilities such as availability of water, sewerage, electricity and roads for setup of resort. On the basis of reply received from UIT and considering the current market condition, the BSVPL is studying the feasibility of various mean to plan its future course of action. As per the notification no. F.3(50) UDH/3/2012 dated 31.3.2012 issued by the Government of Rajasthan, "Urban assessment" means annual charges recoverable from the lessee or sub-lessee for the grant of lease hold rights. As per the agreement, the urban assessment is payable before the start of the financial year. The BSVPL has not paid the Urban Assessment for the FY 2017-18 and FY 2018-19. As per the lease deed executed with the Urban Improvement Trust dated 27th July, 2012, all the arrears of Urban assessment and other payments which become due in respect of the Resort Plot shall be recoverable in the same manner as arrears of land revenue.
48. The Urban Improvement Trust (UIT), Rajasthan has allotted Ruchika Advisory Services LLP (Ruchika), subsidiary of the Company, plot at Resort No. 4 at Tiger Hill, Udaipur for set up resort. As per the lease deed dated 27th July, 2012 executed between UIT and Ruchika, the Ruchika shall within a period of 3 years from 30th June, 2011 and after obtaining sanction to the building plan, construct at its own expenses on the Resort plot and complete in a substantial and workman like manner resort building for private dwelling in accordance with the sanction plan and obtain the completion certificate from the UIT. Ruchika vides its letter dated January 23, 2013 and April, 26, 2016 has requested the UIT to provide the basic facilities such as availability of water, sewerage, electricity and roads for setup of resort. On the basis of reply received from UIT and considering the current market condition, the Ruchika is studying the feasibility of various mean to plan its future course of action. As per the notification no. F.3(50) UDH/3/2012 dated 31.3.2012 issued by the Government of Rajasthan, "Urban assessment" means annual charges recoverable from the lessee or sub-lessee for the grant of lease hold rights. As per the agreement, the urban assessment is payable before the start of the financial year. The Ruchika has not paid the Urban Assessment for the FY 2017-18 and FY 2018-19. As per the lease deed executed with the Urban Improvement Trust, all the arrears of Urban assessment and other payments which become due in respect of the Resort Plot shall be recoverable in the same manner as arrears of land revenue.
49. The Scheme of Amalgamation ("the Scheme") of PRP Technologies Limited (PTL), Myjoy Tasty Food Private Limited (MTFPL) and Myjoy Hospitality Private Limited (MHPL) ( the Transferor Companies) with the Company under section 233 of the Companies Act, 2013 and the rules made there under and has been approved by the Central Government through Regional Director, Eastern Region on 9th January, 2018. The appointed date of the said scheme is 1st April, 2016.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2019****50. Additional information in respect of net assets and profit / loss of each entity within the Group and their proportionate share of the totals**

Name of the Entity	As at 31.03.2019		2018-19		As at 31.03.2018		2017-18	
	Net assets i.e. total assets minus total liabilities		Share in Profit or Loss		Net assets i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (Rs.)	As % of consolidated profit or loss	Amount (Rs.)	As % of consolidated net assets	Amount (Rs.)	As % of consolidated profit or loss	Amount (Rs.)
<b>Parent</b>								
Sastasundar Ventures Limited	30.70%	61,38,41,989	-1.40%	(61,15,290)	41.67%	84,75,11,787	24.78%	3,64,92,486
<b>Indian Subsidiaries</b>								
Sastasundar Healthbuddy Limited	29.02%	58,02,84,243	-42.86%	(18,72,37,145)	18.68%	37,98,31,976	-107.38%	(15,81,54,524)
Innogrow Technologies Limited	8.48%	16,94,42,830	-4.56%	(1,99,34,083)	9.42%	19,14,87,015	6.58%	96,96,309
Microsec Resources Private Limited	6.24%	12,47,44,389	1.63%	71,21,748	7.80%	15,86,19,349	13.92%	2,05,10,136
Sastasundar Marketplace Limited (formerly Sasta Sundar Shop Private Limited)	0.56%	1,11,69,110	-32.59%	(14,23,81,978)	0.53%	1,08,64,665	-58.76%	(8,65,42,486)
Genu Path Labs Limited	1.61%	3,21,66,597	-7.57%	(3,30,73,837)	1.42%	2,88,47,502	-0.67%	(9,86,367)
Microsec Wealth Management Limited	2.49%	4,98,18,719	-2.48%	(1,08,15,961)	2.84%	5,77,37,133	-1.54%	(22,62,867)
Retailer Shakti Supply Chain Private Limited (Formerly Brandbuddy Engage Analytics Private Limited)	1.72%	3,44,13,262	0.10%	4,18,960	0.10%	19,86,591	-4.77%	(70,20,191)
Myjoy Technologies Private Limited	1.47%	2,94,81,918	-0.51%	(22,35,537)	1.41%	2,86,58,094	-1.22%	(18,01,685)
Bharatiya Sanskriti Village Private Limited	2.80%	5,60,52,381	-0.83%	(36,05,981)	2.93%	5,96,62,611	-0.68%	(9,94,783)
Happymate Foods Limited	2.56%	5,11,29,575	-9.62%	(4,20,07,699)	0.00%	-	0.00%	-
Microsec Invictus Advisors LLP	6.69%	13,36,80,859	2.36%	1,03,14,381	7.33%	14,90,74,025	32.08%	4,72,53,259
Alokik Advisory Services LLP	0.68%	1,34,98,356	0.00%	(5,239)	0.66%	1,34,88,420	-0.01%	(17,522)
Dreamscape Advisors LLP	0.39%	77,15,204	-0.25%	(11,11,273)	0.40%	81,99,453	-0.70%	(10,25,077)
Ruchika Advisory Services LLP	4.41%	8,82,56,076	-1.34%	(58,45,278)	4.63%	9,40,75,342	-1.77%	(26,01,158)
Stuti Advisory Services LLP	0.17%	34,79,224	-0.07%	(3,14,387)	0.18%	36,52,369	-0.22%	(3,23,999)
Innogrow Partners LLP (w.e.f. 23rd May, 2018)	0.01%	1,40,756	-0.01%	(29,244)	0.00%	-	0.00%	-
Bhavaya Advisory Services LLP	0.00%	-	0.00%	-	0.00%	-	0.34%	5,01,732
Kailashwar Advisory Services LLP	0.00%	-	0.00%	-	0.00%	-	-0.01%	(14,382)
<b>Total</b>	<b>100.00%</b>	<b>1,99,93,15,488</b>	<b>100.00%</b>	<b>(43,68,57,843)</b>	<b>100.00%</b>	<b>2,03,36,96,331</b>	<b>100.00%</b>	<b>(14,72,91,119)</b>
Minority Interests in a subsidiary		57,84,99,836		(5,32,81,392)		27,93,04,228		(2,84,84,348)

51. Previous year's figures including those in brackets have been regrouped and / or reclassified to confirm to this year's classification.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

**For Singhi & Co.**

**Firm Registration No: 302049E**

**Chartered Accountants**

**Anurag Singhi**

**Partner**

**Membership No. 066274**

**Place : Kolkata**

**Date : 22nd May, 2019**

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

**Banwari Lal Mittal**

**Chairman & Managing Director**

**DIN : 00365809**

**Deepak Kumar Agarwal**

**Chief Financial Officer**

**Ravi Kant Sharma**

**Director**

**DIN : 00364066**

**Biplab Kumar Mani**

**Company Secretary**

**M. No.- ACS19883**





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Premises no 16-315,  
Plot no DH 6/32  
Action Area -1D  
Newtown, Rajarhat  
Kolkata 700156  
Tel: 91 33 6651 2100

#### **Registered Office**

Azimganj House, 2nd Floor  
7, Abanindra Nath Thakur Sarani  
(Formerly Camac Street)  
Kolkata - 700 017  
Tel: 91 33 2282 9330

#### **Area Logistic Centre - Kolkata**

Purba Salepur  
Dr. Narman Bethun Sarani  
P.O:- Baruipur, Kolkata- 700144  
South 24 Parganas, West Bengal  
Tel: 91 33 7180 0900



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